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The 2008 Global Financial Crisis: effects on mental health and suicide

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The 2008-2013 recession was followed by rises in suicide in England and other affected countries. It is critical that we learn lessons from the recent recession to reduce the impact of future economic downturns on suicide and mental health.

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About the research

The 2008 global financial crisis affected economies around the world. It led to the deepest UK recession since World War II, with rises in unemployment, debt and home repossessions. Young people experienced particularly high levels of job losses and unemployment.

The recession was associated with a reversal in previously falling suicide rates in England, as well as increases in suicide attempts and depression, particularly in males. The full extent of the effect of the recession on population mental health and suicide is now becoming clear. It is critical that we learn lessons from this recession to enable more rapid and evidence-based responses to reduce the impact of future economic downturns on mental health.

This report summarises findings from a National Institute of Health Research (NIHR)-funded research project that is assessing the impact of the recession on suicide rates. It is led by researchers from the University of Bristol, in collaboration with colleagues from the Universities of Manchester and Oxford. The research used national mortality statistics, inquest reports of people dying by suicide and interviews with people affected by the recession, including nineteen who had made suicide attempts, to understand ways in which the recession affected mental health and suicide.

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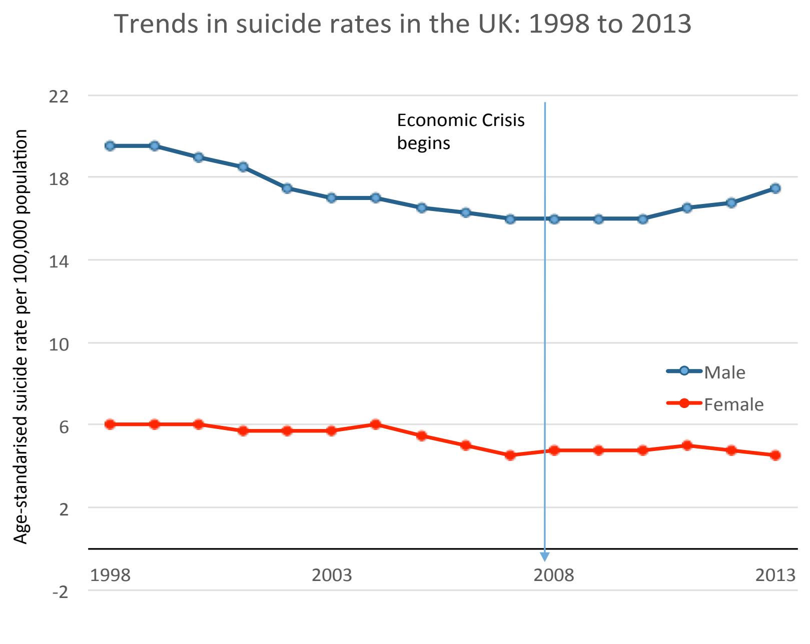
What is the impact of the recession on mental health and suicide?

Previously declining rates of suicide reversed around the time of the recession. There were an estimated 1000 excess deaths from suicide in the UK between 2008 and 2010. Similar rises occurred in many other countries, especially in Europe and North America. Other research has shown that areas of England experiencing the greatest rises in unemployment experienced the largest increases in the number of suicides.

In England, as in the rest of the world, the greatest rise in the incidence of suicide appeared to be in young men.

It is estimated that for every suicide death in England, approximately 30-40 people will present to hospital following self-harm (mainly suicide attempts). Thus the estimated increase in 1000 suicide deaths (see above) are likely to have been the tip of the iceberg of emotional distress, with possibly 30-40,000 additional suicide attempts during the first three years of the recession. Other research, using data collected in the Health Survey for England and the Multicentre Study of Self-harm in England, shows that after 2008, there was an increase in levels of poor mental health in males, and a rise in numbers of males presenting at hospital following suicide attempts.



Source: data from Office for National Statistics, Northern Ireland Statistics and Research Agency, National Records of Scotland

Why do suicide rates increase during periods of economic recession?

Unemployment, financial difficulties, debt and loss of a home increase an individual's risk of depression, suicide attempt and suicide. Rises in unemployment appear to account for less than half of the increase in suicide deaths during recessions; debt and the impact of austerity measures are likely to be other important contributors to the rises.

Other financial stressors that were identified as contributing to suicidal behaviour included disputes over benefits, wage cuts or demotions and reduced hours. A range of sources of debt were identified, including loans (e.g. hire purchase and student loans), mortgage/rent arrears, gambling and debts to friends and family. Many individuals were not in contact with mental health services or their GP.

The deceased had worked as a manager for the same company for many years, but the business was not doing well and he was given a lower paid role. He had been worrying about his debts the night before his death.

The Coroners' records reviewed in the research illustrate the circumstances of people who took their lives during the recession. Unemployment and financial difficulties contributed substantially to thirty-seven (14%) of the 287 suicide deaths reviewed as part of the study.

The deceased was in his 30s and had worked for the same company for over 10 years until, following an injury at work, he was signed off for some time and was unable to return to heavy-duty work. He lost his job in 2009. He was unable to find new work, became depressed and started drinking heavily. He took his life in 2011.

Several studies have shown that the people most vulnerable to job loss and debt are individuals with pre-existing mental health problems or past psychiatric illness. Thus vulnerable individuals may become more vulnerable during periods of recession.

Unemployed interviewees reported the negative impact on their mental health of Job Centre targets for the number of job applications they should make; often they received no response to these applications and this contributed to their stress and sense of low self-worth due to failure to find employment. Despite being given suggestions about appropriate agencies to go to for advice and support, people experiencing mental health problems as a result of their financial and employment difficulties often lacked the motivation and support to navigate the benefits and advice systems, further exacerbating their problems.

"…it was always down to me to sort out the finances and obviously if I'm ill and on a real low I don't do it and then things don't get paid and things get forgotten… Finances. It was the ultimate trigger. Obviously I was feeling low anyway and I missed- I had forgotten to make a [council tax] payment [and they put me] onto a bailiff. It was just a genuine slip, a genuine slip and they were threatening to come and take our belongings, which they didn't do – as it turns out they were trying to scare me but that tipped me over the edge."

- 35 year old man who had attempted suicide


Image by Sander van der Wel [CC BY-SA 2.0]

Reducing the impact of recessions on mental health and suicide

- Other research indicates that countries with more generous unemployment benefits and that invest more in active labour market programmes (e.g. job search assistance, apprenticeships, subsidised employment) experience the smallest rises in suicide during recession.

- A policy focus on creating work opportunities for young people is particularly important during periods of recession. Young people are the group most likely to be made redundant and experience difficulties finding work. Negative first experiences of job-seeking or the labour market may have a permanent scarring effect.

- Frontline staff most likely to be in contact with individuals whose mental health is affected by economic and employment difficulties should receive training in recognising and responding to risk. These include staff in advice agencies (e.g. Citizen's Advice Bureau), Job Centres, debt agencies, benefits systems, housing agencies, food banks and other such agencies, and also money lenders.

- Staff working in the NHS, social services and the advice sector need to be able to steer people affected by job loss, financial hardship and benefit changes towards appropriate help. They should be given regularly updated information on the key local and national statutory and third sector agencies (e.g. Citizens Advice Bureau (CAB), Job Centres, debt advice agencies, Samaritans).

- Timely funding should be given to advice agencies (e.g. Citizens Advice Bureau, debt advice agencies) operating in areas most affected by recession. Whilst Governments may wish to reign in spending during recession, strategic investment is needed to mitigate the worst effects of recession on mental health and to ensure, as far as possible, that the population has the emotional capacity to return to work when the recession ends.

- Provision of adequate welfare benefits will prevent people going further into debt; such debt is a potentially critical mediator of the impact of recession on mental health.

Image by unknown author (U.S. National Archives and Records Administration)

Summary of key findings

- Economic recessions lead to increased levels of mental illness, suicide and suicidal behaviour.
- Rises in redundancies and unemployment as a result of the 2008 recession were greatest in young people, particularly males.
- Key stressors include job loss, financial difficulties, debt, loss of home and relationship stresses.
- The people most affected are individuals who are already vulnerable due to pre-existing mental health problems and other risk factors for mental illness and suicide.
- Many individuals who die by suicide in the context of employment or financial difficulties are not in contact with mental health services or their GP.
- People experiencing mental health problems as a result of their financial and employment difficulties often lack the motivation and support to navigate the benefits and advice systems.

Policy implications

- **Appropriate investment in active labour market programmes should be made, supporting young people who are entering the labour market for the first time.**
- **Provision of adequate welfare benefits could mitigate the impact of recession on suicide risk.**
- **Frontline staff most likely to be in contact with vulnerable individuals whose mental health is affected by economic difficulties should receive training in recognising and responding to risk.**
- **Staff working in the NHS, social services and advice sector should be given regularly updated information on the key advice agencies, in order to help steer people affected by job loss, financial hardship and benefit changes towards appropriate help.**
- **Timely funding should be given to advice agencies (e.g. CAB, Debt Advice centres) operating in areas most affected by recession.**

Further information

This research was led by researchers at the University of Bristol in collaboration with colleagues at the Universities of Manchester and Oxford. To find out more about the research and to read some of the outputs, please visit: bris.ac.uk/social-community-medicine/projects/suicide-prevention

Forthcoming research

The team plan to pilot an intervention to reduce risk in people who are vulnerable as a result of unemployment, financial problems or issues accessing benefits.

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