ICLS Occasional Paper 5.1
Longitudinal data, unemployment and health,
Mel Bartley ICLS and UCL

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This is one of four / five papers presented at the NatCen/ ICLS/ESRC Policy seminar on Unemployment, Recession and Health hosted at UCL in December 2010. Detail of the other papers can be found at the end of this document or on the ICLS website.
Longitudinal Data, Unemployment and Health

Matt Barnes from Nat Cen is unable to present the research on ‘Social impact of unemployment’ today. This paper will be made available to you at a later date. In true ‘Blue Peter’ style I will present instead data prepared earlier, on the 80’s recession using longitudinal data from the 1958 birth cohort.

Slide 1-2

This is an example of the sort of work that can be done with longitudinal data. What I’m going to show you here all comes from the 1958 birth cohort study. This was about 15,000 people who were all born in the same week of 1958 and who were at the beginning of their working lives when the 1981 recession hit them (Slide 2). This research I carried out with Scott Montgomery, Mike Wadsworth, and Derek Cook some years ago now has suddenly become relevant again. It looks at the longer term implications of a spell of unemployment, a long spell of unemployment for these young people.

One of the first points I want to make is about the wider impact of unemployment. This is ordinary cross-sectional data from a labour force survey. Here’s your recession of 1981 (see slide right). This is men only, of working age. Here is your increase in unemployment (blue line). There is your decrease in unemployment as that recession ended. Here is your increase as the 90s recession, but then going back down again. Okay.
But when you think about the long term effects of a recession which is what Matt Barnes (OP5.5) would have been talking about, look what happens to people in the Permanently Sick group. These are economically inactive men, men of a working age who are not looking for a job at all, the majority of whom will have been inactive due to health problems. This did not go down when the recession of the 90s finished but continued to go up and … Actually this data only goes up to 2008 but it’s about the same now.

**Slide 3**

At the population level one of the things you need to remember is that all the impact of unemployment is not reflected in unemployment figures and not even in figures which Matt Barnes (OP5.5) would have shown which show that people who lose their job are more likely to have their marriage break down and stop voting and lose their home, for example. We have so many debates about whether or not there is something wrong with unemployed people in the first place. If you look at individual level and you said - this is a pathbreaking study that Richard Bartholmew did - you look at unemployed people and you find oh, actually, yes, their mental health is not so good, their physical health is not so good as people who are employed.

**Unemployment in the life course**

- Health at any single time point is in part a result of social conditions before
- Low income, bad working conditions, and job insecurity tend to go together

**Slide 4**

In the 1980s what we were told from one side of the debate was that well, the unemployed people were ill already. We could show by various means that they were not ill already but health at any single time point is partly a result of what’s happened before. Now thirty years on we have longitudinal data where we can look at this more closely. Somebody

- Poorer parents
- More crowded homes
- Have done less well at school
- More behavioural problems at school

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who you find on a certain day unemployed is more likely than average to have had low income, bad working conditions, and a less, obviously a less secure job. But what we also found out from the birth cohort data was that people who experience a lot of unemployment during the 1980s also tended to have had poor parents, to come from more crowded homes, to have done less well in school partly because of these two, and to have had more behavioural problems at school. They weren’t ill but they were people who … They weren’t ill in the first place but they were people who had a more disadvantaged life course.

Slide 5

That’s just to give you an example. This slide shows the father’s social class at birth. This is the least advantaged social class (V) and that is the most advantaged (I - II). And the risk of having a long period of unemployment is five times greater in people whose fathers were members of the least advantaged social class. And part of the reasons for this was because crowding, education, the things that I spoke about to you before. But even when you take account of the fact that people from poorer homes, and also in those days they tended to be shorter which was very important to the medics, this is no longer the case. But you adjust for all those things and it is still about nearly three times more likely to have a long spell of unemployment in the 1980s when they were going between the ages of 21 and 31.

Slide 6

This long term kick-on effect of unemployment, the ‘scarring effect’ as it’s called, also works going forward, independently of all these previous disadvantages.

We wanted to see does it have an additional effect on what happens to people later on in life? So we examined the
“effect”, I put that in quotes because we’re not in a position to talk about causality but between the years 1974 when they entered the labour market, this cohort, and 1985 when they were 27 on their social circumstances at age 33. And we took out anybody who since 1985 had been unemployed or in unstable work. Because obviously if you want to look at “does a spell of unemployment pull down your income ten years later or twenty years later”, you don’t want to look at people who are still unemployed because that’s kind of a silly thing to do, that’s tautological.

**Slide 7**

A measure of what we call low socio-economic attainment by the age of 33 was developed. And people who had low socio-economic attainment were in the bottom two fifths of the income distribution, they were not owning or buying their home by the age of 33 and they were not in what we call a career type job, they were not in the sort of job that is associated with a career and doing better as you go along in life. And we developed a score here from zero (low) to three (high).

**An ESRC Research Centre**

Unemployment lowers social and economic attainment regardless of early life factors

**Measure of low socio-economic attainment at age 33**

- Bottom 2/5 income distribution;
- Not owning or buying own home at age 33.
- Not in a ‘career’-type job

- TOTAL
- “Socio-economic attainment score”
- Scored 0 (low) to 3 (high).

**Slide 8**

This slide is the proportion with the lowest socio-economic attainment. What we found for example, this is just to give you two examples: If you divide them into a group who had A-levels or degrees, and a group who had O-level or less and you look at how likely it is that they would have the lowest socio-economic attainment, not having any of those three advantages by the age of 33, those with more than a year’s unemployment who had A-levels or degrees were doing just as badly as those who had O-level or less and no unemployment. So that the effect of having
that much unemployment on this intellectually advantaged group was to pull them down to the same likelihood of having high socio-economic attainment by the age of 33 as if they had never done A-levels or a degree at all. Obviously people who have a combined disadvantage of no qualifications or only low qualifications plus more than a year’s unemployment, 35% of those were in this less favourable group which is not too surprising.

Slide 9

Here is something which surprised me even more: We divided our cohort members, these are all men, because women have much more complex issues, into the top fifth of the IQ distribution and the rest. What we found was that for those who had more than a year’s unemployment their likelihood of having low socio-economic attainment by the age of 33 wasn’t much different to those in the lower IQ group who had no unemployment. So there again you can see if you like the scarring effect of unemployment, even on the people who are in the top measured ability group of this cohort.

Slide 10

Finally I just want to show you something about health behaviour. We did a “good health score”. To have a normal weight for your height at age 33, to do vigorous exercise at least once a week, to eat fresh fruit more than once a week – that’s very conservative, you wouldn’t say that now but this research we did this is in 1992/3 – and not smoking. So you have a range from zero to four and zero score are the people with the worst behaviour and three and four were the ones who had the most healthy behaviour. And you can imagine what I’m going to do now.
Slide 11

I’m going to divide them up in the same sort of way. So here were the young men at the top fifth of IQ (left graph) and here are the ones in the bottom (right graph). I think at this point we put them in the bottom fifth actually. So this is the top fifth, the bottom fifth. And the proportion with the riskiest health behaviour, zero, no good health points at all, in the top IQ group was twenty per cent and in the bottom IQ, if they had more than three years of unemployment because the very long term unemployment had the big effect here, theirs was no better than those with no unemployment who were in the bottom group of IQ.

Slide 12

And similarly if we look at father’s social class at birth you can see the same sort of thing. Here they are, non manual fathers, fathers in professional and managerial groups, if they had more than three years unemployment their likelihood of the riskiest health behaviour wasn’t much different to those who came from manual classes with no unemployment.

And from this you could see it’s conducive to good health behaviour to be employed. Even in people who have an earlier, a less advantaged life course, you could say in a sense a stable employment history is a source of resilience. My colleague Noriko Cable - who is here today - has pointed it out in the other way. She’s repeated the analysis or she’s done her own analysis on the 1970 cohort, younger cohort, and what she points out is that not having any unemployment, having a secure job is conducive to good mental health.
So we can conclude that large amounts of unemployment during this period of the 1980s recession had pretty serious implications even for those young men with a more favourable start in life. Unemployment tended to cluster with other disadvantages, both in the short term and in the very long term over the whole life course. It may also tend to amplify the effect of other disadvantages. So what you cannot show in a graph like that i.e. Slide 2, is that if you come from a less advantaged background you’re actually more likely to have unemployment. And from the policy point of view we went around giving talks on this for a while. We thought it’s not enough just to say somebody loses their income so you make up their income. Because what needs to be made up, and I think this is much more acknowledged now, you need to make up all that previous disadvantage that they’ve suffered if someone is going to fit well back into the labour force and become a productive member of society again. It’s not enough just to say okay, we give you a minimum income. Actually people need education, training, possibly forms of counselling, health education and so on and so forth. **Springboards are more effective than safety nets.**

And that is just to remind people what our centre does. And I’m glad to take questions about this presentation.

**Conclusions**

- Larger amounts of unemployment during 1980-1985 had serious implications even for those with more favourable start in life
- Unemployment tends to cluster with other disadvantages
- It may tend to amplify the effects of other disadvantages
- ‘Springboards’ may be more effective than ‘safety nets’
In December 2010 ICLS hosted a policy seminar on ‘Unemployment, Recession and Health’ at UCL. The seminar was chaired by Richard Bartholomew, Chief Research Officer, Children, Young People and Families Directorate, Department for Education. Transcripts from this event, including this paper, have been made available via the ICLS Occasional Paper Series for those who were not able to attend the event or for those who might want to read the material covered in the seminar. See below for full list of papers from this event.

Abstract

Will the present recession deal any more than a passing blow to some people’s living standards? Or will the attention of the Health Service, marriage counsellors, child psychologists and the health and Safety Executive, amongst others, be needed to protect individuals? These questions are sometime overlooked in the tendency to see recession as a purely economic phenomenon. But the idea that unemployment has wider ranging effects on individual and community well-being is not new. In the 1930s there were pioneering studies reporting poorer mental health, and higher levels of TB and rheumatic fever in areas of the UK and Austria worst affected by the economic crisis of that time. In the 1980s in Britain, public health scientists found increased risks of suicide and heart disease among unemployed men and women. In both periods, researchers came up against strong political opposition to their findings. Our workshop will present some results of studies being carried out at the National Centre for Social Research and the ESRC International Centre for Life Course Studies using the most up-to-date survey data and methods. These studies throw light on what are likely to be the wider health and social implications of the presently ongoing recession for individuals and families.

Presentation / Speakers:

- OP5.1 Unemployment, Recession and Health – Mel Bartley, ICLS & UCL replacing, OP5.5 Social impacts of recession. Matt Barnes, NatCen
- OP5.2 The effects of joblessness and insecure employment on psychological wellbeing. Ellen Flint, ICLS
- OP 5.3 Unemployment, permanent sickness and mortality risk in early old age. Bola Akinwale, Imperial College
- OP 5.4 The effect of the recession on work stress. Tarani Chandola, ICLS

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