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I VO ŘEZNÍČEK

EXPERIENCE WITH RESEARCH ON UNEMPLOYMENT

Enthusiasm and readiness of social scientists notwithstanding, opportunities to study certain social problems do not offer themselves at all times. Unemployment, or at least mass unemployment in industrialized societies, is one of such irregularly occurring problems. In our century, large-scale joblessness became a phenomenon calling for intervention — and hence also study — only twice: at the times of the Great Depression in the 1930s and of the Oil Crises recession in the 1970s and early 1980s.

Recent dissolution of the Soviet Bloc and the attendant process of economic and political reform that is now underway have undermined the policy of full employment that had been an integral part of the Communists strategy of “building socialism”. Steps toward the reestablishment of market economy, disruptions in production and trade, and privatization of state enterprises have caused and will continue to cause mass unemployment for at least several years. In Czechoslovakia as well as other countries of the former Bloc, there is now an intense interest in keeping “social peace” in conditions of continuing impoverishment of the lowest income segments of the population.

This political interest will undoubtedly create favorable conditions for research on poverty and unemployment. Unfortunate as the phenomenon of extensive unemployment is in itself, its sudden reoccurrence in Central and Eastern Europe after more than forty-five years offers a unique opportunity for social scientists to assess its extent and impact, to analyze it in a wider demographic, social, economic and political context, and to draw implications from their findings for its possible solutions.

In Czechoslovakia, gathering of basic information on the unemployed has been entrusted to newly established county Labor Offices. This is the most important database on which the legislative and executive bodies of the government rely in their policy making. For several reasons, however, this information cannot provide a fully sufficient picture of unemployment.

First of all, the database only covers persons registered by the Labor

Offices, that is to say, not all the unemployed. Secondly, the methodology of data collection permits cross-cut analysis at certain time intervals (regularly months) but not longitudinal following of unemployment dynamics. Thirdly, the base contains useful demographic data but, by its very nature, misses on experiential quality of unemployment among individuals and families. And fourthly, the economic, social and organizational specifics of localities affected by mass unemployment, although generally known to country Labor Offices, would require assessment outside of their data gathering responsibilities.¹

This suggests a need for a representative, in part qualitatively-based study of unemployment in locations with specific characteristics that have impact on the type, extent and development of unemployment. Whether and how such a study will be conducted will, of course, depend on available resources and purposes of the customer who will order it. Presently, the Research Institute of Labor and Social Affairs does most of the analyses of the Labor Office database.² A more dynamically conceived project probably will have to await a different institution, perhaps an independently funded research team. For such an opportunity of such an organization, we can recapitulate several studies that represent milestones in the development of research on unemployment. Their summarization will be concluded by consideration of their practical implications for design of unemployment research.

THE MARIENTHAL STUDY

Conducted in 1930 by "sociographs" Marie Jahoda, Paul Lazarsfeld and Hans Zeisel, the Marienthal study is the classic predecessor of all subsequent unemployment research. Based on principles of participant observation, the study allowed its authors to observe personal sufferings and communal decline of a small Austrian village after its flag factory, the sole local industrial employer, closed down. Over 350 families were the subjects of the study whose design allowed collection of such diverse data as family documents, timed records of daily activities, reports and complaints to authorities, school essays, meal records, spending records, medical records, relief work records, interview responses to questions concerning attitudes toward unemployment and information concerning effects of unemployment. Researchers did not limit themselves to data gathering but, in the spirit of the American survey research of the Progressive Era (before the onset of World War I), participated in the communal life of the village, organized medical help, parental counseling and various free-time activities.

By today's standards, the methodology is almost primitive, particularly

¹ Information provided by the Labor Office Brno-country (*Brno-venkov*).

² As reflected in the list of the Institute's ongoing projects and its most recent publications.

in its quantitative part where it is limited to the most basic, descriptive statistical procedures. Generalizability of findings is questionable due to absence of sampling. So is also reliability of some data gathered from a substantially lesser number of persons than the study total. However, in the style of the Chicago surveys³, the study has provided, in its richness of detail, insight into the process of gradual human decline in face of adversity.

The authors postulated an existence of a gradual process of debilitation among the unemployed, from unbroken, through resigned and despairing, to apathetic attitude, and linked onset of these stages to the level of poverty (amount of support benefits) their subjects experienced. They also found evidence for four types of psychological impairment among the unemployed, destruction of habitual time structure, erosion of sense of life's purpose, decline of social contact, and loss of status and identity. Unemployment to these authors was an unquestionable disaster, and in their later reinterpretation⁴ they pointed to the fact that compared to the United States, the economic depression in Europe was deeper, longer, and without the mitigating effect of public works.

THE GREENWICH AND NEW HAVEN STUDIES

A similar methodology was used by E. W. Bakke in his 1933 study of workers in Greenwich, a borough of London. As a participant observer, he conducted interviews with more than 100 unemployed as well as employed workers, and with other community members. A sample of his subjects was asked to keep personal diaries. Bakke also collected information about demographics (age, marital status, length of employment and unemployment, type of employment), health status, educational background and school attendance, and free time activities.

Bakke discovered similar negative effects of unemployment, namely discouragement, gradual limitation of social life, growing anxiety and insecurity, and depressed self-confidence. He also found evidence that unemployment led to a gradual process of growing desperation and apathy. However, he had noted that the attitude of the unemployed depended on the degree of conviction that their lives were externally controlled. There were marked differences between unskilled and skilled workers in this respect: the former exercised little, if any control over their jobs, and their major satisfaction from work was income. The latter felt more in control and derived satisfaction from chances of promotion, job security and status. Under unemployment, the unskilled showed a greater tendency toward passivity and instability while the skilled. To Bakke, devastation wrought by unemployment was not universal but

³ For instance, Thomas' and Znaniecki's *The Polish Peasant in Europe and America* (1918).

⁴ See (Jahoda 1982).

depended on workers' previous position in the labor market and their educational background.

All these findings were essentially confirmed by Bakke's larger studies conducted later in the United States.⁵ Methodological improvements over the Marienthal design allowed the author to differentiate among reactions of his subjects to unemployment according to other characteristics of their situation than available financial means.

THE CARNEGIE TRUST STUDY

This project involved analysis of activities among the urban youth who lost low-level jobs relatively early after entering them. It is the first study ever of the unemployed youth, relatively simple in its design based on self-reporting. Findings showed that these adolescents limited neither the social activities usual for them nor the other pastimes, such as reading, radio listening, moviegoing and sports. It was apparent, however, that the study subjects experienced a loss of daily routine, morale and self-confidence. While these findings differed little from those concerning the adults, the authors pointed out importance of the entry to the job market and consequences of its frustration.

THE EISENBERG AND LAZARFELD REVIEW

The 1938 metaanalysis of more than 100 studies of the Great Depression unemployment understandably suffers from the methodological shortcomings typical for the era: uncontrolled selection of subjects, self-reporting of subjects without confirmation of data, loss of subjects in the course of studies, no comparison of the subjects' current situations to their conditions of life prior to unemployment, poor operationalization of basic theoretical concepts, loose interpretation of responses, and drawing of conclusions unjustified by collected data. To the authors' minds, unemployment caused emotional instability and decline of morale. They also saw evidence of proof for the seriality of the response to unemployment, from initial shock reaction, through stages of optimism and pessimism, to the final resignation. The stage theory became very influential in the unemployment research and still enjoys respectability, despite of the fact that the reviewed studies were overwhelmingly based only on a one-time collection of mostly cross-sectional data.

⁵ See (Bakke 1933, 1940).

THE BERKELEY AND OAKLAND STUDIES

Both these studies, begun in the 1920s, were designed for a longitudinal assessment of personality development and occupational trajectories of persons from different social classes. Data available from them were used by G. H. Elder and his associates in the 1970s and 1980s⁶ to gain insight into long-term effects of unemployment on the families of the unemployed. Most of the information for this analysis was, of course, provided by the children of the unemployed. To their fathers, loss of employment meant a loss of power and status in their marriages. This made them less self-respecting and self-confident. The unemployed fathers were also relatively less capable to transfer their own social status and educational achievement to their children. This status deprivation effect was stronger among working class children than among the middleclass but its impact could be overcome later in life if the deprived children were strongly motivated, regardless of their socioeconomic background.

These studies have already profited from the methodological gains of social research that have taken place after the Second World War, particularly the strengthening of sampling procedures, availability of highly reliable data collection instruments, improvement of statistical methodology, particularly of the multivariate kind, and vastly increased computer power. Because of the longitudinal design, these studies offer a very complex and dynamic illustration of varied psychological and social effects of unemployment in comparative contexts income, (education, relative level of income deprivation, gender).

THE NEW YORK STATE STUDIES

In two analyses conducted in the 1970s, M. H. Brenner compared two health data sets from records of the state of New York (first state mental health institution admissions; then incidence of suicide, homicide, heart disease, liver disease and nonhomicidal criminality) with employment rates in manufacturing industries between 1910 and 1967.⁷ While there was a positive correlation between unemployment and psychiatric admissions, he could not prove direct causal relationship between the two. However, incidence of psychosomatic reactions to stress was shown to be directly linked to changes in the unemployment rate. Brenner found evidence for acute reactions (mental illness, imprisonment, suicide and homicide) following rise in unemployment immediately, and chronic reactions (cardiovascularrenal disease, cirrhosis of liver and total mortality) setting in approximately three years after a notable growth of joblessness. According to the author, the rise in indicators of morbidity can be predicted from the level of increase in unemployment.

⁶ See (Elder 1974 and Elder & Caspi, 1988).

⁷ See (Brenner 1973, 1979).

Before Brenner, conclusions regarding the impact of joblessness had been based on indirect, that is to say, subjective measurements based on observation or self-reporting. His studies provide the first objective evidence of negative effects of unemployment. Moreover, although the findings are cumulative and as such ignore important individual differences in reactions to loss of employment, they indicate that the job loss is stressful regardless of the availability of unemployment insurance benefits.

THE LOS ANGELES STUDIES

Two surveys conducted by R. A. Catalano and C. D. Dooley⁸ have attempted to link aggregate data concerning economic changes with data concerning individual distress, physical illnesses and injuries, job events and financial events (collected from 500 households each quarter year for three years). The authors found important differences in their respondents depending on labor market status, gender and class. However, generally speaking, they found evidence that aggregate unemployment has negative effects not only on the unemployed but on all wage earners. This wide-range impact of local economic situation is usually not detectable by studies of personal unemployment distress of which there has been a large number since the early 1970s. The Los Angeles studies represent the best in aggregate research design in this topical area.

THE JACKSON, FEATHER, FRYER, O'BRIEN, KABANOFF AND WARR REVIEWS

The two oil crises in the mid-1970s and early 1980s caused substantial unemployment in the developed industrial countries, and together with technological changes leading to greater effectiveness of production contributed to the phenomenon of high and relatively lasting unemployment. For almost two decades, a large number of studies has been done to analyze various aspects of this unemployment. They have been summarized in several reviews.⁹

Most of these studies are cross-sectional, and in many cases devoted to detailed analyses of relationships that have been documented previously or of those where findings were found to be inconsistent. O'Brien offered several generalizations that can be drawn from these recent studies, their

⁸ See (Catalano and Dooley 1983).

⁹ See (Feather 1980, Fryer 1988, Fryer and Payne 1986, O'Brien 1986, O'Brien and Kabanoff 1979, Warr 1983, Warr and Jackson 1984, 1987, Warr et al 1986), although there are others.

methodological weaknesses (poor sampling, unverified self-reporting) notwithstanding:

Long-range stress and anxiety among the unemployed and the employed do not significantly differ. There is a short-term dissatisfaction with job loss. However, long-term effects of stress on health correlated with the length of unemployment. People with higher work ethic suffer relatively more from unemployment. People from areas with higher unemployment suffer relatively less than people from areas with lower unemployment. Many unemployed have problems with structuring of their time but they do so in domestic and leisure activities. The unemployed tend to perceive themselves as more externally controlled than the employed.

Review of eight recent longitudinal studies using various groups of subjects (characterized by age, gender, work ethic and length of occupational experience) shows mixed results. Although psychiatric morbidity is associated with unemployment, depressive effect, experienced in the short as well as long run, is by far not universal. Long-term effects are relatively small; after initial traumatic reaction, negative effects attributed to unemployment tend to weaken over time. Dissatisfaction with being unemployed can be substantially mitigated for persons with relatively higher financial resources, social support and education. Generally speaking, gradual adaptation to one's plight takes place after some time. The unemployed find alternative resources (such as barter exchange of one's labor for goods) and replace lost job activities with others to apply their skills and interests.¹⁰

In regard to age differences, the Sheffield studies¹¹ show that middle-aged men (30 to 50 years old) show relatively more adverse psychological affects of unemployment than their younger and older counterparts, both in the short- and the long-term. Negative financial impact was felt relatively most strongly by the oldest unemployed. Commitment to work was weakest among the youngest unemployed and in the older groups contributed to relatively higher distress.

Previous employment and gender do not influence response to unemployment in an unequivocal way. However, there have not been enough reliable data to permit conclusive generalizations. Earlier studies suggested that more experienced workers and women tended to get relatively less alarmed by loss of jobs. Recently, however, these findings have been qualified by information concerning complexity and intrinsic rewards of employment, in part also because more skilled workers tend to stay unemployed shorter periods of time than the less skilled.¹²

Unemployed women have been specifically studied only rarely, although the tradition of recognizing gender differences in regard to unemployment reaches well back into the 1930s.¹³ Hurstfield in her article

¹⁰ O'Brien, 1986.

¹¹ Done by Warr and his associates.

¹² See (Warr and Jackson 1984).

¹³ As far as the study by the Pilgrim Trust, 1938.

review comments on still existing gender differences in the perception of employment; several surveys done in Britain during the early 1980s show that despite of the interviewed women's desire to hold jobs and have income from them, they perceive men as suffering more from unemployment because they lack the substitute in housework readily available to women. These findings echo those from the time of the Great Depression, despite the massive entry of women into the labor market after the Second World War. The most extensive and systematic German study of women's unemployment¹⁴, based on interviews of a national sample, showed persuasive reluctance of unemployed women to return to housewives' roles, with the lone exception of less skilled workers. Compared to employed women, the longer-term unemployed reported negative effects of joblessness such as loss of time structure, social isolation, resignation to their fate and emotional instability. These findings, of course, do not contradict the notion of gender differences. The authors qualify them in many intergroup comparisons.

THE YOUNGSTOWN AND MONTICELLO STUDIES

These are two examples of several studies done in the 1970s and 1980s in the United States on the occasion of closing of manufacturing plants in smaller communities. They represent rather specific cases of the economic malaise typical for the post-oil-crises, with sudden local impact but existing opportunities for gradual remedy. The studies are an attempt to apply qualitative methodology to capture the overall change in the affected community.

In Youngstown, a steelmaking factory was partially closed in 1977, and a longitudinal project was launched to comparatively survey employed as well as unemployed managers and workers from the plant. The focus of the study was on psychosocial functioning. An important corollary to individual survey responses was an evaluation of the local mental health service system. Over a period of two years, most workers found new jobs or retired and the overall effect of the closing was not severe. Many workers had financial resources and were resistant against the effects of short-term unemployment. Because of the support they received from their well-integrated family and social networks, they coped with their situation rather well. Perhaps also self-medication by alcohol and legal drugs helped them overcome the crisis. Importantly, the local mental health system, strengthened on the eve of layoffs by specialized services (drop-in center, community liaison, community outreach and public education) beyond the more traditional crisis intervention center, community mental health center and alcoholic clinic, failed to meet the expected need for support. Unemployed workers also ignored other social service agen-

¹⁴ See (Heinemann, Röhrig and Stadie, 1980).

cies in the town. The authors explained this by the refusal of the unemployed to accept the role of clients in need of help with solving their problems.

In Monticello, a cabinet making factory closed in 1982. The research team designed a project for a thorough analysis of the context in which the closing took place and its impact was alleviated, assessing not only health, financial resources and family functioning but also community response and organized workers' activities. Eight months after layoffs, most workers were still unemployed. Most experienced minor health problems, had to change their family economy, and experienced partial social isolation, compensated for by family and friendship ties. Beyond retraining project organized by their union, neither organized labor activities nor militancy among the displaced took place.

THE LEIDEN STUDY

Within the trend toward systematic data quantification and advanced statistical analysis emerged recently a conscious but sophisticated replication of the Marienthal study in conditions of the Dutch "jobless market".¹⁵

The study was done in three location with different community structures (heterogenous large city, homogenous small town and "anonymous" suburbium) and different causes of extensive unemployment, based on interviews, collecting quantitative as well as qualitative data. Comparison of coping strategies allowed the authors to construct a typology of "cultures of unemployment" with conformist, ritualist, retreatist, enterprising, calculating and autonomous strategies. Typical membership in each group can be defined in terms of age, education, gender, previous employment, family status, reception of social security benefits, ethnicity or nationality, participation in illegal economy, participation in social networks, and attitude toward job search. From this detailed and close analysis of cultural patterns in reaction to unemployment, the authors drew conclusions for the future development of labor policies in Holland.

SUGGESTIONS FOR DESIGN OF UNEMPLOYMENT RESEARCH

Because the field of unemployment research is so well-trodden and many findings obtained in widely different environments have been confirmed many times, it seems relatively fruitless to pursue the research direction toward determining the extent of psychological or financial distress among the jobless.

¹⁵ See (Engbersen, Schuyt and Timmer, 1990).

Far more interesting from the policy perspective, and indeed also from the standpoint of the unemployed themselves, would be to study successful as well as unsuccessful coping strategies used by the unemployed.

Apart from personal attributes, opportunities to resolve unemployment by finding new source of income or support depend, of course, on the social, economic, political and cultural context in whi the unemployed are. In Czechoslovakia, there will be communities affected by different levels of unemployment, with different economic structures, different legacies of work ethic, different accumulation of financial, educational and occupational capital, different demographic profiles of inhabitants, different opportunities to identify and utilize alternative resources of income and support, differently mobilized organizational resources, different political cultures, different ethnic compositions of the population, and so on.

Perhaps the most crucial will be the amelioration of joblessness in the communities most affected by unemployment, and any research should be implemented primarily there.

Because the experience shows that long-term unemployment tends to be most impervious to improvement, the study should encompass a period of at least two years since the onset of job loss. The true longitudinal design, expensive and exacting as it is, proved to be more illustrative than the cross-sectional design, and should be the method of preference. To the extent possible, controls should be used, either in the form of comparable groups, or, if impossible, in the form of time-lines.

Because the advanced information processing technology is already available, data from the County Labor Offices should be used to the largest extent possible, particularly for the identification and sample selection. Because of its limitations, additional information, both quantitative and qualitative, has to be collected.

Besides the coping strategies of the unemployed, the wider context of support available to them has to be captured. Namely, activities of Labor Offices and employers should be studied.

Within the collection of usual demographic and other personal data, specific emphasis should be devoted to persons and/or groups particularly affected by layoffs and closings: the young, the old, women, and ethnic minorities.

Finally, near replication of studies accomplished elsewhere would facilitate cross-cultural comparisons in at least some aspects of this social phenomenon.

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