WORK AND DIGITALISATION 01.07.2021 | Kate Pickett

How unemployment kills

The pandemic has once more shown that the connection between economic hardship and unemployment has a direct effect on people's health

A recent article in the *Guardian* by a financial adviser recommended setting up several bank accounts for one's personal finances. The advice — all sensible — was to help people manage their cash-flow within their budget. By using six accounts, with chains of direct debits between them, readers were advised that they could ensure they allocated sufficient money for personal expenditures, savings and emergencies.

What a luxury, however, to be in such privileged circumstances! Although on average in 2020 residents of the United Kingdom had savings of £6,757 (about €7,800), about a third had less than £600 (€700) and almost one in ten had none at all. Before the pandemic, nearly a third of Europeans had zero savings and a third of those who had something set by couldn't live on that for longer than three months.

Just about managing

Across many of the richest countries in the world, in other words, a staggering proportion of people are teetering on a financial cliff-edge. They have just enough but no more, and can only dream of being able to set aside money regularly for 'savings goals' or planning a 'journey to personal financial freedom'.

During Theresa May's 2016-19 premiership, UK Conservatives coined the graceless label 'JAMs' for such people — the 'just about managing'. They were those who earned enough to get by but had no financial buffer, no capacity to cope with unexpected expenses or loss of income. The 'JAMs' became a focus of political discussion and media debate but they were never actually targeted by serious policy efforts — such as addressing unaffordable housing.

How much does this really matter? If people aren't poor or destitute, if they are neither homeless nor food insecure, does it matter if they don't

have money for extras or to save for a rainy day?

It matters a lot.

Unemployment and health

Back in the 1980s in Britain, as unemployment rose under Margaret Thatcher's Tory governments, researchers struggled to find evidence that losing their job affected people's mental or physical health — even though they were sure that it must do and research did show that unemployed people had worse health. The problem was that those findings might be explained by selection bias: people who were already sick could be the most likely to lose their jobs, so it wasn't clear which way round the causation was running.

Seeking to overcome these difficulties, a family doctor in Wiltshire, concerned about the negative effect on his patients of the local meat-processing factory closing down, examined medical records for the workers before, as well as after, the factory closed. For more than two centuries, it had been the largest employer in the English town — a source of stable and secure employment — but in the two years before it finally closed some departments had already been shut down, some workers had been made redundant and the remaining workforce had been told that the factory was in jeopardy.

It turned out that precarity — not simply worklessness — was really bad for health, and many studies since have confirmed the finding.

Although the doctor had been worried about the medical impact of becoming unemployed, what he and his statistician colleague uncovered was a significant increase in illness for workers and their families during the years of job insecurity, two years before jobs were lost, when workers began to worry about their economic futures. It turned out that precarity — not simply worklessness — was really bad for health, and many studies since have confirmed the finding.

Our flight-or-fight response is how our bodies react to a sudden, acute threat or stressor and it can get us out of immediate danger. But when we live in state of constant threat, it takes a serious toll on our physical health as well as our mental wellbeing. The biologist Robert Sapolsky explains it beautifully: 'If you're running from a lion, your blood pressure is 180 over 120. But you're not suffering from high blood pressure — you're saving your life. Have this same thing happen when you're stuck in traffic, and you're not saving your life. Instead you are suffering from

stress-induced hypertension.'

Chronic stress — even at low levels — affects every system, from our brains to our circulatory, immune and hormonal systems, even our reproductive organs. Chronic stress wears us down and wears us out.

The consequence of the pandemic

As financial insecurity and precariousness is directly damaging to health, we are only beginning to understand the implications of the pandemic for the public's health and reckoning with the toll Covid-19 has taken — even on those who have not been infected. In the family research studies I collaborate with in the city of Bradford, in the north of England, we have found a doubling of anxiety and depression among parents over pre-pandemic levels.

The UK government instituted a 'furlough' for many workers, to protect jobs and incomes during the pandemic. The scheme, which pays up to 80 per cent of wages for employees who cannot work as a result, has provided incomes for up to 10 million people and has been extended to this September. Other schemes give income support to the self-employed, to small-business owners or to those who are working but have to take time off to self-isolate.

he short- and long-term health consequences, perhaps particularly for mental health, mean that the burden of the coronavirus on the health and social care services will outlast, and may dwarf, the effects of infection.

The straits we would be in now if we hadn't had these income protections are unimaginable. But for all the people who were just getting by before — all those 'JAMs' — 80 per cent of just about enough is not enough. For many of our study families in Bradford, any change in income was a serious concern.

For households already reliant on credit cards, loans and overdrafts to get by, furlough pushed many deeper into debt. The short- and long-term health consequences, perhaps particularly for mental health, mean that the burden of the coronavirus on the health and social care services will outlast, and may dwarf, the effects of infection.

Low and inadequate pay has always been a concern in some sectors, including hospitality, retail and caring, as well as for many other groups we now recognise as 'key workers'. Zero-hours contracts are on the rise,

in particular for the lowest paid. By the end of 2021, up to a million Britons will have jobs with the same kind of precarity that caused ill-health for the sausage-factory workers threatened with job loss in the 1980s.

The job insecurity the pandemic imposed was a pre-pandemic reality for far too many people. So even when things get back to 'normal', access to good jobs and decent pay will be still out of reach for them.

Just about managing, just getting by, is just not good enough.

The pandemic has highlighted so much that is wrong and unveiled so many pre-existing problems — from ethnic and socio-economic health inequalities to weaknesses within our disaster preparedness. But will increased scrutiny and public concern translate into politics and policy that will significantly reduce the chronic stress which is such a dominant and damaging feature of our societies? That's yet to be seen.

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