Hardship During the Great Recession Linked With Lasting Mental Health Declines

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People who suffered a financial, housing-related, or job-related hardship as a result of the Great Recession were more likely to show increases in symptoms of depression, anxiety, and problematic drug use, research shows. The research findings, published in *Clinical Psychological Science*, a journal of the Association for Psychological Science, reveal declines in mental health that were still evident several years after the official end of the recession, but were obscured when examining trends in population-level data (e.g., the number of people overall with each mental health outcome).

“Our study provides a new perspective on the impact of The Great Recession, showing that population-level analyses likely miss important patterns in the data,” says lead researcher Miriam K. Forbes, who began the research at the University of Minnesota and now works at Macquarie University in Sydney, Australia. “By looking at individuals’ mental health and experiences of the recession, we could see a different picture.”

“Individuals who experienced even a single recession impact still had higher odds of nearly all of the adverse mental health outcomes we examined – including clinically significant symptoms of depression, generalized anxiety, panic, and problems with drug use – three years after the recession,” Forbes explains. “And these odds were higher still in specific sociodemographic groups who suffered marked losses during the recession or without a strong safety net."

Forbes andUniversity of Minnesota colleague Robert F. Krueger examined data collected aspart of the longitudinal Midlife in the United States study of adults aged 25to 75. To investigate the impacts of the Great Recession, which officiallylasted from December 2007 to June 2009, the researchers focused on datacollected in the 2003-2004 wave, three years before the recession began, andthe 2012-2013 wave, three years after therecession ended.

Forbes andKrueger examined participants' symptoms of depression, anxiety, and panicdisorder and their symptoms of problematic alcohol and drug use. In the2012-2013 wave, participants also reported whether they had experienced avariety of recession-related impacts, including financial impacts (e.g., missedmortgage or credit card payments, declared bankruptcy), job-related impacts(e.g, took on an additional job, lost a job), and housing impacts (e.g., movedin with family/friends, threatened with foreclosure).

As observed inprevious studies, the prevalence of each mental-health outcome in the fullsample remained stable or decreased slightly from 2003-2004 to 2012-2013. But whenthe researchers looked at mental-health outcomes in relation to the hardshipsindividuals experienced as a result of the Great Recession, the analyses told adifferent story. Specifically, each hardship experienced was associated with anincreased likelihood of having symptoms of depression, generalized anxiety,panic, or problems with drug use. This pattern held even when Forbes andKrueger accounted for participants' previous symptoms and their sociodemographiccharacteristics.

Theresearchers also found that individuals who did not have a college educationwere more likely to show increased anxiety in relation to job-related hardships.And people not living with a spouse or partner were more likely to haveproblems with drug use associated with housing-related hardships. Theseassociations may reflect the relative lack of safety net available to people inthe job market who have fewer qualifications, or who rely on a single income.

The analyses also showed that people with greaterfinancial advantage were particularly affected by some hardships. Compared withtheir less-advantaged peers, participants who were well off were more likely tohave anxiety symptoms associated with housing-related hardships and were alsomore likely to have drug use problems associated with financial hardships. Theseassociations may reflect that fact that experiences such as "moving in withfriends or family to save money" or "selling possessions to make ends meet" likelysignal a substantial loss of assets and a considerable level of hardship forpeople who were previously living comfortably.

The researchers note that the observational nature of the MIDUS data does not allow them to conclude that recession hardships caused an increase in participants' symptoms. However, the findings do reveal the limited perspective afforded by aggregate-level analyses – understanding people's actual lived experiences requires analyses that examine individual-level outcomes and changes over time.

The GreatRecession of 2007 to 2009 resulted in huge losses to employment, earnings,assets, and income in the United States and this research shows that thoselosses were associated with lasting negative mental health outcomes for manyindividuals.

“Thesefindings suggest the adverse effects of the Great Recession on individuals’mental health likely compounded and prolonged its economic costs, highlightingthat government-funded mental health support following financial recessions maynot only ease individuals’ burdens, but could be a sound financial investmentthat may act to stimulate faster economic recovery following future recessions,”says Forbes.

“Thesefindings may be particularly pertinent given some indications that the nextperiod of economic contraction might begin as early as 2020,” she adds.

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All data have been made available via the Interuniversity Consortium for Political and Social Research (2004-2006, 2013-2014). This article has received the badge for Open Data.