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**Reversing the Negative Experience of Unemployment: A
Mediating Role for Social Policies?**

Dr Daniel Sage

Senior Lecturer in Social Sciences

Department of Social Sciences, Edge Hill University

Ormskirk

Lancashire L39 4QP

Tel: 07403 258175

E-mail: daniel.sage@edgehill.ac.uk

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Abstract

This paper examines why unemployment is often experienced in a profoundly negative way and explores the potentially mediating role of social policies. Three dominant theories of unemployment are described, which are often treated as competing, mutually exclusive explanations of the deleterious effects of unemployment. Subsequently, and through drawing upon a qualitative study of unemployed people, it is argued that all three theories are of worth and can be synthesized into a broader explanation of the experience of unemployment as an overarching process of loss. Three forms of loss are identified: loss of agency, loss of the functions of paid work and loss of social status. The paper then explores how these forms of loss can be both ameliorated and intensified through social policy interventions. Concluding, it offers policy recommendations to increase the efficacy of social policies in reversing the negative experience of unemployment, with the conclusion that this will require significant reform of the UK welfare state.

Keywords: unemployment; active labour market programmes; wellbeing; welfare-to-work; Work Programme.

Introduction

The negative health and social impact of unemployment has been extensively documented and is one of the most universal findings in social science, demonstrated across a wide variety of welfare states. Unemployment was first explored in significant depth during the Great Depression, when influential studies such as *The Unemployed Man* (Bakke 1933) and *Marienthal* (Jahoda et al. 1971) examined the negative social effects of job loss. After the post-war 'golden age' of full employment and welfare state expansion, the return of mass unemployment in the 1970s and 1980s led to a new era for unemployment research, with a focus on its impact on health, wellbeing and social capital.

The empirical evidence base on the effects of unemployment is vast and expands across the social sciences. Yet, despite the number of empirical studies, there have only been three significant attempts at constructing a theory of why unemployment has profound and consistently negative social effects. These are Jahoda's (1982) latent deprivation theory, Fryer's (1986) agency restriction model and Ezzy's (1993) concept of status passage. These theories have often been treated as competing explanations and many studies of unemployment have not sought to build on or synthesize these explanations into a more convincing and comprehensive theory of the experience of job loss. This has had an impact on research into how social policies can mitigate the effects of unemployment. With the absence of a more comprehensive understanding of unemployment, policy recommendations have been thin-on-the-ground and, when advanced, have tended to rely on the most popular explanation – Jahoda's – to support guaranteed jobs schemes or welfare-to-work programmes that 'mimic' the environment of employment.

This paper addresses these limitations in the theoretical understanding of unemployment by bringing together existing theories in order to develop a new explanation of the lived experience of unemployment. To support this, findings from a qualitative study of unemployed participants on UK welfare-to-work programmes are reported. The objective of the paper is two-fold. First, to illustrate how individuals' experiences of unemployment necessitates the construction a broader model of unemployment. Second, to explore what this model reveals about how social policy interventions interact with unemployment. Based on this model and the evidence presented, policy implications are discussed.

Unemployment: Effects, Theories and Policy Implications

Effects

Unemployment has well-established social effects, most notably related to health and wellbeing. Compared to employed people, the unemployed are more psychologically distressed (Clark and Oswald 1994; Thomas et al. 2005) and tend to experience a 'scarring effect' of job loss, whereby unemployment causes a permanent decline in life satisfaction (Lucas et al. 2004). A similar scarring effect has been found for physical health (Bartley and Plewis 2002) and unemployment is also linked to suicide (Stuckler et al. 2009), substance use (Kalousova 2014) and self-harm (Keefe et al. 2002). This relationship is confirmed in numerous meta-analyses (Murphy and Athansou 1999; McKee-Ryan et al. 2005; Paul and Moser 2009) and is, importantly, often found to be causal, with unemployment leading to negative effects rather than the unemployed being predisposed to such problems in the first place (Kasl et al. 1975; Bartley 1994; Morris et al. 1994; Montgomery et al. 1999; Korpi 2001; Daly and Delaney 2013; Arcaya et al. 2014). Evidence suggests that the causal pathway that

leads from unemployment to health and social problems is both material and psychosocial, with non-economic, social factors crucial to explaining why unemployment is harmful irrespective of income (Harpaz 1989; Evans and Haworth 1991; Gallie and Vogler 1994; Winkelmann and Winkelmann 1998; Nordenmark and Strandh 1999; Creed and Macintyre 2001).

Theories

The conclusion from the above evidence base is three-fold. First, there is a robust and consistent association between unemployment and a range of deleterious health and social outcomes in many countries. Second, there is strong evidence that this is a causal relationship; many unemployed people are not predisposed to poor health or low wellbeing but experience them as a consequence of losing paid work. Third, these causal effects materialize through both economic and social pathways; unemployment hurts because of low income but also has an effect once economic conditions are controlled for. The logical conclusion of these findings is that there is something uniquely damaging about the social environment of unemployment, above and beyond its association with poverty.

Attempts to theorize about this environment are limited to three influential accounts. The first and most well-known explanation is Jahoda's (1982) theory of latent deprivation, which hypothesizes that employment fulfils two sets of 'needs'. The first are 'manifest functions': the explicit material benefits of paid work such as income, sick pay and paid parental leave. The second are 'latent functions', which Jahoda defines as the positive side effects of paid work that are conducive to wellbeing: (1) time structure; (2) social activity; (3) collective

endeavour; (4) regular activity; and (5) status and identity. Jahoda's fundamental contention was that in industrialized societies, employment is the dominant institution for fulfilling these needs. Thus, unemployment is an environment that deprives individuals of these needs by excluding them from the institution that most effectively fulfils them, resulting in harmful effects.

The second most influential account is Fryer's (1986) critique of Jahoda: the 'agency restriction' model. This explanation contests that Jahoda conceptualizes the unemployed as passive actors who respond mechanistically to social structures beyond their control, as opposed to reacting to and perceiving unemployment themselves. Fryer challenges this view, arguing alternatively that unemployment hurts because of the constraints it places on personal agency, planning and autonomy. Whilst some unemployed people are able to maintain their roles as "active social agents" against the odds (Fryer and Payne 1986), Fryer argues that most unemployed people find it hard to maintain and exercise a sense of agency and power.

The third and final influential account is Ezzy's (1993) concept of 'status passage': a sociological critique of Jahoda, with Ezzy (1993: 44) arguing that Jahoda ignored the "interpretative process of individuals undergoing the experience of becoming unemployed". In contrast to Jahoda, Ezzy emphasizes the meanings that unemployed people attribute to employment and unemployment. Rather than the objective day-to-day experience of unemployment, as suggested by Jahoda, Ezzy contends that it is these meanings, and the social statuses constructed around them, that create the harmful social environment of unemployment. According to Ezzy then, unemployment is not an inherently unpleasant experience: it is made and constructed as unpleasant by the social meanings attached to it. Ezzy advances his argument by describing the transition to unemployment as part of a 'status

passage' in which individuals move from a valued position in the social structure – “worker” – to an unvalued one – “the unemployed”. Ezzy states that his theory addresses the limitations of both Jahoda’s and Fryer’s. Status passage, he says, is about the interplay between a person’s objective social environment and the subjective interpretations they attach to it.

The importance of the meanings people attach to unemployment has recently been developed by Boland and Griffin (2015), who argue that the effects of unemployment cannot be explained by the absence of paid work. Boland and Griffin (2015: 2) argue that there are many groups - for example “children, retirees, home-makers, the wealthy, artists, travellers and hippies” – that do not have access to the ‘latent functions’ of paid work but who do not experience this absence in the same way as unemployed people. There is thus something uniquely detrimental about unemployment beyond the mere lack of paid work. It is, as Ezzy similarly argues, “manifested in the way we talk about unemployment, individually, collectively, politically and publicly” (Boland and Griffin 2015: 1). This explanation is in the same grain as Ezzy’s yet Boland and Griffin emphasize the centrality of social policies in constructing the meaning and experience of unemployment. This is a ‘governmentality approach’ to understanding unemployment, in which it is framed as an experience shaped by people’s interactions and relations with the organisations, institutions and interventions of the welfare state.

Policy Implications

The theories outlined above are often treated as competing explanations of the experience of unemployment, with a particular reliance on Jahoda’s latent-deprivation theory in explaining empirical findings. More significantly for social policy, this reliance has ingrained the assumption that paid work is positive for health and wellbeing and a lack of paid work is

responsible for ill-health and low wellbeing, leading to two specific policy proposals from academics (Sage 2013). The first is the provision of a job guarantee (Layard 2004; Gregg and Layard 2009) based largely on the logic that ‘any job is (psychologically) better than no job’. The second is the expansion of training schemes for the unemployed: active labour market programmes (ALMPs). The rationale behind advocating ALMPs to promote the health and wellbeing of unemployed people is that some forms of intervention closely mimic the environment of paid work in offering people the opportunity to use skills, gain work experience and have a structured day (Strandh 2001; Andersen 2012). Carter and Whitworth (2016: 6) describe this as “process wellbeing”: how the experience of participating on an ALMP can produce positive health and social effects irrespective of the success programmes have in promoting re-employment. This is due to the “extent to which such schemes provide them with the types of beneficial latent psychosocial functions of employment”. In other words, ALMPs can provide some of the same positive side effects as paid work does.

Integrating Existing Theories: Unemployment as a Process of Loss

The reliance on Jahoda’s theory in explaining the negative effects of unemployment and in formulating policy recommendations means that the two powerful limitations outlined by Fryer and Ezzy remain. First, there is minimal accounting in policy analysis for feelings of lost autonomy and agency. Second, there is little importance assigned to the subjective meanings people attach to the status of being unemployed and, relatedly, challenging them. Such an understanding of unemployment that fails to account for agency and social status risks fundamental limitations and, more troublingly, the capacity to produce misguided social policy recommendations.

Indeed, the limitation of existing social policies is an international concern, indicated in research demonstrating how the relationship between unemployment and low wellbeing persists across Europe, even in the most generous welfare states (Eichhorn 2014). This may, however, be less a limitation but intent of many governments. In the UK for example, Lord Freud – the former welfare adviser to New Labour (Freud, 2007) and Minister of Welfare Reform under the Coalition Government – argued that benefit claimants were able to “have a lifestyle” on the state (Jowit, 2012). Further, in justifying forthcoming cuts to social security expenditure, the former Chancellor George Osborne claimed such cuts would prevent claimants using benefits as a “lifestyle choice” (Wintour, 2010). The implication is that welfare reforms are justified on the grounds of making life less ‘comfortable’ for unemployed people. Clearly then, at least in some welfare states, the starting point for social policy research is to win the argument that interventions should aim to improve, not reduce, the wellbeing of the unemployed.

Nevertheless, the first step towards achieving this is to improve existing theories of the experience of unemployment and its negative effects, yet it is doubtful that any one of the existing theories can, on its own, persuasively and comprehensively explain the experience of being unemployed. Unemployment as a lived experience is complex and context-dependent and affects people in different ways (Paul and Moser 2009), with research showing how some individuals are significantly more likely to experience negative effects following job loss compared to others. Strandh et al. (2013) for example found that unemployment affected Swedish women more than Irish women. The reason, they argue, is that the personal identity of Irish women is less strongly tied to paid work compared to Swedish women, who are well integrated into the labour market and have a stronger attachment to employment. In a similar vein, previous unemployment research has shown that more highly skilled, qualified and

conscientious people tend to suffer more from unemployment compared to the low skilled and less qualified (Andersen 2009; Boyce et al. 2010). Thus a broader, more multifaceted explanation, better suited to the complexity of unemployment, is required.

This kind of explanation can be achieved when the experience of unemployment is conceptualized as an overarching process of loss. As the empirical example below demonstrates, unemployment is an experience permeated by the sense that something has been lost as a consequence of being unemployed, such as income, control, autonomy, status, respect, dignity, structure and skills. When the experience unemployment is seen through this perspective – as a process of loss – it becomes possible to integrate the different theories outlined in this paper into one broader explanation of the lived experience of unemployment. Thus, Jahoda discussed losing the everyday functions of paid work, Fryer the lost control over one's life and Ezzy the loss of social status that the transition to 'the unemployed' entails. This broader understanding of unemployment can also explain the differential effects outlined above. For those better integrated into the labour market, with more experience of paid work and whose personal identity is closely linked to employment, the experience of loss is likely to be strongest.

Further and crucially, this argument, and the analysis presented below, affirms Boland and Griffin's (2015) argument of the centrality of social policies and welfare state institutions. If unemployment is a negative environment characterized by varying experiences and emotions of loss, social policies possess the capacity to both ameliorate and intensify this environment. For example, whilst on the one hand policies like ALMPs can provide a strong sense of purpose and self-esteem (Baines and Hardhill 2008), they can also lead to negative emotions, often linked to perceptions of low programme efficacy, weak personalization and

feelings of exploitation (Delaney et al. 2011; Giuntoli et al. 2011; Stephens 2012). Seen through the prism of unemployment as loss, the central contention of this paper is that the theories of Jahoda, Fryer and Ezzy can be integrated into a more comprehensive explanation of why unemployment hurts: a concept which can, importantly, lead to more effective social policy responses.

Unemployment as Loss: An Empirical Example

This section reports findings from a qualitative analysis that formed part of a wider, mixed methods study into the relationship between unemployment, health and wellbeing and the mediating role of social policies (Sage 2013; Sage 2015a; Sage 2015b). The aim of the qualitative research was to build an understanding of how ALMPs interact with the experience of being unemployed, aiming principally on two core questions. First, how do unemployed people interpret the effect that the absence of paid work has on their lives? This included understanding how unemployment makes people feel, what emotions frame it as an experience and the strategies people used to cope without paid work. Second, how do ALMPs affect this experience and to what extent do they modify – for better or worse – everyday, unemployed life?

The analysis below is based upon semi-structured interviews with 12 people who were unemployed and participating on ALMPs, or recently had been and were now re-employed, predominantly in the Greater Manchester and Merseyside regions of northwest England. Although the sample was small, it captured a wide range of experience on qualitatively different types of ALMPs. This was important and a fundamental objective of the sampling strategy; as Bonoli (2010) observes, ALMPs vary along numerous dimensions,

such as whether they are compulsory or voluntary, based on personalized support, training or work experience and whether the aim is to move people back to work quickly ('work-first') or provide more long-term support. The first step in the sampling strategy involved contacting a wide range of ALMP providers covering a range of different schemes, with seven interviews arranged through one provider in Greater Manchester. A second step of convenience sampling resulted in five participants being recruited: three in the Liverpool city region, one from Birmingham and one from Bristol.

Most of the participants had been on numerous ALMPs, with six people having experience of the Government's main welfare-to-work scheme the Work Programme (WP). The WP is by far the largest UK welfare-to-work programme, with over 1.5 million participants joining the scheme from its launch in June 2011. JSA claimants are mandated to the WP after they reach a certain duration of unemployment, usually nine months for those aged 18-24 and 12 months for those aged 25 and over. WP participants also include those who claim the main UK disability benefit Employment and Support Allowance. WP providers ('primes') are drawn almost exclusively from the private sector and manage a larger network of subcontractors. Primes and subcontractors have large amounts of freedom to design back-to-work services – the 'black box' approach – but the bulk of payments are only made in the event that jobs are found and sustained for participants (DWP, 2012).

Seven participants however had experience of a very different scheme. Whereas the WP is defined by 'work-first' objectives, with the aim of getting participants into the labour market rapidly, the 'personal support programme' (PSP) offered a different approach. The European Social Fund (ESF) funds the PSP with resources allocated to it by the DWP. It is intended to support individuals and families with complex problems, including unemployment but also

debt, substance misuse and mental health issues. It had a three-pronged approach of (a) a single, lead professional for all participants, (b) an integrated strategy with other agencies and (c) a focus on offering personalized support based on the needs of participants. Participation in the PSP was completely voluntary, with participants joining via two routes: referral through another agency, such as social workers, and self-referral from word-of-mouth recommendations. The names of both the company and the programme it provided have been anonymized, as have all 12 participants' names.

There are two important limitations to this study however that should be noted and addressed for future research. First, the findings are focused on the UK system of ALMPs. Yet ALMPs in other welfare states are often very different, with varying objectives, rules and structures (Bonoli 2010). Subsequently, some ALMPs outside of the UK will already be significantly more supportive of unemployed people compared to many UK programmes. Nevertheless, and as argued above, research by Eichhorn (2014) demonstrates how even generous welfare states fail to protect the wellbeing of the unemployed. Thus despite welfare state diversity, the universality of the effects of unemployment demonstrates the wider relevance of this study.

Second, the study comprised a relatively small sample size and involved participants who had experience of, in most instances, employment-assistance interventions. There was thus a lack of insight into ALMPs that offer work experience, education or vocational training. Future qualitative research into unemployment, welfare-to-work and ALMPs should prioritize the attainment of a larger sample that covers a wider variation of ALMP types. Further, seven of the participants were recruited via and directly chosen by a gatekeeper: the PSP provider. This could be one plausible explanation behind some of the positive experiences reported below

and, given the nature of the recruitment process, the idea that the PSP was ineffective for some of its participants should certainly not be discounted.

Unemployment as Loss

For all participants, unemployment was a universally negative experience with frequent allusions to the economic, psychological and health-related adversities of joblessness. Unemployment was an experience ranging in intensity but was overwhelmingly negative: from feeling down, tired and, as Terry stated, a “bit useless” to using antidepressants and feeling suicidal. These experiences were consistent with the vast literature on the experience of unemployment and reinforce the argument developed above: that unemployment as a lived experience is a complex phenomenon, irreducible to one single explanation. Yet one common thread was how unemployment was often interpreted as losing something that had meaning for the participants. Importantly, this sense of loss was varied and could be aligned to the three dominant theories of unemployment described in this paper: loss of the functions of paid work, loss of agency and loss of social status.

A lost sense of daily routine and purpose – a functional loss – was a common observation from participants and manifested itself in two main ways. First, unemployment deprived people of a sense of structure and activity: an absence that made everyday life more frustrating. For example, without a weekly routine the home was often referred to with contempt: as a space where people felt trapped and low. Michael stated “I was lying in bed all day and sitting on my backside...I was staying in all the time, I was feeling depressed”, whilst Rachel similarly complained that “when I didn’t work, I was stuck in the house 24/7. I was stuck at home doing the same things day-after-day: tidying, sorting the tea out”. Mahmud echoed both, stating that

the worst thing about unemployment was “being stuck in all four walls”. Second, being unemployed deprived some participants of a sense of life purpose. For Sean, this was one of the most difficult aspects of unemployment, stating he had “no reason to get up in the morning. It is a horrible feeling not having a purpose in life, having a job gives you purpose, if you don’t have a purpose it is hard to enjoy things”.

However, the negative experience of unemployment went beyond functional loss. A lost sense of autonomy over one’s life – an agency loss - as argued by Fryer, was also a common way for participants to explain the experience of unemployment. This manifested itself in the economic frustration brought about by job loss, with many enduring the burdensome daily aim of ‘getting by’. Rachel, a lone parent, described unemployment as a “constant struggle...you find it so hard to do things, especially when you have kids”. Similarly, Thomas described his frustration at “not being able to take my children anywhere, it is just frustrating as the cost of living is so high, food is so expensive, as soon as you step out the door you have to spend money”. Being on an economic cliff-edge ignited feelings of disempowerment and permeated the experiences of almost every participant.

The final process was status loss, which was associated with feelings of lost pride, social shame and stigma throughout many aspects of life. For Terry, an inability to financially contribute to his household made him feel like a “free-rider”, whilst Mahmud felt anxious in social situations with new people, stating “whenever somebody asks you “what do you do?”, you kind of hesitate. I really hated it. I just hoped and prayed they didn’t ask me”. Carol meanwhile experienced a sense of stigma in her visits to the Jobcentre, stating “the staff look down on you and speak to you as if you are something vile”. The negative experience of unemployment thus went beyond disempowerment or loss of routine. In many instances, the

hurt of unemployment was traced to the feeling that a person's social status had been fundamentally devalued.

A sense of status loss was exacerbated by two factors. First, most participants subscribed to the work ethic and a belief that work was the 'right thing to do'. Examples were frequent, such as Thomas saying "I have always worked, whatever job it is I am willing to take it" and Sean going as far to say "I would have drove a milk cart around every morning". Participants' belief in the value of work was set against not being able to: an incongruity between values and behaviour that contributed to the misery of unemployment. Goffman (1963: 7) noted this phenomenon amongst stigmatized groups, who tend to "hold the same beliefs about identity as we (the non-stigmatized) do". It was this tension – between subscribing to a social norm and occupying a status position that contravened it – that was central to the experience of unemployment. Second, media portrayals of benefit claimants provoked feelings of anger at how they contrasted with the reality of poverty and unemployment. The Channel 4 series *Benefits Street* was consistently raised without prompting. Rachel described it as "absolutely disgusting – they make it look like they are having fun on benefits". As Ezzy argues, participants' experiences suggested that many possessed a social identity typified by stigma and shame.

Active Labour Market Programmes: Ameliorating or Intensifying the Experience of Unemployment?

The above analysis shows that unemployment is an environment commonly perceived as involving various forms of loss. Yet, as noted by Wulfgramm (2011), the environment and experience of unemployment is not fixed. In particular, ALMPs and other welfare-to-work

measures often affect this experience; they can, for example, involve more structured weeks, increased activity, the opportunity to gain skills and more regular social contact. With this change, there is the potential for ALMPS to mediate and reverse some of the losses associated with the experience of unemployment. ALMPs however are diverse (Bonoli 2010): whilst some types may improve the experience of unemployment, others may worsen it further. A major objective of this study was to analyse how qualitatively different types of labour market policies changed the lived experience of unemployment.

The most significant finding from the study was that ALMPs had the potential to both reverse and intensify the sense of loss that came with unemployment, which was evident in examining the two main programmes the participants had experienced: the WP and the PSP. Six people were or had recently been WP participants and all had overwhelmingly negative experiences, in which the WP intensified the three forms of loss identified above.

Related to functional loss, most participants demonstrated a desire to ‘do something’ positive with their time. WP participation however counteracted this desire in three main ways. First, WP advisers often confused wanting to ‘do something’ with wanting to ‘do anything’. Sean for example wanted worthwhile work experience to supplement his job-search, but was frustrated when he was instructed to work unpaid for a fast food company. For Sean, it was not just ‘doing something’ but ‘doing something worthwhile’. He sought similar functions to paid work but with certain qualities: purpose, contribution and skill use: “If I was working for nothing I don’t want to be delivering pizzas for nothing...it had to have some worth”. Second, the WP often required participants to attend regular meetings or even daily sign-ins to encourage activity and routine, but participants found this demotivating. Mahmud said “it didn’t serve any purpose”, with Simon describing it as a “useless” and a “scam”. Replicating

similar functions to paid work was counter-productive if those functions were seen as exploitative or futile. Third, WP advisers often mandated participants to unsuitable forms of training. Thomas for example had weak IT skills but was directed to IT training that was beyond his ability level. This had a scarring effect on Thomas, leaving him feeling embarrassed and distrustful of his adviser. The WP thus tried to replicate the ‘functions’ of employment but missed three features of importance to participants: that such functions should (a) have meaning and value, (b) not be interpreted as futile and (c) match a participant’s skills and abilities.

Unemployment was further aggravated by the WP through its failure to compensate for agency loss, which was exacerbated by lack of personalization in two main ways. First, advisers did not have the time or resources to give people long-term, focused support. Second, the programme’s in-built incentives – of ‘work-first’ re-employment – meant that complex barriers to work were often ignored. Mahmud stated it was futile to ask for advisers’ help as they were either too busy or uninterested: “whenever I wanted to query something it would be pointless for me to go to the centre. They always used to say “sorry mate, but we are all too busy, we will call you back”, but they never bothered”. Two participants likened the WP to a GP surgery: with advisers aiming to see as many people as possible without delving into people’s real problems. This lack of personalization left many participants feeling disempowered by the experience of the programme. These findings support official evaluations of the WP, which found that advisers prioritize those with less complex barriers to employment (Newton et al., 2012).

Finally, the WP intensified the stigma of being unemployed, which was commonly triggered by the poor quality of staff-client relationships. Both Mahmud and Carol for example offered testimonies of feeling patronized by WP staff. Mahmud stated he felt like staff were “looking

down on you”, which made him feel worse about being unemployed: “you are going through a bad time anyway, when people do things like that (look down on you) it makes it even worse”. Carol echoed Mahmud, arguing how “staff are smug as they have a job: they really don’t care about people like me”. The starkest example of intensified status loss was Adam’s, who was sanctioned after refusing what he perceived to be unsuitable work experience. Adam’s relationship with his adviser peaked in a serious incident at the provider’s office, in which his feelings of being humiliated came to the fore: “she called me a liar...she said I was stupid and carried on baiting me....this person wanted to leave me penniless and I just wanted to leave but she wouldn’t let me”. The qualitative findings reported from the WP support existing quantitative evidence that the programme is at least, if not more, harmful to wellbeing than so-called ‘open unemployment’ (Sage, 2015b; Carter and Whitworth 2016).

In contrast to the WP, participants’ experiences of the PSP were notably more positive. The PSP aimed to support people with complex problems, offering a single lead professional for each participant and personalized support. Participants appeared to embrace the support offered by the PSP, with Michael and Rachel stating how it had changed their lives. The success of the programme is elucidated through the notion of unemployment as loss, most particularly in relation to a person’s sense of social status and identity. PSP advisers emphasized dignified and respectful relationships and being treated in this way had profound effects. Seemingly small gestures, such as being offered a hot drink, took on a huge importance for people who otherwise felt deeply stigmatized. Mahmud, who had suffered from depression whilst previously a WP participant, emphasized this warm treatment:

“As soon as you walk in the door, it’s just the way they greet with you open arms: “come in, do you want a cup of coffee, water, drinks, just help yourself”. It’s just the way they help you that makes you want to come back.”

A key feature of this support was a system of mutual dignity and respect with advisers. Michael for example talked about being given time and space to work through his problems. He repeatedly mentioned working “with” his adviser, drawing attention to mutual and cooperative relationships. Similarly, Mahmud valued how his consent was sought before being put forward for jobs: “I used to get emails from them: they always got my consent before going for a job. It was a two-way thing, whereas the Birmingham thing (the WP) was always a one-way street”. Thomas also contrasted the two programmes in this way: “here (at PSP) you are treated with respect, it is far more dignified”.

Participants additionally valued the PSP’s focus on personalization, which addressed the loss of agency many felt in relation to unemployment. A key component of the programme was providing a direct line of support from an adviser. Rachel spoke about her adviser, Lisa, as a crucial form of help throughout a range of problems, including rent, job applications and benefit forms. This reflected PSP advisers’ approach to unemployment as often explained by parts of life unrelated to the labour market. Amongst the participants, these included financial illiteracy, anger-management, housing problems, learning difficulties, IT skills and mental health. Dean (2003: 456) describes this as a ‘life-first’ approach to labour market activation: giving people time for employment to become a realistic option which “prioritises the life needs of the individual over and above any obligation to work”. Such an approach enabled advisers to help participants in individual ways. Both Kalea and Joey for example had low self-confidence but different strategies were put in place according to their personal

situations. Kalea was encouraged to volunteer at a Sure Start centre to overcome her lack of confidence in a work environment, whilst the PSP provided professional counselling sessions for Joey at their offices. On the other hand, both Mahmud and Thomas had financial insecurities. For Thomas, this was personal debt, with PSP advisers subsequently arranging a grant to pay of his arrears, whilst the PSP helped Mahmud deal with the local council in response to housing problems. Personalization thus enabled people to overcome their particular barriers to employment. Over time, gaining control over these problems increased the participants' sense of power over their own lives.

The PSP's apparent success in relation to subjective wellbeing reinforces the central argument of this paper: that the negative experience of unemployment cannot be exclusively understood by Jahoda's deprivation model and through the objective day-to-day experience of being unemployed. The PSP had no ambition of replicating the 'latent functions' of paid work but had seemingly positive effects, demonstrating that Jahoda identified just one element of why the experience of unemployment hurts. ALMPs that fail to address this functional element can still be effective if they tackle the other reasons that make the experience of unemployment so harmful. In the case of the PSP, treating people with dignity improved their sense of social status, whilst personalization increased participants' sense of agency. ALMPs can help people overcome the harmful experience of unemployment, yet to achieve this they must focus on reversing the multiple reasons that explain its negative effects.

Policy Implications and Conclusions

That social policies like ALMPs can affect the experience of unemployment has been largely absent from political debate in the UK, despite the widespread awareness that unemployment

causes harmful health and social outcomes. This is an important oversight in UK policy-making; ALMPs now constitute a vast and varied landscape, with some unemployed people participating on the Work Programme for as long as two years (Carter and Whitworth 2016). A key argument of this paper is that such interventions have the capacity to improve as well as exacerbate how unemployment is experienced. The analysis presented also contributes to the growing literature that the type of ALMP matters (Strandh 2001; Sage 2015b; Carter and Whitworth 2016). ALMPs vary by programme objectives, the nature of the support on offer and the manner in which participants are recruited. In a policy landscape of such diversity, it is inevitable – as this paper has shown – that different ALMPs interact with unemployment in a multitude of ways.

However, the main argument of this paper is that previous studies have tended to simplify how the experience of unemployment affects people and, consequently, how ALMPs impact on the unemployed. There has been a strong tendency in the literature to rely heavily on Jahoda's theory of latent deprivation; in Carter and Whitworth's (2016) heuristic device for example, they illustrate the argument that "workplace participation" ALMPs have more potential to improve wellbeing compared to other ALMPs, especially "informal employment-preparation tasks", due to their role in mimicking the functions of paid work. Although Carter and Whitworth (2016) incorporate Fryer's agency-based theory into their heuristic device, it is unclear how workplace participation programmes mimic a sense of agency in the same way they deliver the latent functions identified by Jahoda, such as time structure and social contacts. As the empirical example in this paper showed however, employment-assistance programmes can also have positive wellbeing effects despite no attempt or ambition to replicate Jahoda's functions of paid work. Alternatively, explicit work participation programmes, such as Mandatory Work Activity, can have profoundly negative effects (Friedli and Stearn 2015).

The central contention of this paper is that such findings can be explained because unemployment is an experience marked less by the absence of work and more by the experience of loss. This links to Boland and Griffin's (2015) argument that the lack of paid work cannot explain in full why unemployment has negative effects but, rather, is an experience that is framed and constructed in certain ways, particularly by social policies. In this paper, the theoretical framework of unemployment as an experience of loss was developed, with the argument made that unemployment affects people through three forms of loss: agency, functional and status. If unemployment is commonly experienced in this way, it follows that ALMPs have the potential to bring about benefits for participants if they are effective in reversing the sense that unemployment inevitably results in losing valued, important things.

In the UK at least, significant reform of the welfare-to-work system will be required to achieve this. Borghi and Van Berkel (2007: 422) for example contrast the Dutch system of 'individual reintegration agreements' (IROs) – in which people develop their own back-to-work plans and choose their own welfare-to-work providers – with the UK system, which they contend only succeeds in "individualizing obligations and responsibilities rather than putting citizens in charge of service provision". This is an example of how UK programmes could learn from others in order to promote more participatory forms of provision for unemployed people, which could enhance feelings of agency and dignity. In addition, and perhaps most importantly, agency and dignity could be strengthened if, at the very least, the UK's system of benefit sanctions was tempered. Between 2010 and 2015, almost a quarter of all Jobseeker's Allowance claimants received a sanction (National Audit Office, 2016), whilst a recent government commissioned review (Oakley, 2014) advocated significant reform. It is clear from such reports that the existing sanctioning system is a source of anxiety and hardship for

many unemployed people. More transparency, better communication and fewer instances of indiscriminate sanctions would go some way to improving a sense of control and empowerment amongst unemployed people, as well as the sense that they are people worthy of respect and dignity.

Conclusion

This paper has argued that theoretical attempts to understand the negative experience of unemployment have often been treated as competing explanations but can be synthesized into a broader theory of unemployment as a process of loss. This argument was supported by empirical evidence that showed how unemployed people often interpreted unemployment as involving the loss of agency and power over one's life, the absence of the positive functions of paid work and the transition from a valued social status into a stigmatized and shameful one. It was subsequently contended that ALMPs – which restructure the day-to-day environment of unemployment – have the potential to both intensify and ameliorate the losses experienced during a period of unemployment. Thus whilst Work Programme participants continued to experience unemployment in profoundly negative ways, those on another ALMP – a smaller personal support programme – coped more effectively with the absence of paid work.

Despite the limitations of this study outlined above, it nevertheless provided evidence that ALMPs hold the potential to affect the experience of unemployment in a heterogeneous, complex way. In particular, the evidence from the PSP showed how ALMPs have the capacity to ameliorate the health and social costs of unemployment but only if they are effective in targeting the multiple and complex experiences of loss many unemployed people feel. Policy

suggestions to reverse such losses were outlined, with the conclusion that achieving this will require significant reform of the UK welfare-to-work system.

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