Unemployment and health

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Health benefits vary according to the method of reducing unemployment

The best guides we have to the possible future effects of mass unemployment are studies of previous epidemics. In men who had been continuously employed for at least five years in the late 1970s, mortality doubled in the five years after redundancy for those aged 40-59 in 1980. Adjustment for socioeconomic variables, previous health related behaviours, and other health indicators had almost no effect on this increase. The increased risk of mortality after redundancy tends to be greater in men than in women because men are generally affected more from a prevailing belief that when things go wrong no one will be there to help.

The detrimental effects of unemployment were widely recognised after the great depression of the 1930s. However, by the early 1980s unemployment became viewed, as it was by some in the very early 1930s, as a "price worth paying." We learnt through bitter experience again that it was not. By 2009 even the leader of the British Conservative Party argued that "Unemployment is never a price worth paying and we need to take very big, bold and radical steps to help unemployed people back to work."

Research into mass unemployment during the early 1990s in the United Kingdom found that people in secure employment recovered more quickly from illness. In contrast, unemployment increased the chance of being ill, especially for those who had never worked or had had poorly paid jobs. Unemployment increases rates of depression, particularly in the young—who form most of the group who have never worked and who are usually most badly hit when jobs are few. Parasuicide rates in young men who are unemployed are 9.5-25 times higher than in employed young men.

In the UK, we know much about the detrimental health effects of unemployment and some of the methods used to alleviate it because the 1981 and 1991 censuses were taken during periods of mass unemployment, and because 1% of these census populations were studied longitudinally. For young people there is a continuum of health damaging states from being unemployed at one extreme to being placed on what were called youth opportunity programmes in the 1980s, to having a paid apprenticeship, to having a secure job, to being in college.

Youth opportunity-type schemes are almost as detrimental to psychological good health as is unemployment itself. Temporary employment is slightly better but not as good as a properly rewarded and organised apprenticeship. Secure work is better than all these options, but the best option for men and women aged 16-24 in the 1980s and 1990s was going to college, because factors associated with going to college were associated with lower suicide risks by the 1990s.
The direct effect of reducing unemployment has been estimated to prevent up to 2500 premature deaths a year, but the indirect effects of being employed are thought to be far greater. Without the constant presence of unemployment income inequalities tend to fall because people simply walk out of poorly paid work when they are poorly treated.

Work for the dole schemes were tried in the 1980s with detrimental effect. In recent times of mass unemployment with rising inequality, poorly paid work has become relatively more demeaning. The modern equivalent to the New Deal—the programmes through which America spent its way out of depression in the 1930s—would be to offer young adults a degree of government commitment that was comparable in sentiment but updated in real terms: good quality apprenticeships, permanent public funded jobs, and more highly valued education.

The most highly valued education is university education. The figure shows the year on year change in the proportion of 18 and 19 years olds going to university in the UK between 1995 and 2005 plotted against the year on year change of the size of the young cohort, both expressed as proportional changes (M Corver, personal communication, 2009). The figure shows that in 1997 UK universities coped with a sudden 9% increase in potential student numbers caused by a rapid increase in demand. There was only a small 1% fall in the proportion of young people going to university despite the large increase in the population aged 18 and 19 (because of the spike in births before the early 1980s recession). In 1997 the national number of university entrants thus increased by more than 8%.

Logistically, assuming that funding is available and students attain the required academic standards, university intakes could rise again by 8% in a single year if they had to. If this rise is combined with the anticipated 2% drop in the current size of the birth cohort, the proportion of young people going to university (around 30%) could increase by up to 10%—that is, around three extra young people in every 100 could go to university in a single summer. However, the figure also shows that when numbers of 18 and 19 year olds decline, national university student intake is usually held constant, not increased. Just as in the 1930s,
radical measures like this would face great initial opposition. It was more than four years after the 1929 crash that the New Deal began to be implemented in the United States.

If three extra young people per 100 this summer go to university and are out of the job market, another three people could fill those jobs that the first three might have taken, another three percentage points come off the dole queue and fewer youngsters compete with older workers who have recently been made redundant. More importantly, this approach recognises that unemployment is bad for health, and that the best way of alleviating it is to show faith in and respect for the young, because they are always worst hit by unemployment. More education does not need to mean more debt. It is just a question of priorities and recognising when the time is right for someone to be there to help.

References


