

Living on the edge: the growth of precariousness and why it matters for health

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[1] I want to begin by thanking the Scientific Council for Government Policy for asking me to give this prestigious lecture. It is a particular pleasure to see so many colleagues in the audience.

One of the greatest achievements of post-war Western Europe was to provide security for its people. We had collective security from external threats, in the form of NATO. But we also had security from internal threats. [2] These internal threats were summarised in the United Kingdom by William Beveridge as "the five giant evils" of society: Want, Disease, Ignorance, Squalor, and Idleness" and the struggle against these giants was the basis of the post-war British welfare state.

The desire for security among politicians and the population then was understandable. People had lived through the depression of the 1930s and the Second World War. Many had direct experience of uncertainty. [3] Take Willem Drees, who served four terms as Dutch Prime Minister in the 1940s and 1950s. At the outset of the war he was imprisoned in Buchenwald. Released after a year, he worked with clandestine organisations providing support for the poor, and especially those in the underground and who lacked links to some of the religious charities that retained support from the collaborationist administration. He was all too aware of the meaning of insecurity, including insecurity of life itself. After the liberation, as you all know, he became minister of social affairs. He created a new system of old age pensions, using emergency provisions to do so, and greatly increased the role of the state in providing social assistance. He was not unique. Across Europe, politicians, from the right and the left, were establishing new systems that would provide security for their populations. So by the late 1950s, Europe's leaders who had learned the lessons of the 1930s and 1940s were in power and were determined not to repeat the mistakes of the past. The state and employers took on many risks once borne by individuals and families. The resulting

security allowed people to look to the future with confidence, contributing to marked improvements in health and well-being. And this was based on a political consensus.

However, memories fade. The 1980s were a time of change, at least in the English-speaking world. [4] Ronald Reagan was elected as American President. Margaret Thatcher became British prime minister. Together, they gave their names to a new philosophy, characterised by a shrinkage in the size of the state, with both privatisation of state owned enterprises and retrenchment of the welfare state. Here in the Netherlands, Ruud Lubbers was pursuing similar policies. We were told that the idea of a “job for life” was at an end. We were on our own, with Thatcher famously declaring that there is “no such thing as society”. Yet there was a limit. Even Thatcher retained many of the elements of the welfare state, even if reluctantly, as we have recently learned, and people still retained some degree of employment protection.

It was much later that the situation really did change. The year was 2008, and the cause was a sequence of events far away. Banks in the United States had accumulated vast cash reserves and they needed to do something with them. The ingenuity of the bankers knew no bounds. High salaries attracted a new generation, with a new set of skills, into the financial services sector. Tragically, as we now know, many of the new generation had little idea about what they were doing either. [5] We had been warned. The movie, *The Wolf of Wall Street*, revealed a situation in which decisions were fuelled by liberal amounts of cocaine.

I don't need to tell you what happened. [6] The movie *The Big Short* tells the story far better than I could ever manage. But the bottom line was that governments gave a very large amount of our money to save the banks, what we now term “welfare for Wall Street”, leaving none for the ordinary people. Many of these ordinary people had, until then, been coping. But only just.

The situation got worse when their employers started laying people off. Unemployment rose rapidly, and although it is now falling again in many countries, including The Netherlands, this placed a burden on social protection systems just at the time when government resources were scarce. So the obvious answer was to reduce welfare budgets. In fact, while all countries did cut spending, not all cut welfare. [7] They had a choice, and as we showed, they differed in what they cut. And they could also raise taxes, especially those on income and capital gains that would impact most on the rich, including the bankers who had been the beneficiaries of their largesse. But in many countries, those who had enjoyed some degree of job security lost it.

Most of those who lost jobs did find new ones. But the new ones were very different. No more certainty that when you went to work on Monday morning you would be paid until Friday evening. The term zero hours contract entered the vocabulary in some countries. This is not a significant issue here in The Netherlands because of your labour laws so I may need to

explain it. The easiest way to do so is to take the text from one of these contracts. [8] British employees of the sandwich chain subway must agree that "The company has no duty to provide you with work. Your hours of work are not predetermined and will be notified to you on a weekly basis as soon as is reasonably practicable in advance by your store manager. The company has the right to require you to work varied or extended hours from time to time." As we can see, there has been a massive increase in recent years in the UK.

Now, as I said earlier, flexible working hours are attractive to some people, especially mothers returning to the labour market as their children grow up. But the difference is that they did so by choice and had some degree of control over their working arrangements. We were now seeing a new class of workers. These were people whose lives were characterised by precariousness.

[9] French writers, studying the nature of work, had long recognised that there was a group within the population whose lives could be characterised as precarious, invoking the concept of *précarité de l'emploi*. In France this was seen as something to be countered by politicians of both the right, such as Jacques Chirac, and left, such as Francois Hollande. [10] Crucially, precariousness was not the same as poverty, although clearly most people whose lives were precarious were also poor. Another concern was *précarité de travail*, or precariousness of work, where the employee is engaged in activities that generate little value, are tedious or repetitive, and attract few rewards, intellectually or financially. [11] In England, precariousness entered the popular consciousness in England in 2013, with the publication of the results of the Great British Class Survey. [12] It identified seven contemporary classes, starting with the Elite and descending to the Precariat, right at the bottom. The writer Guy Standing then popularised this term in a widely read book.

[13] Concerns about precariousness are now widespread, as you can see from this from the Guardian a few weeks ago. As one former minister commented "There is something profound going on and all of this poses a potential risk to social cohesion".

What I now want to do is to look at those in the population who are the precariat or, at least, have now become so. I need to preface my comments with some explanation of where I'm coming from. [14] Much of my earlier work collected the health effects of the political, economic, and social transition in Eastern Europe following the collapse of communism. We came to recognise the importance factors that made individuals and societies more vulnerable or more resilient. In fact, we were being drawn into the study of precariousness without realising it. However, we were largely unaware of the literature on precariousness. In part, this reflected the dominance of related concepts, such as social inequalities, among the community that we inhabited. In part, it also reflected the fragmentation of the community studying precariousness, and, in particular, the challenge of translating concepts into

different languages and settings. However, when at last we realised that we were talking about precariousness, [15] we felt rather like Moliere's Monsieur Jourdan, in *Le Bourgeois Gentilhomme*, who exclaimed "Good heavens! For more than forty years I have been speaking prose without knowing it".

We can see that precariousness is a complex, multifaceted concept from some of the ways in which it has been described. [16] They include "the spread of greater labour market flexibility, greater job insecurity, a greater fragility in relationships and a weakening in the formal provision of social welfare", while "the concepts of precarious housing and precarious employment make direct reference to the marginal position of many households". "[precarious] employment...is uncertain, unpredictable, and risky from the point of view of the worker", while "Precariousness (in relation to work) refers to all forms of insecure, contingent, flexible work -- from illegalised, casualised and temporary employment, to homeworking, piecework and freelancing".

What these statements have in common is that those whose lives are precarious face uncertainty in several areas, including employment, income, and housing. It is linked to what has been termed the privatisation of risk. Politicians often frame this as giving individuals back control. This has intuitive appeal, but can equally be interpreted as telling people that they are on their own. A now widely mocked example in the UK was David Cameron's Big Society initiative.

[17] We also need to understand how precariousness relates to other terms with which it is often used, we turn to the UNDP 2014 Human Development Report. It notes a "widespread sense of precariousness in the world today – in livelihoods, in personal security, in the environment, and in global politics". Although precariousness is not actually defined, a search of the report yields many examples of how the term "precarious/ precariousness" is used to describe the circumstances in which many people live, including informal employment, threat of conflict, natural disasters, lack of civil, economic and social rights, and exposures to food price hikes.

Those whose lives are precarious may be rendered "vulnerable". [18] The UNDP 2014 Human Development Report asks three questions to help understand vulnerability. Who is vulnerable? To what? And Why? For example, the poor, informal workers, and those who are socially excluded are vulnerable to economic and health shocks. Similarly, whole communities may be vulnerable, to conflict and civil unrest, because of low social cohesion, unresponsive institutions and poor governance.

[19] The final term is resilience. This is used in different ways in different disciplines but we take to mean "social resilience", or "the capacity of individuals or groups to secure favourable outcomes under new circumstances and, if need be, by new means" while the same idea is captured by Luthar and colleagues, seeing it as the dynamic ability of individuals, communities and entire societies to adapt positively to shocks.

It is important to note that precariousness can cut across traditional classifications of social position or class. Individuals can be in a state of precariousness even if they are well-educated and in employment – which in conventional social epidemiology would appear favourable – if that employment is insecure and they have no assets on which to fall back.

[²⁰] A contemporary example is provided by junior doctors in the British National Health Service. Although they would seem to be exceptionally privileged, in terms of income and, to some degree, job security, they have no idea, from one week to the next, what hours they will work, or from one year to the next to what part of the country they will be sent. This makes it virtually impossible for anyone with family responsibilities to juggle their multiple commitments. Unsurprisingly, morale is rock bottom, rates of burnout are increasing rapidly, and large numbers are abandoning the profession

Crucially, the institutions of society, and in particular government, can protect those whose lives are precarious, by both reducing the risk of a shock and by mitigating its effects should it occur, for example by creating safety nets. As has been noted, “a strong welfare state protects workers” from the consequences of employment precariousness.

We can look at this by thinking about how job loss is associated with worse mental health and, in some cases, suicide. I’ve also noted how certain policies, and in particular active labour market programmes, can break this link. But what else do we know? [²¹] We looked at the impact of job loss on mental health among Greeks in 2009, before the worst of the austerity package, and in 2011 when it was hitting hard. In both cases, job loss was associated with deteriorating mental health but the impact was very much greater in the context of austerity. So both the probability of losing one’s job and the adverse effects that resulted were increased by the wider economic situation.

Theresa May, the British Prime Minister, has made much of her desire to help those she describes as only just managing. One reason that many people are only just managing is that they are paid very little. This means that, if misfortune should befall them, they will have few if any financial resources to fall back on. Yet, some years ago, the situation was even worse as we had no minimum wage. Of course, I’m well aware that even now that we have one, there are employers who get round it and those in irregular employment, such as Uber drivers, have been effectively excluded, although a recent Court ruling in the UK has changed that. But can an increase in a few pence make a difference? [²²] We used the introduction of the minimum wage, in 1999, as a natural experiment. We used longitudinal data to track three groups of people. First, those who were below the threshold and who saw an increase in their income. Second, those who were just above it, and so derived no benefit. And, third, those who were below it and stayed there because the policy was inadequately enforced. We found a significant improvement in mental health, but only among those whose incomes increased. Although they only had a few more pence each hour, the size of the effect was considerable,

equating to that seen among people prescribed anti-depressants. This suggests that, for people whose lives are precarious, a small change can make a big difference.

What I've described falls into the category that Paugam and others would describe as *précarité de l'emploi*. [23] But there is also *précarité de travail*. We've been looking at the epidemic of workplace suicides in France, where increasing numbers of employees have chosen to kill themselves in the face of extreme pressures at work. Suicides have affected a wide range of companies and sectors including postal services, car manufacturing, telecommunications, electricity and gas, banks, supermarkets, research centre and call centres. In a number of cases, individuals have left letters, subsequently published in the press, in which they explicitly blame work or conditions at work as the cause of their actions. Others have chosen to kill themselves in a highly visible or symbolic way, returning to work in order to take their own lives, for example by hanging themselves in their offices, to make clear the connections between their suicide and work. In July 2016, Paris prosecutors announced that the former chief executive of the telecoms provider, France Télécom, now rebranded as Orange, and six senior managers may face criminal charges in relation to suicides among its employees. This follows an earlier case when a French court of appeal found the car manufacturer, Renault, guilty of gross negligence with regard to three suicides at the company.

At least the French government has recognised that this is a problem. Any suicide at work is considered work-related until proven otherwise, and suicides outside work are investigated as work-related if family members can show evidence suggesting a link. [24] In contrast, in the United Kingdom, even those suicides committed in the workplace are presumed to be individual and voluntary acts and the relevant legislation states that 'All deaths to workers and non-workers, with the exception of suicides, must be reported if they arise from a work-related accident'

Looking beyond employment and income, people may also feel precarious because of concerns about having somewhere to live. For consistency we might call this *Précarité de logement*. [25] We first realised this in a study we did in Spain early in the financial crisis. We were fortunate to have access to data on several thousand patients attending primary care centres in 2006-07 and 2010-11, before and during the economic crisis. All completed a standardised instrument designed to diagnose mental disorders. We were able to show that there was a significant increase in mental illness, after adjusting for the usual socio-demographic confounders. In particular, there were large increases in depression and anxiety and alcohol-related disorders. As might be expected, job loss was a major factor but so was getting into housing arrears or the threat of eviction, independent of employment status.

Of course, that study had a number of limitations. It was based on two cross sectional surveys, so we were not following up individuals. We also had limited information about the individual circumstances of respondents. At the time, this was about all we could do. There were very few data following up individuals during the period of the crisis. By about 2014 this changed and the data from the EU's Survey of Income and Living Conditions became available for the early years of the crisis. Although it contained very few questions on health, there were some, and there was much more that we could do.

We stayed with housing in another study. [26] We identified all respondents from the then 27 EU member states who had no housing arrears in 2008 and followed them to 2010. We found that those transitioning into arrears experienced a deterioration in their mental health, but only if they were renting their accommodation. Those who owned their accommodation experienced no deterioration, after adjusting for other factors. Crucially, the effect of falling into rent arrears was independent of, and greater than job loss. Once again, we found that the effect varied among countries. In some, for whatever reason, people were relatively protected. In others, such as Belgium, Austria and Italy, the effect was substantial.

[27] We took advantage of a natural experiment in the UK to look a little closer at housing and health. In April 2011, when the government reduced financial support for low income persons renting in the private sector. The effect was substantial, with those receiving housing benefit losing about €1,500 a year. We compared mental health problems among those receiving housing benefit, who would suffer a loss, and those who were not, who would be unaffected. Given that this was in the midst of the economic crisis, it was unsurprising that even those spared the cuts experienced some worsening in mental health. However, the change was several times greater among those whose benefits were cut.

As a public health researcher, I find myself constantly looking upstream, to ascertain the causes of the causes. Why were some people experiencing housing problems and others not? Of course, there are clearly many individual factors, but are there aspects of government policy that play a role, placing more people in situations that are precarious in some areas rather than others? [28] To answer this question we looked within a single country, England. We wanted to explain variations in homelessness claims between 2004 and 2012. As expected, we found that reductions in the economic activity in a local area were important. These led to job losses and reductions in income, with lower spending impacting on local shops and service providers. But homelessness was also associated with reductions in welfare spending, and especially cuts to housing services and payments, as expected, but also social care and income support for older people.

The final area I want to look at is precariousness in the ability to feed oneself and one's family, which we might call *Precairité de la sécurité alimentaire*. We have seen a

remarkable increase in the use of foodbanks in the UK, something I will return to in a minute. [29] We were interested in what was happening across Europe. Using data from 21 countries we found that food insecurity had increased between 2004 and 2012 and this was associated with both job loss and income reduction. [30] The growth of foodbanks in the UK has been very controversial. [31] Ministers have attributed it to people being unable to manage their finances, or spending their money on alcohol and cigarettes. Because the food is free, it is assumed there is infinite demand. None of these politicians seem to realise that people can only use a foodbank if they are referred, typically by a doctor or social worker. [32] We showed that the growth of foodbanks followed job losses, cuts in welfare spending, and what are termed sanctions. These are an especially cruel measure, exploited by staff in welfare offices to help them meet their targets to get people off benefits. They typically pick on the most vulnerable, such as the blind or disabled, or give appointments in rural areas for times before public transport is operating.

[33] So let me summarise so far. We have shown how the financial crisis and the subsequent imposition of austerity impacted on people in many ways. An estimated 5 million EU citizens lost their jobs between 2008 and 2010. Many others experienced reductions in income. Some lost their homes and while there is no system for collecting comparable data, surveys in countries such as Spain and the UK suggest that numbers of homeless increased by about 15% between 2008 and 2010. Others went without food. Their lives became more precarious. And as we have shown, this meant that not only were they at greater risk of misfortune but the consequences were worse when they experienced it.

And what we have described is just the tip of the iceberg. Many who have escaped these experiences live in constant fear of the future. Their jobs and income may be secure for now, but for how much longer? They can still afford their homes, but will this continue? And if they have to move, what will this mean for getting to work, for their social support networks, and for their children's schooling?

We, in our research, have only scratched the surface of this problem. We have shown that even a very small change, such as a wage increase that most of us would not even notice, can make a big difference to mental health. In contrast, a cut in housing benefit can increase substantially the risk of mental illness. And we have seen the indifference of politicians to the plight of those who are living on the edge. Clearly, there is a large research agenda for the future.

I hope that I have convinced you why we should be concerned about precariousness. I hope I have shown how it impacts on the health of some of the most vulnerable people in our societies. And as someone committed to improving health overall, but especially for those whose health is worst, this has to be a matter of concern. But I want to conclude by arguing

that there is another reason why we, as a society, should be concerned about the growth and persistence of a section of the population who feel left behind, in a world characterised by uncertainty.

[34] The word precarious is related to the Latin, *precor*, to beseech or to pray. Once, in the days when, to quote Thomas Hobbes, life was nasty, brutish and short, those whose lives were most precarious were likely to turn to religion. Some still do. But, at least in the twentieth century, there were times when they turned to others who promised a better future.

[35] We were interested to know whether the austerity implemented during the Weimar Republic contributed to the rise of National Socialism. This was a time of great uncertainty. Unemployment rose steeply. Rampant inflation destroyed savings. Many Germans emigrated, in search of a better life in the new world.

[36] We collected data on voting patterns in the five Reichstag elections between 1928 and 1933 and on a variety of measures of the economy. These included government spending and tax withheld from wages, hourly wages and economic output. By using small geographical areas of analysis, we were able to construct a dataset at the level of constituencies. Our analyses showed a clear association between the depth of austerity and the rise in support for the National Socialists. Crucially, what we were seeing was not simply the result of impoverishment. The very poor, a group that was hit hard by job losses, tended to turn to the communists. It was those just above them in the pecking order who turned to the Nazis, the group who had something to lose.

Of course, those times were different from today. But also now, many people feel that they have something to lose. Many of the certainties that they took for granted, such as jobs for life, ever improving living conditions, and children whose prospects were better than their own seem to have vanished. They look around for someone to blame. They don't need to look far. In the shops, in the streets, and in the schools they see people who look different. And when politicians also point the finger of blame at those who look different, it is far too easy to accept this narrative. What they do not see, of course, is that these others are doing the jobs that they neither want nor have the skills to do. They forget that their health care systems manage only because they import skilled workers from the rest of the world. They forget that their elderly relatives are looked after by migrants. And the newspapers they read conveniently overlook the evidence that migrants make a positive contribution to their economies. The media matters. [37] We have shown that Rupert Murdoch's Sun newspaper can also shift voting behaviour, even when it does not change underlying values.

For anyone with a sense of history, it should be deeply worrying. The vote in the UK should surely remind us that we can take nothing for granted. Many of us thought that it was

inconceivable that so many of the British people would vote against their own interests. But they did. The author Charles Emerson has written a superb account of life in the year 1913 in almost 30 cities across the world. Of course it is easy with the benefit of hindsight, that what is striking is that for almost all of those whose stories are told, the carnage of the following 4 years was equally inconceivable.

Anyone who believes in the enlightenment values of evidence and enquiry, of tolerance and mutual respect, and the more recent value of solidarity cannot ignore those factors that are driving politics today. And this means that we must understand the lives of those who see the world in a very different way from many of us here.

[38] Let me conclude. As someone concerned about the health of the population, and especially those most disadvantaged, I must try to understand the impact on health of the changes that are taking place in society. And as the European researcher, and yes, despite the suicidal policies being pursued by the government of the country in which I live, I remain a committed European, I have the benefit of an incredible natural laboratory to study these issues. The growth in precariousness is not inevitable. While wages have stagnated in the UK and Germany, they have risen in Finland and Slovakia. Meanwhile, skyrocketing housing prices in the UK housing contrasts with The Netherlands, which maintained stable housing prices, even during the recessions of 2008. Sweden has slowly reduced pension support, but France has increased it for some older people. There are many different responses we can learn from, such as the Danish model of ‘flexicurity’, characterised by market freedom in employment, compensated by generous secure benefits. This creates a situation where one can experience job insecurity, but relatively low labour market insecurity, with confidence in finding another job and sufficient severance pay. Each country must adopt policies that take account of its own starting conditions and what, constitutionally and institutionally, is possible. However, the one common feature of those policies that do protect the health of populations in the face of adversity, such as active labour market policies and measures to protect families against losing their homes, is that they show ordinary people that those in power actually care.

But there is another reason why we should be concerned. And this is that our democratic systems are based on a social contract. And those with power should not use it to breach that contract. That can, as we know from history, have consequences for us all. [39] Thank you.

¹ See sheets presentation.

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