

Centre For Health Economics Seminar Series 2018

NEIGHBOURHOOD ETHNIC DIVERSITY AND MENTAL HEALTH IN AUSTRALIA

Presenter: Professor Lisa Farrell, RMIT University
Date: Wednesday 10th October
Time: 12.00pm - 1.00pm
Venue: RB Scotton Room
Centre for Health Economics



Abstract

We present the first study that empirically examines the effects of neighbourhood ethnic diversity on mental health. Using 16 waves of longitudinal data from the *Household, Income and Labour Dynamics in Australia (HILDA)* survey, we find that ethnic diversity is negatively associated with mental health. Our preferred estimates, using lagged ethnic diversity at the state level to instrument for neighbourhood ethnic diversity, suggest that a standard deviation increase in ethnic diversity is associated with a decline of 0.129 standard deviations in mental health. This result is robust to alternative estimation approaches to addressing endogeneity of ethnic diversity, alternative ways of measuring ethnic diversity and irrespective of whether mental health is measured with the Mental Health Inventory (MHI) scale or the Kessler Psychological Distress Scale (K10). We further find that ethnic diversity influences mental health through the level of neighbourhood trust. Our findings point to the need to develop policies that promote social inclusion in multicultural societies and build trust between heterogeneous ethnic groups as a vehicle to improve mental health

Presenter

Lisa's research interests lie in the area of Health Economics and Economic Psychology: specifically in relation to risky health behaviours (gambling, smoking and drinking) and behavioural economics (understanding and modelling addiction and the effects of psychology/ personality on economic decisions). Lisa has published extensively in International A* and A ranked journals which include the *American Economic Review*. Her external engagement includes: being an Editorial Board Member for the *Economic Record* and the *Journal of Gambling Business*, Chief Examiner Economics and Markets, Foundation Studies for Chartered Professional Accountants (CPA) Australian, 2011 -2016 (and continuing support for this program) and Excellence in Research Australia (ERA) Social and Economic Behaviour (SBE) panel member August –Dec 2010. In her current role as Professor of Economics within the School of Economics, Finance and Marketing at RMIT University Lisa acts as the Deputy Head of School (Research and Innovation) and is Director of Markets, Culture and Behaviour Priority Research Area of the College of Business.

VISITORS ARE MOST WELCOME

The Seminar Series is free of charge. For further information please phone 9905 0733 or email

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