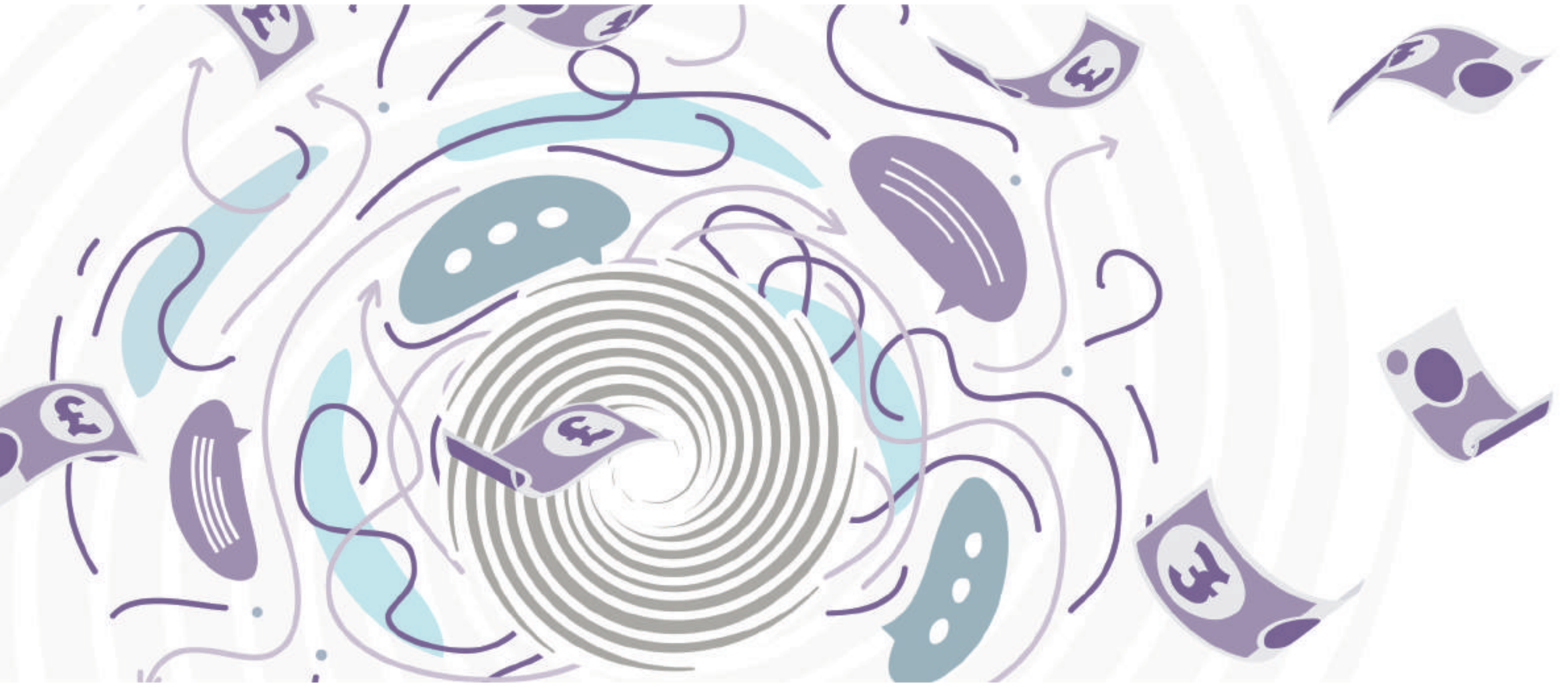

Anxiety nation? Economic insecurity and mental distress in 2020s Britain

by Tom Clark and Andrew Wenham.

This study looks at the shaky foundations of material life for many people, and highlights a worrying increase in the markers of mental ill-health. It examines links between the two, documenting the way economic exposure leaves people far more vulnerable to a range of worrying mental health markers.

JRF JOSEPH ROWNTREE FOUNDATION

INSPIRING SOCIAL CHANGE

Anxiety nation? Economic insecurity and mental distress in 2020s Britain

Tom Clark and Andrew Wenham

Has Britain become an 'insecure society'? Is anxiety running out of control? And if so, could the two things by any chance be connected? This report starts by highlighting the shaky foundations of material life for many Britons: recourse to private rentals has doubled over the past generation, and the 2010s left increasing numbers of households with no savings at all. It goes on to highlight worrying markers of mental ill-health, including the fact that 17% of English adults have recently received antidepressants, a proportion that has grown much faster than in Germany, Italy and most other comparable countries. Finally, it examines the links between the two, documenting the way in which economic exposure leaves people far more vulnerable on a whole range of worrying mental health markers.

What you need to know

- On 12 different markers of mental health problems – from sleep loss to impeded social life – renters raised the flag for distress much more often than homeowners, and on 10 of the 12, more than twice as often.
- Those with minimal savings reliably reported far more distress than substantial savers, with twice as many admitting to taking less care at work, and three times as many reporting feeling worthless.
- All sorts of reforms, from those relating to the rental market to workplace changes, could bolster economic security – and, on the face of our findings, bring serious benefits for mental health too.

We can solve UK poverty

JRF is working with governments, businesses, communities, charities and individuals to solve UK poverty. *Anxiety nation?* looks at the connection between economic insecurity – a key focus of our strategy to solve UK poverty – and mental distress.

November 2022
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Executive summary

This report picks up on a rising sense of insecurity in Britain today. It interrogates the potential connection between the shaky foundations of material life for many of our citizens and burgeoning signs that a growing anxiety problem is gripping the country. It postulates that there is a vicious cycle in which mental distress impedes confidence, leading to problems at work, which can in turn lead to issues with debt, housing and even relationships, thereby leading to still more worry. The report then considers how this hypothesis holds up against assorted evidence.

Due to a huge variety of data, some covering England only, some Great Britain and some the whole United Kingdom (UK), we have been as specific as possible about geographical coverage when describing individual sources, but when summarising findings across the sources we use the shorthand terms 'Britain' and 'Britons'.

An insecure society?

Figures from the Organisation for Economic Co-operation and Development (OECD) show that a little over 40% of Britons are either in poverty (and therefore palpably exposed to unexpected costs) or otherwise 'financially insecure' in the sense that they lack the liquid assets to keep themselves out of poverty for three months if their income stopped. Considering both groups together, a higher proportion of Britons rank as financially exposed than their German, Italian and French counterparts, and a far higher proportion than is found among the likes of the Japanese and Norwegians. While there is even more exposure on this simple summary count in Spain and the United States than in Britain, the United Kingdom (UK) has the lowest basic, short-term unemployment benefit among all the major advanced economies. Factor that in, and it seems fair to conclude that, by international standards, Britons are highly exposed.

Not everything has got more insecure, however. Robust employment growth over the 2010s means that, at least as of autumn 2022, the immediate fear of worklessness is not what it was 10 or 12 years ago. But widespread use of insecure forms of work – involving the million-plus people in the UK now officially counted as being on zero-hours contracts, and that is merely the start – ensures that being in employment does not always confer the same security as it did in the past.

As for the assets people have to fall back on, the most substantial one is often a home. But whereas in the 20th century the rising tide of homeownership seemed unstoppable, in the 21st century it has gone into stark reverse, with a great shift away from home-buying with a mortgage to private rental accommodation, a swing since 2000 of more than 10 percentage points of the total UK working-age population between these two categories of tenure. Among young people, rates of homeownership have halved over the past generation. The private rental market, in which tenants often have few guarantees over either their rent or length of tenure, has doubled in size.

Over the 2010s, a growing proportion of Britons have been recorded as having no savings at all. Meanwhile, total wealth – which includes not only savings and private pensions, but also physical items on top of property – is spread so unequally that the bottom 30% of the distribution are left with little more than 1% of assets. Household debt remains at high levels by historic and international standards, and it weighs so heavily at the bottom of the scale that median net financial wealth among the poorest 10th of the British population is zero.

Material security can be achieved by pooling resources, so it is not only money but also relationships that matter. Households in the UK are small by historical standards, and the proportion of children raised by lone parents is higher than in many other countries. While neither trend has intensified recently, these patterns leave a lot of Britons dependent on a single adult's income. As for dependable relationships with friends and relatives beyond the household, the bulk of the 'social capital' indicators that the Office for National Statistics tracks has declined recently.

In sum, there is much to support the characterisation of 2020s Britain as an 'insecurity society'.

An anxious society?

There are various ways to gauge anxiety and wider mental health problems. One approach simply asks people how anxious they feel. The Annual Population Survey has done so since 2011, and suggests broad stability, albeit with some signs of worries easing as the economy very slowly recovered from the Great Recession of 2008/9 and then intensifying during the Covid-19 pandemic. But previous studies have pointed to a few interesting twists, notably a failure of continuing jobs growth to ease anxiety during the later 2010s, and a concurrent rise in average anxiety specifically among those people who are in work.

A second approach focuses on administrative and medical data. Among those in receipt of benefits, the preponderance of cases due to mental and behavioural conditions has long been growing. The phase-in of Universal Credit complicates the statistics, but their total number now likely exceeds a million. Fully half of all claims for Employment and Support Allowance (ESA) – the main 'legacy' (pre-Universal Credit) incapacity-style benefit – are now due to such disorders. Nor are those awarded ESA by dint of a physical condition exempt: it has been estimated that two-thirds of the whole caseload have anxiety and/or depression.

Across the wider population, the pooled general practitioner (GP) records of millions of patients UK-wide reveals a rise of getting on for a half in the rate of 'codings' for symptoms or diagnoses of anxiety since 2010, a break from the stable picture in the years before. The rise has been heavily concentrated in the younger age brackets: anxiety 'codings' for the 25–34s roughly doubled and those for the under-25s roughly tripled, with total incidence now far higher among young women than any other group.

A third and final gauge on anxiety examines the pharmaceutical response. In England, 17% of adults (7.3 million people) received antidepressants – medicines widely deployed against anxiety as well as depression – during 2017–18. Factoring in a broader class of drugs that are also commonly used to treat anxiety symptoms would raise that proportion to 26% (or 11.5 million adults). The NHS Business Services Authority has recently confirmed that prescriptions for antidepressants continue to grow, with a cumulative rise of a third over the past six years. Care is needed in interpreting these figures, as the willingness of patients to come forward and of doctors to prescribe will change over time, but people will only seek out such treatments when there is some degree of distress. OECD figures, on the slightly different measure of daily doses of antidepressants per 1,000 inhabitants, reveal the recent UK trend as exceptional, with growth of 64% between 2010 and 2017, compared with rises over similar (and often longer) time periods in Spain (41%), Germany (29%) and Italy (12%), and an outright decline (-10%) in Denmark. Overall, over the 2010s, the UK has risen from seventh to third in the prescribing table of European countries where such OECD data is available.

In sum, there is much to support the characterisation of 2020s Britain as an 'anxious society'.

Could the two things be connected?

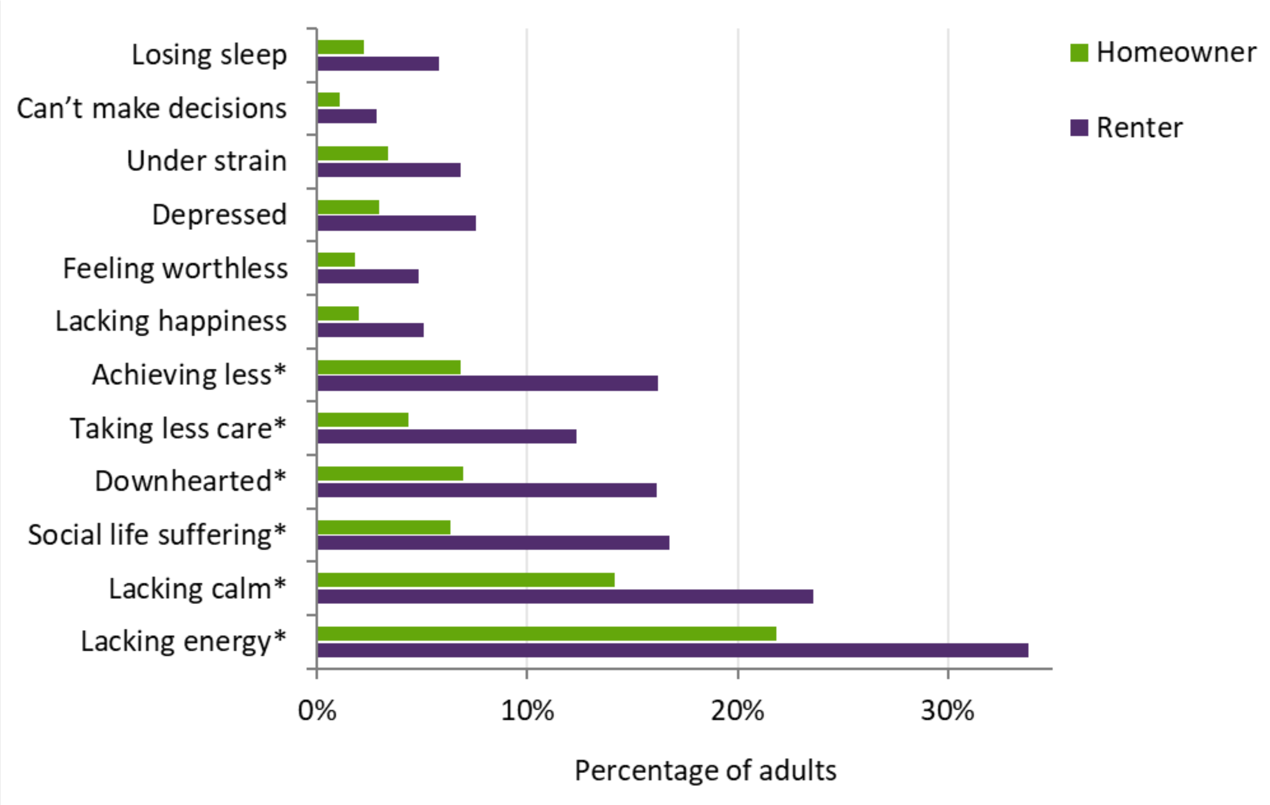
Local prescribing data for England suggests a close connection between recourse to antidepressant prescriptions and local economic exposure:

- All 10 of the English communities with the highest prescription rates are in the north.
- These include Blackpool (which has the highest average score in England on Whitehall's Index of Multiple Deprivation [IMD]) and Middlesbrough (which tops the IMD table for the proportion of its neighbourhoods ranking among the most deprived across England).
- Overall, the number of antidepressant prescriptions is about twice as high in the most-deprived 10th parts of England as in the least-deprived 10th, and this differential is even more marked in prescriptions of drugs used to treat more severe conditions, such as psychosis.

Further connections emerge when the same individuals are asked direct questions about both their mental wellbeing and their economic security in Understanding Society, a very large survey which collects information on both aspects from people across the UK. In new research for this report, we drew on 12 indicators covering everything from sleep loss due to worry, to 'taking less care' with work and other tasks due to emotional problems. We divided the UK population into more or less secure groups, and saw how widespread the incidence of each problem was for each.

First, we compared renters with homeowners. On all 12 counts, renters raised the flag for distress much more often than homeowners; on the first 10, they raised it at least **twice as often** (see Figure S1). For example, the proportion of those in owner-occupied homes reporting that they had been losing sleep was just 2%, but that rose to 6% among renters; the proportion of homeowners reporting that they had been taking less care over work and other tasks due to emotional problems was 4%, but that rose to 12% among renters.

Figure S1: Home truths: every indicator of mental distress is higher for renters than for homeowners

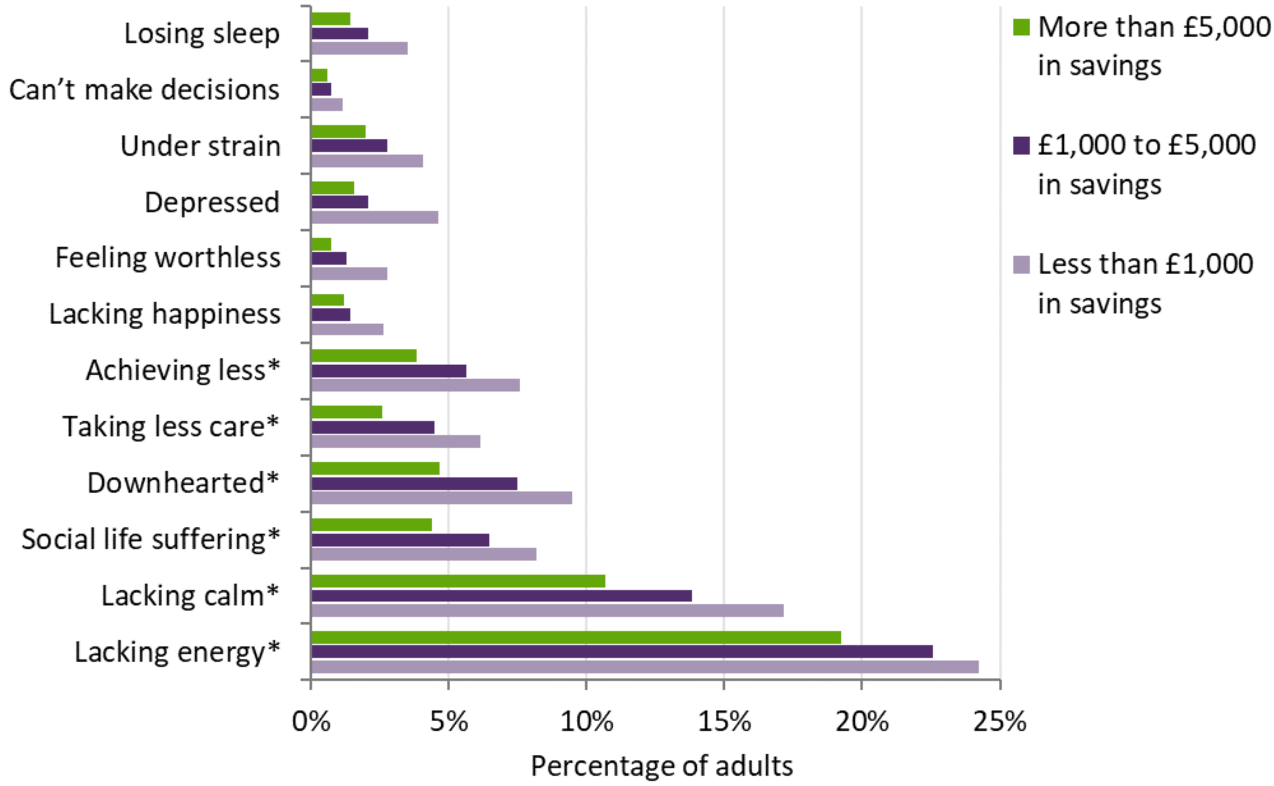


Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

Next, we looked at the relationship with savings, dividing the population into minimal savers (those with less than £1,000), moderate savers (those with £1,000 to £5,000) and substantial savers (those with more than £5,000). Very roughly, the lower threshold caught people in the bottom quarter of the savings distribution, the higher one the bottom half. The mental health indicators varied between the three groups (see Figure S2). In every case, the same gradient was evident: distress rose as savings fell. The minimal-savings group often reported at least double the incidence of problems as the substantial savers, and sometimes more than that. For example, a rounded 3% of the minimal savers reported feeling worthless against just under 1% of the substantial savers. Of the minimal savers, 6% admitted taking less care with work or other tasks on account of emotional problems; this dropped to just 3% of those with nest eggs of more than £5,000.

Figure S2: Savings grace: all the mental health warning lights flash less often when people have money in the bank



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

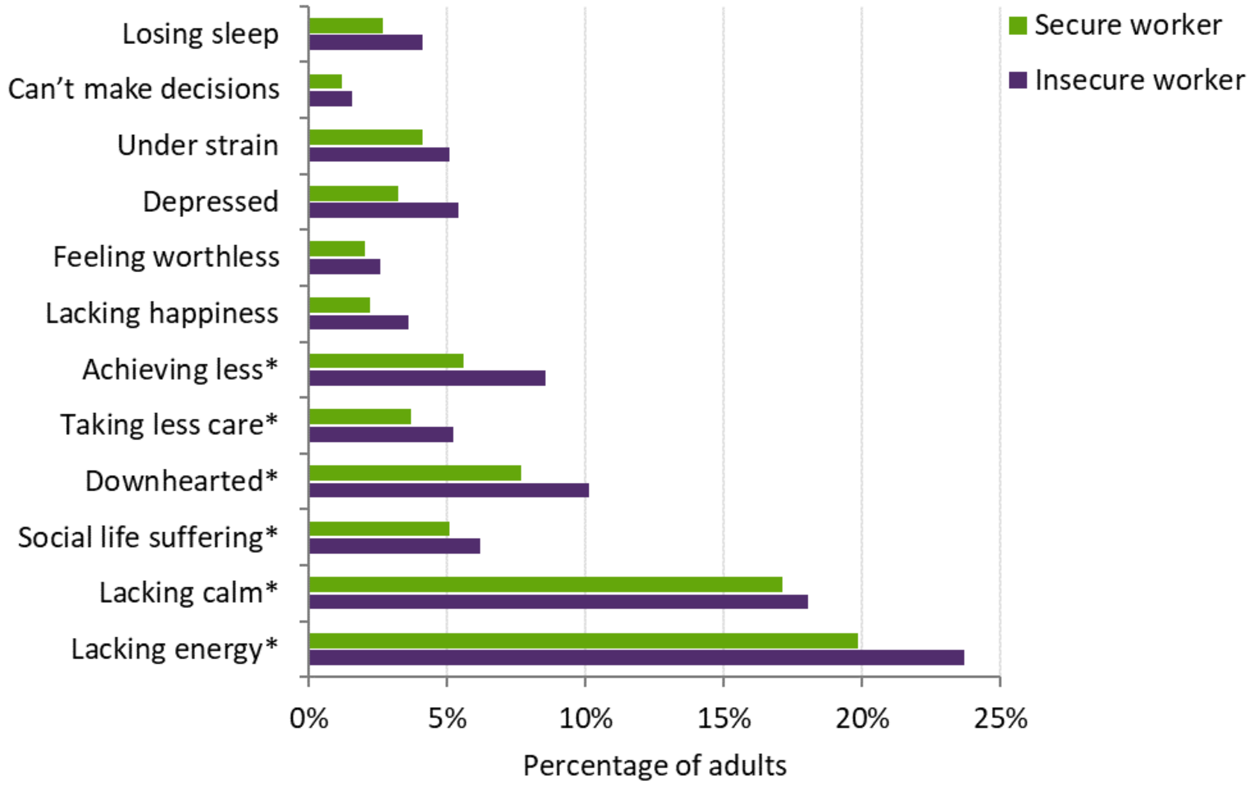
Source: JRF analysis of Understanding Society, 2016/17

We found a very similar pattern of results when we looked at people's expectations for retirement and their ability to keep up with bills. Those who reported having inadequate provision for old age and those who were behind on bills had higher rates of trouble on every one of our 12 indicators of distress, frequently far higher. With pensions and being behind on bills, the effects were at least as powerful as – sometimes more powerful than – the effects of savings and housing.

Next, we turned to insecurity at work, where the categories are not quite so clear as between homeowners and renters, or savers and non-savers. We deemed workers 'insecure' on the basis of a range of characteristics that we have information on in the Understanding Society survey, specifically if their employment was 'casual', temporary (whether that be seasonal, agency, a fixed-term contract or impermanent in 'some other way') or paid in a way (by the hour or through a lump sum) that could point to unreliable earnings. This measure caught 8.5% of workers in the UK. It has obvious imperfections: it will miss 'forced freelancers' and many others on unreliable shifts. Nonetheless, it exhibits a clear link to mental health problems: on all 12 measures, insecure workers recorded more signs of distress than their 'secure' counterparts (see Figure S3). And we found much the same sort of negative connection with emotional health when we looked separately at workers on zero-hours contracts, who are mostly different people from those just described and, as such, a second set of insecurely employed workers.

The connection was consistent and always clearly visible. It is worth pausing, however, on its scale. The risk of adverse mental health symptoms or consequences as a result of insecure employment was often raised by the order of a half, sometimes less. That sounds like a lot, but is a weaker association than what we found with housing tenure and savings, where the incidence of the distress markers often doubled or more in comparing the more and the less secure groupings. Any conclusion is extremely tentative here. But, if anything, it looks like the absence of assets and having debts could be more strongly associated with poor mental health than insecurity at work.

Figure S3: Work worries: people employed in insecure ways have poorer mental health



Note: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

Insufficiency or insecurity?

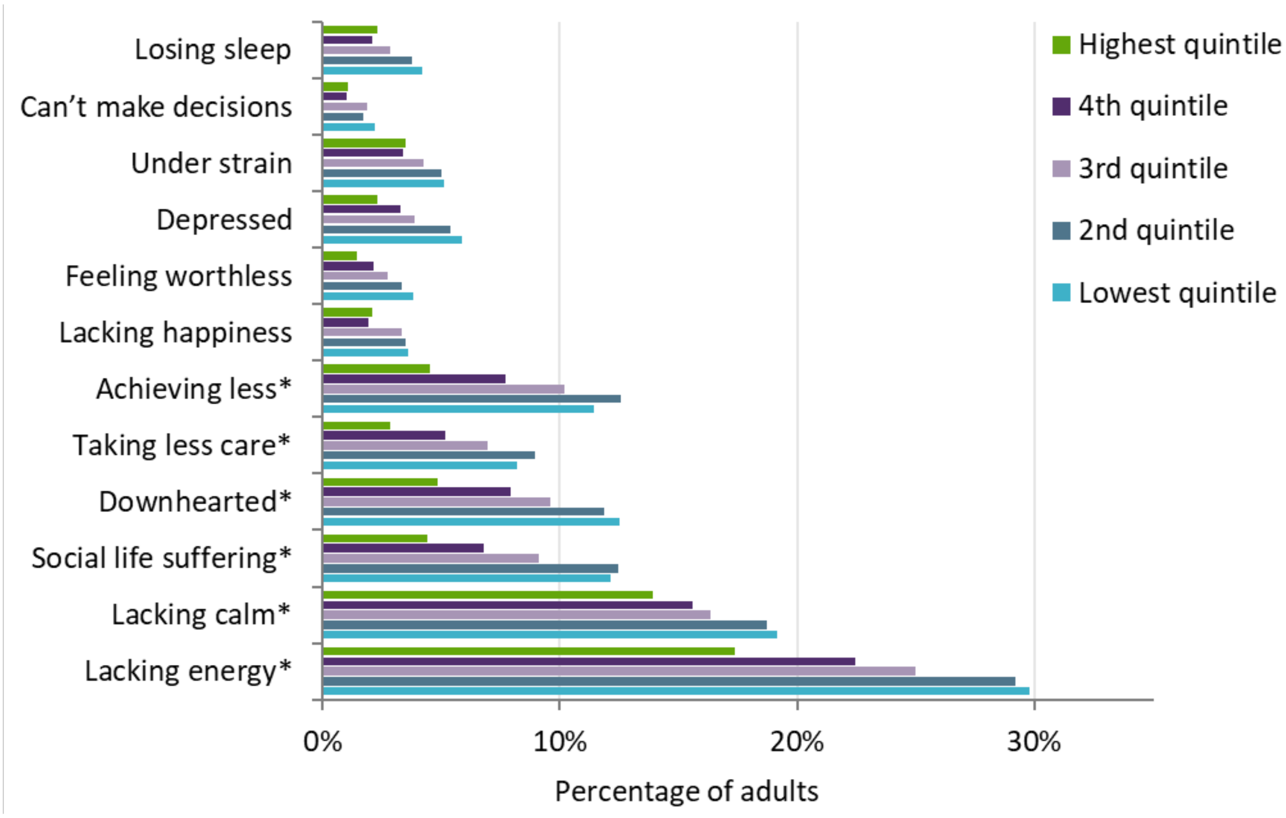
Standing back, could it be that insufficiency in income – that is, simply not having enough – is what actually explains the strong apparent connection between mental distress and the markers of material insecurity? After all, it is mostly people in poverty who are at the roughest edges of both the labour market and the rental market. And those with the least income are bound to struggle to build up a buffer of savings. All this means the relationship between insecurity and insufficiency of income can get blurry.

Even so, we can shed some useful light on this. Figure S4 again shows our full suite of anxiety indicators, but instead of looking at variation between people in secure circumstances and those in insecure ones, we now look at variation across the income distribution. On first glance, income connects to our distress markers in much the same way as the various dimensions of security that we have already explored. With a few minor exceptions, as we step down through the income brackets, the incidence of all the mental health problems rises. In short, insufficiency in income matters.

But home in now on the **rate** at which the problems fall away along the income spectrum. If we focus on the gaps between the lowest incomes and the middle income bracket – the basis of the official poverty measure – then the gaps are often smaller than those between, say, savers and non-savers or homeowners and renters. The incidence of many of the anxiety problems is only a quarter or so higher in the bottom income bracket than in the middle bracket.

Set against such differentials, the mental health gains associated with having savings in the bank shown in Figure S2 look large. In comparing minimal savers with the half or so of the UK population with more than £5,000 squirrelled away, the incidence of most of the anxiety indicators doubles or more.

Figure S4: From money to mind: anxiety indicators across the income distribution



Note: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

Given the relatively modest savings that the majority of people in the UK have, the amounts of money associated with these apparently large positive mental health effects are relatively small: remember, a one-off nest egg of £5,000 puts you roughly half the way up the savings distribution. (By contrast, the official statistics for income suggest that the gap between the 25th percentile and the median is about £160 a week – that is more than £8,000 after tax, each and every year.) The differentials on our distress markers associated with homeownership, pension provision and being up-to-date with bills also appear substantial when set beside those that register across the income spectrum. If – a big if, admittedly – social policy could somehow directly bolster financial security, then on the face of these findings that might significantly bolster public health.

Facing it – and fixing it

Our resounding conclusion is that Britain has big and, on many measures, growing problems with both material insecurity and mental distress, and furthermore it looks very much like the two things are linked. Virtually every indicator of material insecurity we could find goes hand in hand with a raised risk on all 12 of our anxiety indicators, and the association is often strong. The spiral of insecurity looks like a reality for many Britons.

There is still much more analytical work to be done in mapping the problem. Useful research questions could include:

- How does anxiety affect different social groups – in terms of race, family type, age, region, class and so on?
- How does the relationship between mental distress and the material forms of insecurity play out in different sub-populations? (Or, in other words, does being in a marginalised or vulnerable group increase the 'exchange rate' between material insecurity and mental distress?)

- What can we learn from conversations with people at the sharp end about the precise mechanisms by which material insecurity connects to problems with emotional health?
- Can we use 'tracking' surveys, such as Understanding Society, to follow the same people over time and pin down the insecurity-inducing events that are most significant in the deterioration of mental health?
- What can we find by undertaking deeper specific data dives in relation to assets on the one hand and work on the other, and how can we strengthen the link between the available information on each?
- How can we fix the current shortfall of high-quality data specifically on the volatility of income?
- Is there an analytical case for a social experiment that can directly establish how outcomes change after assets are distributed (or debts are cleared)?

So much for 'facing it'. What of the 'fixing it' question for public policy? Guaranteeing stable work, spreading homeownership and achieving ubiquitous rainy-day savings all sound great. Hard-bitten politicians and officials will, however, wonder: can public policy truly – and affordably – achieve any of these things? But the £15 billion burden of mental health on the English NHS, and the estimated £100+ billion burden on wider society resulting from such effects as lost working days due to mental ill-health, imply that it is also unaffordable to ignore the problem.

This report contains a few encouraging pointers about practical and potentially affordable ideas for making a difference:

- It looks at least possible that even modest efforts to 'redistribute security' – whether through conferring assets or attenuating debts – could have a meaningful and positive effect on mental wellbeing.
- Relatively modest outlays on things such as debt advice, which can make life more manageable and secure, look highly likely to be money well spent. Our analysis likewise suggests that the benefits of supporting less prosperous people to build up assets or savings could extend beyond improving their financial position.
- Our results point to the urgency of reforms to make the experience of private rental less anxiety-inducing by increasing security for tenants – starting with the Government finally making good on its commitment to end section 21 'no fault' evictions. And as the Joseph Rowntree Foundation (JRF) has argued elsewhere (Baxter-Clow, 2022), we should eventually aim to rebalance the tenure mix, curbing and even reversing reliance on private rentals, especially for families with children.

Turning to work, with the economy on the cusp of a recession, if millions of jobs disappear, the over-riding priority for security (and attenuating anxiety) could soon be getting unemployment down. But the coming economic crunch could instead translate into mass insecure employment. Either way, attention urgently needs to turn towards doing something for all those workers who lack the basic protections that most workers take for granted. As JRF has repeatedly said, the Government should make good on its commitment to introduce an Employment Bill, so that we make jobs work for all.

A research report like this is bound to be more about kicking off a conversation about a problem than definitely solving it. Our real purpose has been to wake readers up to the reality of Britain's twin problems of insecurity and anxiety, and the many ways in which the experiences of the two things overlap. The evidence is both clear and alarming.

1 Setting the scene

Life is never certain. We wouldn't want it to be: much is achieved by taking risks. But to have the confidence to take risks in the first place – or to thrive more widely – we all need to know we have got some basic things we can count on. This report picks up on a sense that too many Britons today are feeling insecure about those basics, and interrogates the hard data for anything that could explain that perception. It then homes in on the particular role of anxiety in a dark spiral of insecurity.

One sign that Britain **might** have a big problem with anxiety comes from data on psychiatric medicines. It is, of course, welcome if some people who would previously have suffered in silence with their mental health are coming forward and seeking help. Nonetheless, it is striking to find from Public Health England's latest Prescribed Medicines Review (Public Health England, 2020) that 17% of adults in England (that is, 7.3 million people) received antidepressants – medicines commonly used to treat anxiety as well as depression – during 2017–18. Furthermore, when we widen things out to include receipt of other drugs, such as sleeping pills, which are also frequently used to treat symptoms related to anxiety, this proportion rises to just over a quarter (26% of adults, or 11.5 million people in all).[1] Another very recent batch of prescription data that the NHS Business Services Authority (2022) has released points to an anxiety problem that is not only big but also growing, recording a cumulative rise of about a third in the number of antidepressant prescriptions over the past six years.[2]

In this report we will dig into all this data, and also the burgeoning questions in official surveys both about how anxious people report themselves as feeling and other telling indicators of distress, such as difficulty in sleeping, and also about the consequences of worry for work and social life. And we will hunt far and wide for signs of whether problems on these sorts of counts are associated with instability in the housing, work, money and other material foundations of life.

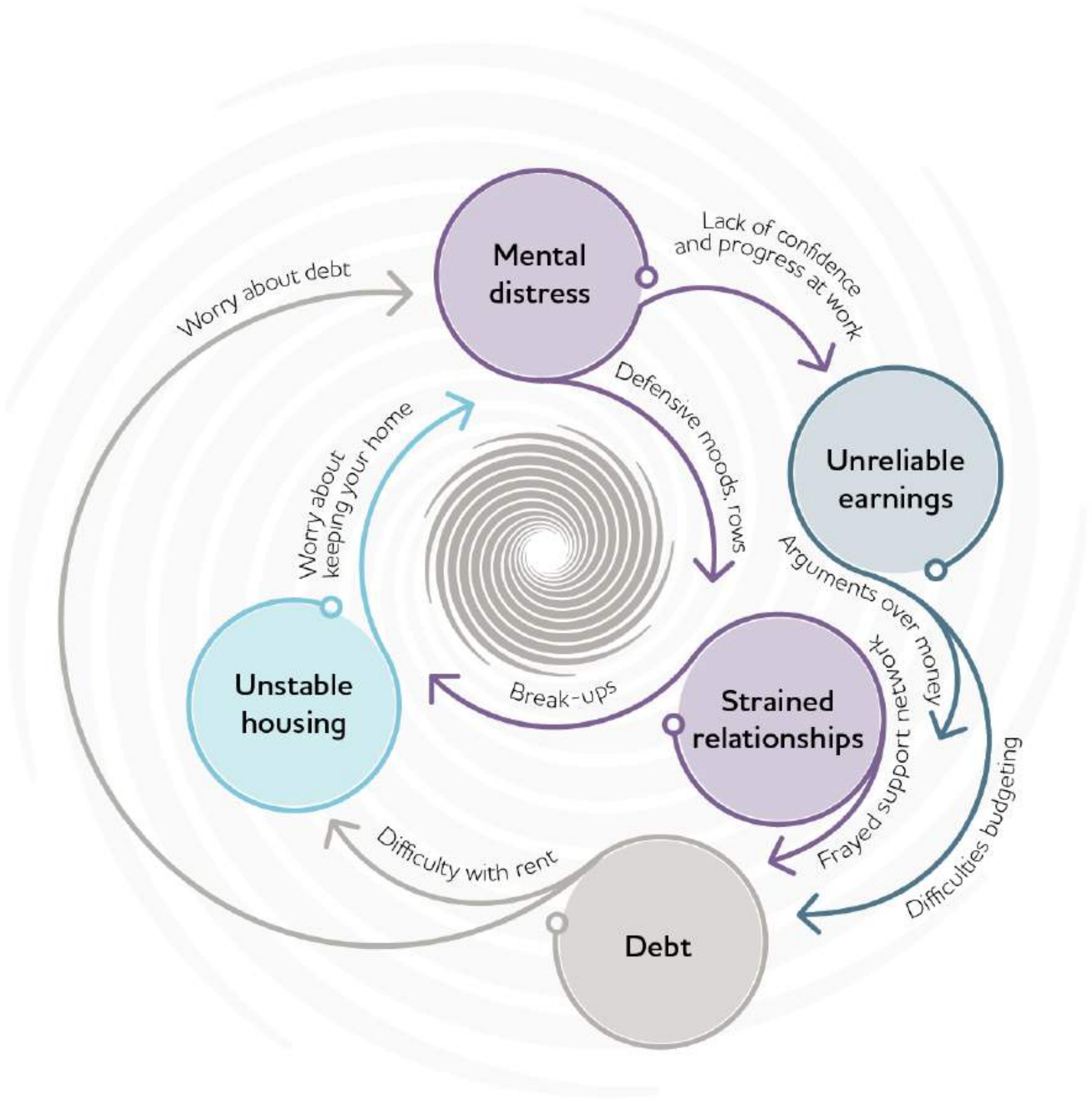
Uncovering connections is not, of course, the same as establishing causation. Nailing all the specific mechanisms that may connect material instability and mental distress is beyond the scope of a general report like this, but it is worth being explicit about our prior assumption – namely that it is most plausible to envisage multiple linkages, with two-way traffic between the psychological and economic realms.

Throughout, we will have in mind the sort of **potential** linkages suggested in the schematic diagram sketched in Figure 1. It is easy to imagine how mental distress could, by impeding one's confidence and darkening one's mood, hold back progression at work and strain personal relationships. It is easy, too, to envisage how these outcomes could in turn increase economic exposure and debt, threaten the security of housing and thereby lead to still more worry. Meanwhile, various factors that are exogenous to the cycle – such as rising bills or curbs on benefits – could potentially inflame both subjective worries and objective problems such as debt, and thereby intensify all the twists and turns. (Note that this 'spiral' hypothesis expressly allows for causality that runs in both directions. It will be useful in future research to interrogate whether problems mostly flow from the material to the psychological, or the other way round. But it is a valuable starting point simply to establish that the connections exist. After all, we should be concerned about both an economy that generates anxiety **and** a society that leaves anxious people in a potentially exposed economic position.)

As well as being concerned about anxiety as a blight on life in itself, this framing suggests it is worth looking for any signs of anxiety exerting a singular role in such a vortex of insecurity, a downward spiral in which unreliable material foundations of life and mental distress aggravate one another. But for the moment, this is conjecture. It is time to dive into the data.

The next chapter looks at whether there are truly signs of insecurity in the material basics of life, before the chapters that follow move on to the evidence on mental health problems, and then signs of connections between the two.

Figure 1: The insecurity vortex



2 Shaky foundations

Whether or not insecurity really is a rising problem for the UK as a whole, the people whose job it is to appeal to the country – that is, our politicians – are certainly under that impression. The Leader of the Opposition is happy to be known as 'security Starmer' and used his first Labour Party conference speech to vow to: 'Security for our nation, our families and all of our communities' (Starmer, 2020). On the Conservative side, the prominent commentator, Tim Montgomerie (2019), is just one voice who has alighted on the same priority, arguing just before the Covid-19 pandemic that it was time for his party to move on from the 1980s torch of liberty and make a logo of a safe home, insisting that 'the answer' could no longer be a 'a reboot of Hayek's [libertarian] *Road to Serfdom* (Hayek, 1944). The many roads to insecurity are the greater problem today.

It is not just practitioners but also political scientists who are viewing elections through an insecurity lens: Jane Green of Oxford University and Roosmarijn de Geus of Reading University have made great waves with analysis suggesting that voters' sense of economic security is a singularly powerful driver of their voting behaviour, and that instead of obsessing about which way the 'red wall' will swing, politicians would do better to think about courting more insecure elements of our society across the country, notably those who are neither old nor university educated (Green and de Geus, 2022).

This all points to a certain **perception** of insecurity being in the air. But what hard evidence, if any, is there to suggest that this is a perception rooted in reality? We recently undertook a canter through all the various official statistics that seemed to us to connect with insecurity, in a quest to identify anything that looked like a big problem or a growing problem across the whole of society. It was not hard to find evidence of both.

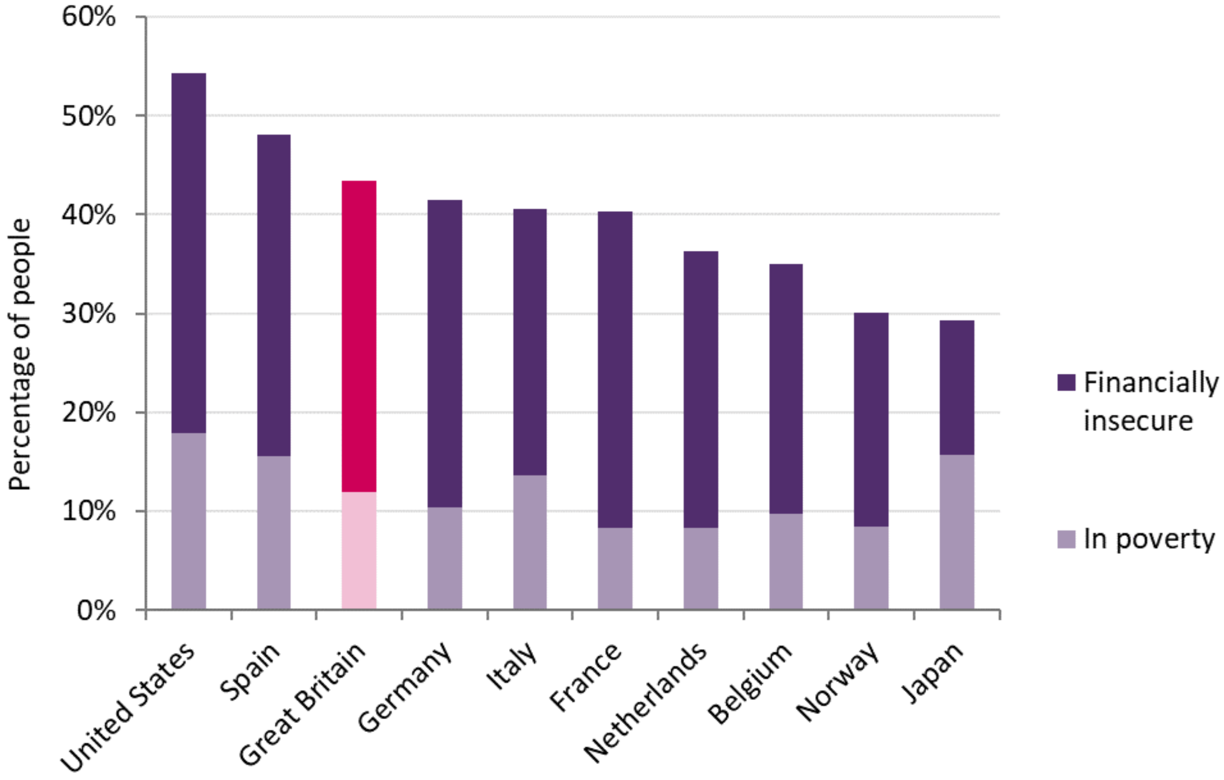
For financial insecurity, a good place to start is with the Organisation for Economic Co-operation and Development's (OECD's) 'insecurity index' (OECD, 2020) – a test of whether if 'income were to suddenly stop… people would not have enough liquid assets to keep living above the poverty line for more than 3 months'. The OECD expressly separates people who are only 'insecure' from those who are in poverty, by excluding from the former those below their preferred poverty line (that is, a pretty stringent 50% of the median disposable income). The latter are already palpably exposed to sudden costs and financial shocks, and as such are automatically insecure. In a rough and ready way, we can use the OECD's report to come up with a picture of 'total financial insecurity' by stacking the two data series on top of each other, as is shown below.[3]

While on this measure, 'total financial insecurity' in Britain was less than in the United States or Spain, it was higher than in all the other large European comparator countries – Germany, Italy and France – and also far higher than in Norway and Japan (see Figure 2).

The insecurity measure here is based purely on private savings, not prospective social security entitlement in the event that hard times hit. Factoring that in would likely further inflame Britain's relative standing as an insecure society. Although the British safety net provides for protection against certain obligations, notably in respect of housing and children, which softens the contrast somewhat, the basic short-term safety net for unemployment is exceptionally low. It replaces an illustrative wage at a rate of 21% compared with an OECD average of 65% (OECD, 2022a). This makes redundancy a trapdoor to poverty in a way quite different from what happens in most other comparable countries.

All of this would seem to suggest that the UK has a **big** problem when it comes to financial insecurity. But do we also having a **growing** problem? To answer that, we need to look carefully at the UK data on particular dimensions of material insecurity, and see whether things have been getting better or worse over time. In some important respects, the picture turns out to be mixed.

Figure 2: ‘Insecure due to poverty’ and ‘otherwise insecure’ in selected OECD countries



Source: OECD (2020), figures 2.4 and 2.8 combined

The (half) good news: work and incomes

The one big positive has been employment: in recent years, the trend has been for more Britons to be able to count on having a job of some sort. After a grisly start in the aftermath of the global financial crisis in 2007/8, the 2010s was a decade of rapid jobs growth, which made for a declining risk of being laid off and a much-improved chance of finding a new job rapidly in the event that it did happen. Even ‘under-employment’ (that is, being able to access fewer hours of work than you might want, a big feature of the Great Recession) eventually fell away as the recovery picked up pace.

But there are several caveats to this essentially good-news story. First, there were signs of burgeoning insecure employment practices during the last decade. ‘Zero-hours contract’, for example, was not a phrase anyone used in the early years of this century, but the latest official figures record that more than a million people in the UK are now on such contracts (ONS, 2022a). Retro-fitting estimates back to the period before the term was in widespread use is fraught, but such numbers as the Office for National Statistics produces point to rapid growth. Moreover, previous JRF analysis has suggested that this and other contractual forms that could lead to unreliable hours and earnings are often concentrated at the bottom of the pay scale where that financial variation is most liable to make life, budgeting and trying to stay afloat difficult (Prospect and JRF, 2021).

Second, while official ‘unemployment’ was kept impressively moderate throughout the emergency phase of the Covid-19 pandemic and indeed fell back in its immediate aftermath, as of May 2022, broader worklessness (or ‘inactivity’) in the UK remains notably higher than before (ONS, 2022b), and the overall employment rate has recovered less well than in many other countries (Wilson, 2022). Finally, various indicators of UK consumer confidence are currently at or near record lows (Partington, 2022). These have historically been a powerful predictor of recessions, which is indeed exactly where the Bank of England (2022) now forecasts the UK is headed. So we cannot give the UK labour market a clean bill of health on security without pausing, first, on the possibility that unemployment will soon rise and, second, on the question of what all those flexible employment forms would mean for the reliability of families’ earnings in the event of an economic downturn.

When a downturn eventually comes, will it turn out that we have unwittingly built an architecture of insecurity?

Turning to family income in the round, the good times in the jobs market did not make things much more dependable in the way one might have hoped. Using bank account data to gauge the reliability of family incomes directly, the Resolution Foundation concluded that over the years between 2008 and 2016/17, 'the evidence points to relatively little change in annual earnings volatility over this period' (Tomlinson, 2018). And there were worrying signs of tough-to-manage variations in income for many lower earners in particular. Again, we need to think what these would look like if the labour market had been waning instead of waxing.

The bad news: housing and assets

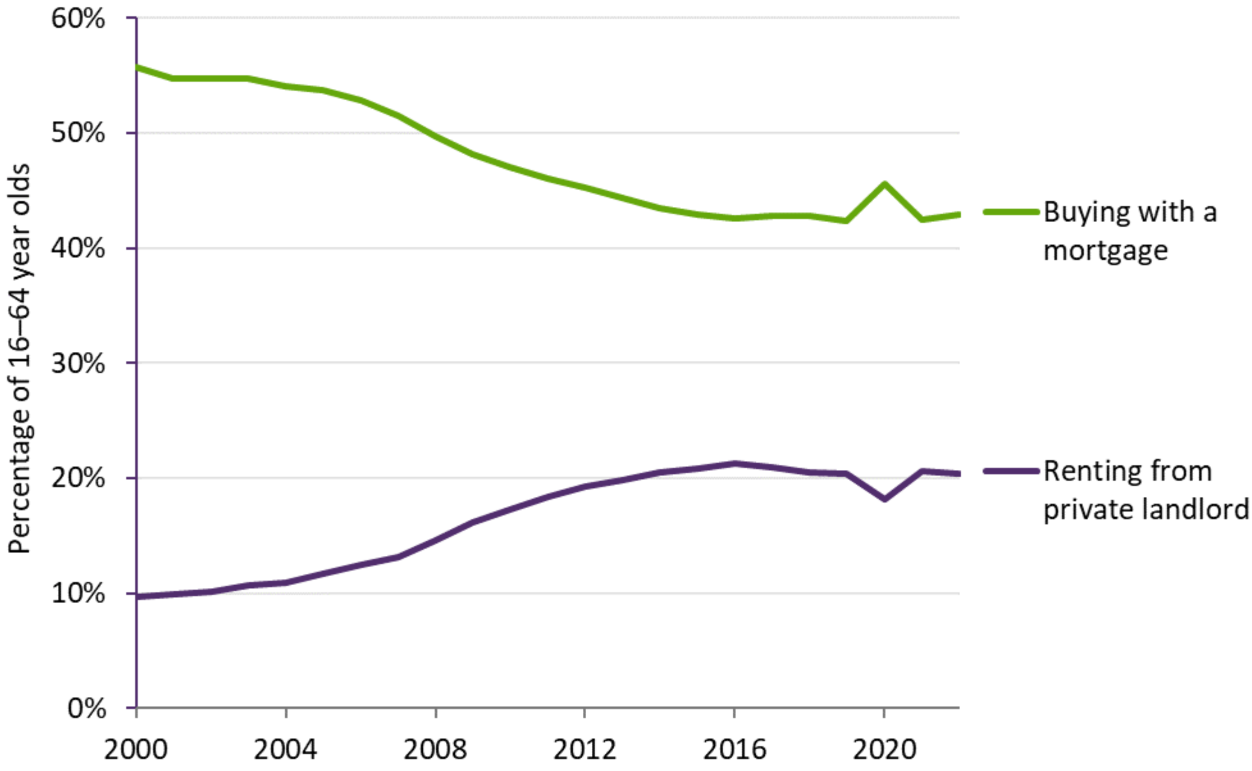
Stocks of assets are at least as important for security as the flow of income: they are, after all, what you have to count on in the event of a rainy day. Conversely, constant demands from rising debts might be the thing that renders otherwise-tolerable fluctuation in income unmanageable. Let us start with housing, since for the bulk of people with any meaningful assets, their home will rank as the most substantial.

Over the course of the 20th century, a rising tide of homeownership seemed unstoppable. While some were always left living in rentals, over time they became a minority, and the notion of a 'property-owning democracy' in which most of us enjoyed the security of a stake seemed plausible. But that progress faltered in the 1990s, and in the present century has swung into dramatic reverse. The proportion of working-age adults in the UK who were 'buying with a mortgage' plunged by 13 points between 2000 and 2022, a change roughly mirrored by a 10-point rise in the proportion who rented privately in the housing sector (see Figure 3). This general decline in homebuying across society as a whole translates into a collapse in particular pockets of the population. The Resolution Foundation reports that, in 2019, rates of homeownership among younger adults were half what they had been a generation before (Corlett and Odamtten, 2021).

Figure 3 shows that the private rented sector has doubled in size since 2000. It surely ranks as one of the great engines of insecurity in our time. While it is true that homebuyers are currently threatened with rising borrowing costs, private tenants could find their landlords passing these costs on, and they remain uniquely exposed in other ways too. They have little of the customary security that social tenants (or private renters in some other parts of the world) enjoy and face uncapped and frequently unaffordable rents.

For simplicity, we have not shown social rentals in Figure 3, but having sunk at the end of the late 20th century, they have continued to edge down very gently since 2000. Conversely and in parallel, the proportion who enjoy the ultimate security of owning their home outright has increased by around 3 points, pointing to a polarisation between the more and less secure parts of society in terms of housing. (There is a more disaggregated examination of our substantive results by housing tenure in Annex B.)

Figure 3: The huge swing from homebuying to private rentals among UK working-age adults



Notes: In England, the 'go-to' source on housing is the English Housing Survey. We have used the Labour Force Survey here instead because we wanted to capture the trends across the whole of the UK. The more familiar English Housing Survey series shows much the same trend on 'buying with a mortgage' but an even sharper increase in private rentals (Storey et al, 2020).

Source: JRF analysis of the Labour Force Survey

Turning to household savings, we looked at both of the obvious government datasets – the Wealth and Assets Survey (covering Britain) and the Family Resources Survey (covering the UK) – and found that the 10–12 years that followed the financial crisis in 2007/8 saw a marked growth in the proportion of people in the UK with no nest egg whatsoever to fall back on. In the Wealth and Assets Survey, the 'no savings' group rose from 37% of households in 2006 to 41% in 2019. In the Family Resources Survey, the proportion of 'no savings' households swelled from 28% just before the financial crash to 36% at the end of the decade of austerity, in 2018/19. While methodological changes disrupt the Family Resources Survey time series after that point (Department for Work and Pensions, 2021),[4] we know that the Covid-19 pandemic was associated with an increase in saving by many parts of a locked-down society. The problem, however, is that while better-off people were frequently economising on commuting costs and such luxuries as eating out, many worse-off people were juggling newly unreliable income and unrelenting basic bills by running down savings or running up debts. Reviewing data from a personal budgeting app during the first six months of the crisis, the Institute for Fiscal Studies uncovered distinctly unequal effects on family balance sheets: 'Higher income groups appear to have accumulated more savings… In contrast, the poorest fifth have seen an average… decline in their bank balances' (Davenport et al, 2020).

In respect of savings, then, the early signs are that the pandemic has aggravated a pre-existing trend for increasing insecurity for the more exposed parts of our society. But what about 'total wealth' – which includes not only property, savings and private pensions, but also physical items such as cars and any valuables in the home? The latest official figures for Britain show that the bottom 30% of the wealth distribution own only a little more than 1% of the assets (ONS, 2022c). You might have hoped that the inclusion of widely spread physical assets such as vehicles in the calculation would make the stake of worse-off Britons look a little more substantial. The problem, however, as the Office for National Statistics highlights, is just how frequently, in the 'net wealth' calculation, debt outweighs these things.

On a long view, despite dropping back down since the 2007/8 financial crisis, household debt remains very high, at just over 85% of Gross Domestic Product (GDP) compared with 60% before the late 1990s, and more typically around 30% before the 1980s (Bank of International Settlements, 2022a). This household debt burden is high by international as well as historical standards, comparing with an advanced economy average of 75% of GDP and an average burden of just 60% in the Eurozone (Bank of International Settlements, 2022b).

For homebuyers, a shift towards fixed-rate mortgages means that high debt burdens do not translate into immediate exposure to rising interest rates in the way they once did. However, as the shadows of sharp interest rate rises rear their head in late 2022, many with large mortgage debts are waking up to the reality that their own exposure to financial conditions has merely been postponed. But there are special signs of debt translating into insecurity for those who own little in the way of property or anything else with, for example, the Office for National Statistics noting that for the poorest 10th of the British wealth distribution, 'median net financial wealth… was zero, meaning that less than half of the poorest decile have financial assets… that outweigh their financial liabilities, such as outstanding credit card balances and loans' (ONS, 2022c). For the majority of this group, property and pension wealth is also zero. Research by the Institute for Fiscal Studies has found that a quarter of those at the bottom of the British income spectrum either are facing extremely burdensome debt-servicing costs (of more than a quarter of their income), or else are already in arrears (Hood et al, 2018).

In sum, a huge proportion of Britons have nothing set aside for a rainy day, and a significant minority are already juggling difficult debts. Moreover, with a collapse in homebuying among young people in particular over the last generation, these problems could grow: Resolution Foundation analysis suggests that each successive cohort of modern times has struggled to build up the same wealth at the same age as the cohort that went before (Corlett and Odamtten, 2021).

More than money: fragility in relationships[5]

Security is always about much more than money. Even the material aspect is coloured by family and other relationships. If you suffer an interruption to income, for example, or are forced to move out of your home, the depth of the crisis this represents will depend on whether you have got someone to turn to for emergency support or a place to stay. The most obvious forum for pooling financial risks is the household. Stable couples have ways to weather adversity together that are not available to single people – for example, if one partner loses a job, the other will sometimes have the option to work and earn more.

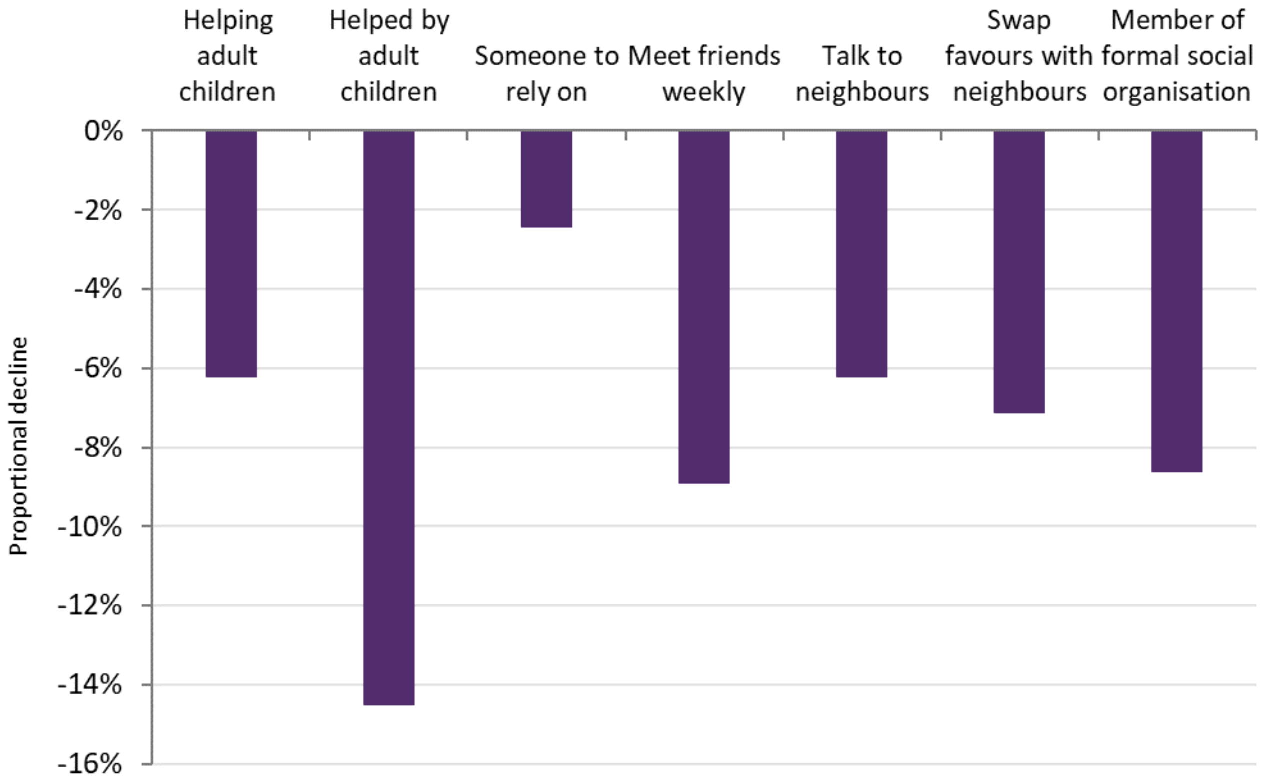
In this context, contemporary households that are small by all historical standards (Simpson and Berrington, 2016) and the large proportion of children raised in single-parent families – 21.6% versus the average of 16.9% for countries of the Organisation for Economic Co-operation and Development (OECD, 2018) – are both potential drivers of economic exposure. Interestingly, however, there has not been 'growing insecurity' on either of these fronts recently. After a dramatic shrinkage of household size and a rapid growth in lone parenthood in the second half of the 20th century, we have had more stability on both counts in the 21st.

There has, however, been a continued decline in the proportion of children growing up with married, as opposed to cohabiting, parents. Does this matter? That is a question on which strong prejudices tend to stimulate more heat than light. Those who want to argue that marriage matters can point to an Understanding Society Policy Unit (2017) analysis, which tracked unmarried cohabitations and found that they were far more likely to dissolve in a given period than married ones. But what if the real story of recent times is simply that more of Britain's committed couples are now choosing to remain unwed? Then marriage would be losing power as a predictor of family stability, and its decline would mean little for security. In mapping the reach of insecurity in Britain, adjudicating between the rival interpretations here is a pressing question for future research.

If the summary story about British families is that the most important changes happened quite a long time ago, the upshot is nonetheless that many Britons have no one to turn to within the household. This makes it all the more important to ask about the robustness of relationships outside of the household. Helpfully, the Office for National Statistics publishes a dashboard of indicators of 'social capital' – or in plainer parlance, the strength of community connections. Unfortunately, most of what it shows is worrying.

Starting with the extended family, the last pre-pandemic dashboard (ONS, 2020a) recorded a proportional 6% drop in the share of parents providing help to their adult children, and a 15% drop in the proportion receiving help from their adult children (see Figure 4; figures quoted are rounded).[6]

Figure 4: Drifting apart? The slide in various community connection indicators over the 2010s



Notes: Figures shown are the proportional declines in UK population shares giving a positive answer for each indicator, comparing the latest data reported on in the February 2020 release with the earliest data included relating to the 2010s. For the exact wording and derivation of each indicator, see ONS (2020a).

Source: JRF analysis of social capital headline indicators (ONS, 2020a)

Moving to broader social connections, we see many similarly depressing pre-pandemic trends. There were substantial (and the Office for National Statistics suggests statistically significant) declines in the proportion of people who met regularly with friends, who stopped and talked to neighbours and who reported being a member of various specific types of association (ranging from a faith organisation to a trade union) that brings people together. There was also a seeming up-tick in self-reported loneliness (not shown in Figure 4). The consequences of all this will be all the greater if, as one thorough-going analysis of dwindling community involvement during the 2008/9 recession firmly established, the most intense social withdrawal is once again concentrated in more deprived communities (Lim and Laurence, 2015).

On the crunch security question of whether people felt they had a friend, relative or someone else they 'could rely on' if they 'had a big problem', Figure 4 records there was only a small (and statistically merely suggestive) drop in the years up to 2018/19. But one sign that it could be real emerges in the Government's (separate) Wealth and Asset Survey, which in 2020 reported that the proportion of Britons who would find 'money to meet an unexpected major expense' by getting 'help from family and friends' had fallen from 23% in 2010 to 19% by the end of the decade (ONS, 2020b).

Were there any caveats to these grim results? Certainly. The proportion reporting at least one close friend edged up. And volunteering, which fell off a cliff in the Great Recession, recovered with the economy in the early 2010s – although it sank again more recently. We are also 'engaging' more on social media, although this is arguably one form of connection that is liable to engender anxiety than security.

Last, but not least, is uncertainty about the pandemic effect. On the one hand, Covid-19 engendered a new community spirit, as volunteers rushed forward to help with vaccinations, and mutual-aid groups popped up to get food and medicines to vulnerable people everywhere. On the other, people were forcibly isolated as the twin tsunamis of worry about health and economic anxiety gripped the UK. How did the balance of these effects play out? The latest dashboard of social capital measures from the Office for National Statistics for 2020/1 (ONS, 2022d, 2022e), in which both pandemic and Brexit effects disrupted some of the data series, is not particularly encouraging. While four indicators improved in that year, six declined. Alongside the obvious lock-down effects (more video-calls, fewer in-person meetings), there was a (suggestive, rather than statistically significant) recovery on the 'someone to turn to' question. But there was also a telling and substantial decline from the mid-2010s in respondents' sense that 'people in their area are willing to help their neighbours'.

Overall, it looks like fraying community life has left people more socially exposed than they were a few years ago. Over and above potential direct effects on financial exposure, a dearth of reliable relationships would seem potentially liable to dent confidence and stoke the sort of anxiety that might set a serious cycle of insecurity in motion. So let us now turn directly to the crucial psychological dimensions of that.

3 From money to mind

Having established that many, although not all, of the material foundations of life in the UK are increasingly insecure, we will now consider the evidence on the corresponding evolution of anxiety and wider mental distress. We will start with the simplest approach, asking people how they feel, before moving on to medical diagnoses and questioning whether mental ill-health is becoming a problem we can measure in pills. Throughout, we will be looking for any possible links back to economic (in)security.

How worried do you feel?

During the 2000s, there was burgeoning research interest in gauging wellbeing by, essentially, asking citizens how they were doing. In an influential 2005 book, *Happiness: lessons from a new science*, economist Richard Layard collated evidence which closely connected such subjective measures to objective outcomes (Layard, 2005). The young David Cameron argued that 'there's more to life than money, and it's time we focused not just on GDP, but on GWB – general wellbeing' (King, 2006). And in 2011, Whitehall began keeping tabs on it, by adding a suite of new questions to the Annual Population Survey, asking respondents to place themselves on a 0–10 scale in respect of such feelings as happiness and – significantly for our purposes – anxiety.

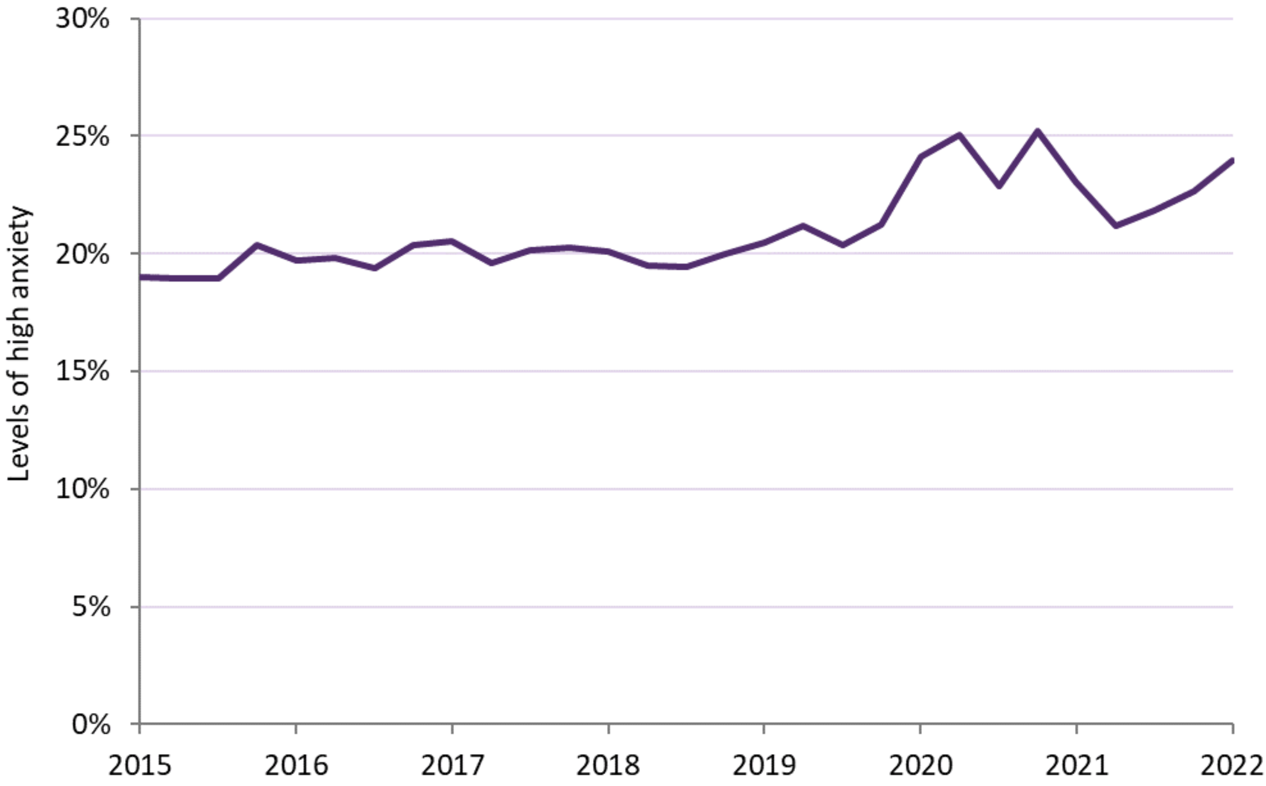
On the face of it, the UK data told a modestly positive story. The average anxiety score had been a touch over 3 (3.1) in the first year that the question was put in 2011/12, and this edged down to a touch under 3 (2.9) by 2018/19 (ONS, 2022f). The most significant thing here is probably the dates. Unemployment had peaked in autumn 2011, during the first year of the data. A recent study in the United States established that both an individual's sense of not being able to work and a community-wide loss of manufacturing jobs were powerful predictors of serious mental distress (Blanchflower and Oswald, 2020). Back in the UK, sure enough, measured anxiety dropped back as the economy and jobs market recovered over the early 2010s. It then plateaued with little trend – until it shot up during the Covid-19 pandemic, to hit a record high of 3.4 at times in 2020, before edging back down as the vaccine was rolled out and the economy started to unlock.

So while the big self-reported picture certainly does not point to any anxiety crisis in the 2010s, it does suggest a first link with economic instability: as the economy recovered, anxiety edged down a touch. More detailed analysis of the same UK data by economists David Bell and David Blanchflower sheds light on the most obvious channel by which this link works: it shows that unemployed people reported markedly higher anxiety than those in employment, and that even the **under**-employed – those who wanted to work more hours than they could get – had appreciably higher scores (Bell and Blanchflower, 2019). As the economy grew, the ranks of first jobless people and then unwilling part-timers fell back, so the composition of the population shifted in ways that – all else being equal – should have produced lower average anxiety.

But there is a twist: while economic expansion and jobs growth continued apace through the decade, anxiety stopped falling, and even edged up after about 2015 (see Figure 5, which focuses on the proportion of the population who reported high levels of anxiety, defined as 6 or more on the 0–10 scale). Towards the end of the period, the worries of Covid-19, both economic and medical, seemed to be taking a toll. Even before the pandemic, though, there was no sign of progress. How could this be during a period of jobs growth?

Well, Bell and Blanchflower (2019) record that, around this time, average anxiety specifically among those who **were** in work began creeping up. This could reflect some of those broader material insecurities highlighted in Chapter 2, including the spread of certain types of less-secure work, beginning to bite. Jobs are not everything – and especially not if those jobs take unreliable forms.

Figure 5: Unresting worries? Proportion of the UK population reporting high levels of anxiety since 2015



Note: 'High' anxiety is defined as a self-rated score of 6 or more on a 0–10 scale.

Source: ONS (2022f)

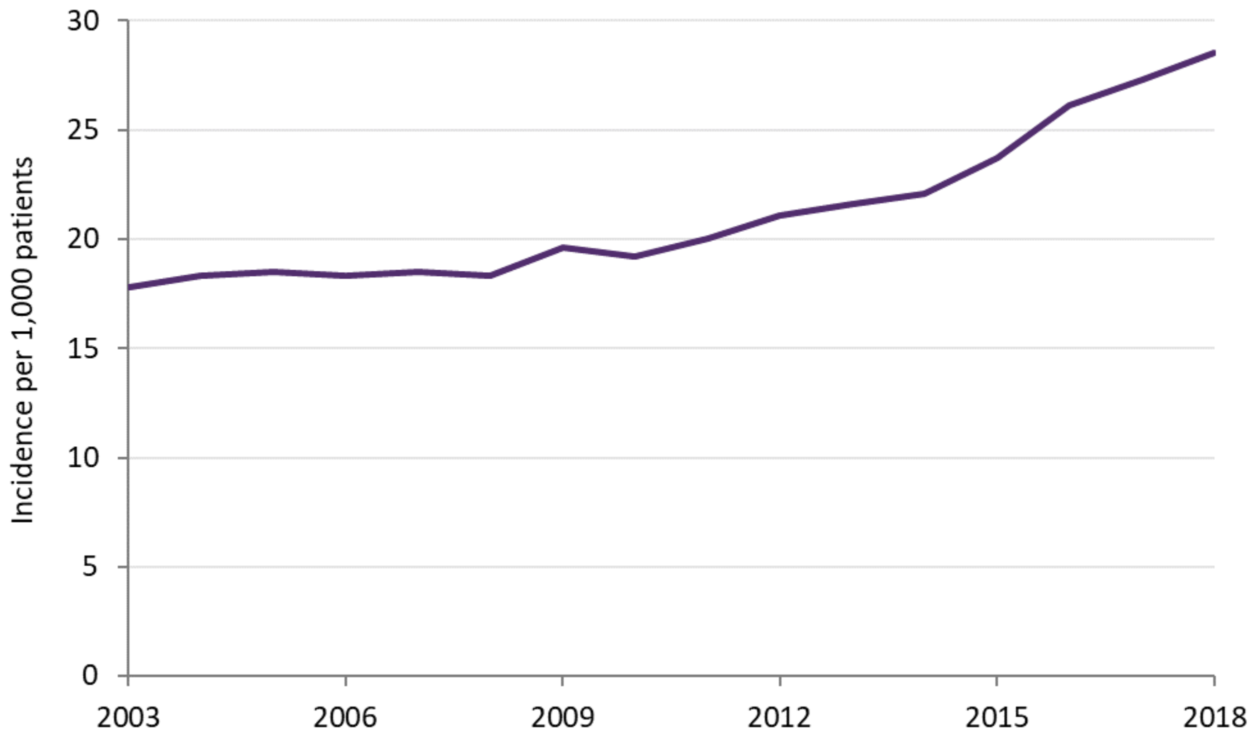
Looking beyond work, a study in the United States of self-reported mental health[7] during the pandemic uncovered a strong protective link between assets and self-reported depression, concluding that 'the more assets a person had, the lower the level of probable depression' (Ettman et al, 2021). Conversely, in Britain, links have been found between indebtedness and high self-rated anxiety. The Wealth and Assets Survey includes various questions on people's feelings about their financial resilience, as well as their overall level of anxiety. Deploying this, The Health Foundation (2022) uncovered what looked like a strong link between anxiety and 'problem debt', which included liabilities where repayments were judged likely to create difficulties down the road: 33% of those with problem debt reported high anxiety scores, nearly two-and-a-half times the proportion (14%) who reported them among the wider population.

Diagnoses and drugs

Asking people about how they are doing is not the only gauge we have got of anxiety and other mental health problems. There is also clinical and administrative data, such as in relation to the award of particular benefits. Changes to the assessment process and the shift from 'legacy benefits' towards Universal Credit have complicated and clouded this data in recent years, but reviewing the evidence up to 2014, a 2016 study concluded that the number of people being awarded benefits for 'mental disorders' had doubled since the 1990s, rising to a million, which made them the single biggest slice of claims (Viola and Moncrieff, 2016). And the very latest data from the Department for Work and Pensions, from November 2021, suggests that half of all people in receipt of Employment and Support Allowance (ESA) – the main 'legacy' (pre-Universal Credit) incapacity-style benefit – are entitled to it on account of 'mental and behavioural disorders'.[8] Not all of these are about anxiety, of course, but a lot almost certainly are. Indeed, many people in receipt of benefits due to other conditions, including physical ones, also suffer from anxiety. Viola and Moncrieff (2016) reported that two-thirds of the **total** ESA caseload were recorded as having anxiety and/or depression.

An alternative metric concentrates on diagnoses, as recorded in the vast patient databases that are increasingly pooled across the practices of family doctors. The headline finding of a recent analysis of records for 2.6 million patients collated from scores of GP practices across the UK is that there has been a large rise since 2010 in the number of patients whose records contain an anxiety 'coding' (which could be either the recording of relevant symptoms or an actual diagnosis) (Archer et al, 2022) (see Figure 6). This contrasts with the years between 2003, when the study started, and 2010, when there was little overall trend.[9]

Figure 6: Developing distress: the numbers of patients in the UK who GPs 'code' as anxious have rocketed since 2010



Source: Archer et al (2022)

This increase in diagnoses over the 2010s was heavily concentrated in patients in the younger age brackets (those aged under 34) who did not look exceptional at the start of the period, but ended it with many more anxiety codings than older groups. Over the course of the decade, coding for anxiety for the 25–34 age bracket roughly doubled and for the under-25s it roughly tripled.[10] A second study using data from another multi-practice GP database confirms the recent rise that has been heavily concentrated among younger men and women, and that total incidence is now far higher for younger women than for other groups (Slee et al, 2021). Given the rising relative economic insecurity – as measured in terms of things like housing tenure – of younger generations, these trends underscore the importance of probing the link between mental health problems and economic exposure in more depth.

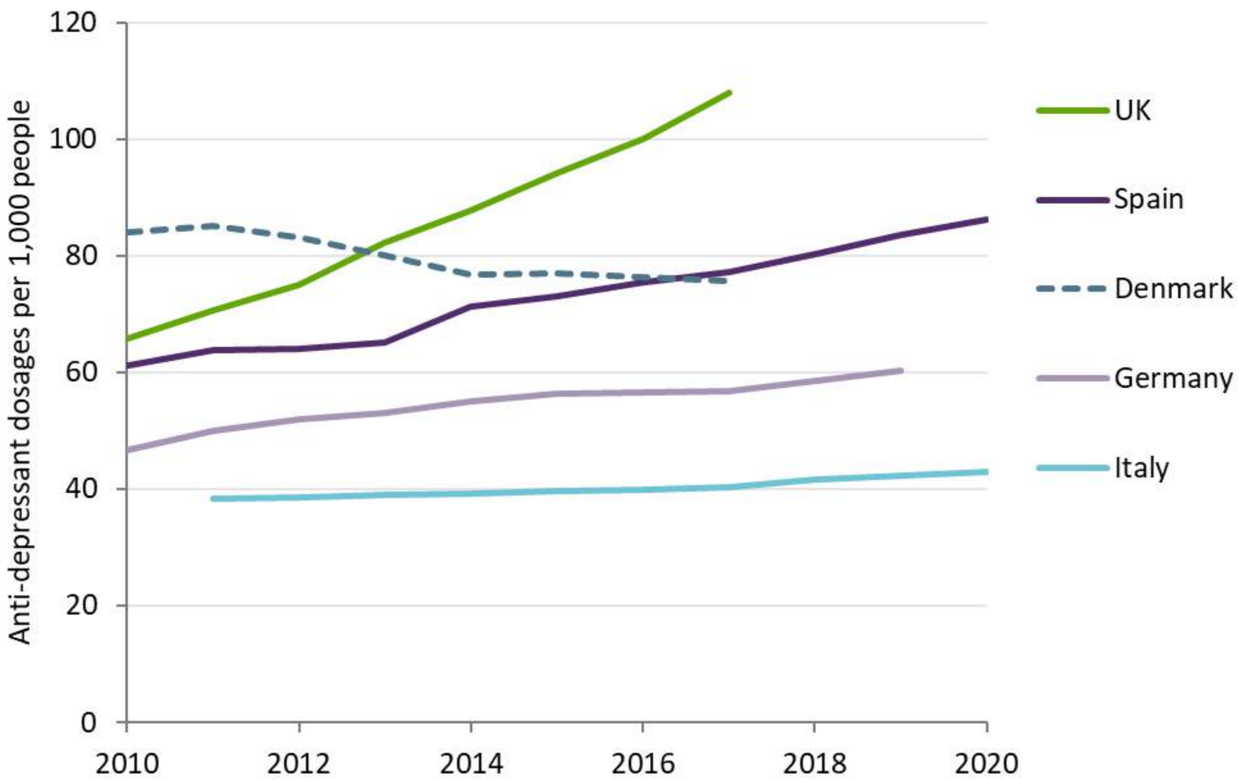
A final source of information on mental distress is one particular response to it: psychiatric medicines. Some care is needed in interpreting the data on this, since the availability of drugs will change over time, and so too will the tendency of doctors to prescribe them. The willingness of patients to come forward, ask for help and consider pharmaceutical options is another factor that could evolve over time. Moreover, the same drug will often be given for more than one condition. For example, as the NHS (2022a) website notes, the drugs commonly described as 'antidepressants' are in practice used to treat not only depression itself, but also anxiety, post-traumatic stress disorder and obsessive-compulsive disorder, so we need to be especially careful to avoid presuming a link between a prescription and a particular diagnosis. (That ambiguity also precludes any straightforward read-across to the numbers on anxiety-specific diagnostic codings discussed in the previous section.) Nonetheless, it is fair to say that people will only seek out such treatments when there is some degree of distress. Moreover, granular information on prescriptions is available, which makes them a particularly interesting place to look.

Overall, as mentioned in Chapter 1, Public Health England's (2020) Prescribed Medicines Review records that 17% of adults in England (that is, 7.3 million people) received antidepressants during 2017–18. Furthermore, that when we widen things out to include receipt of certain other drugs,[11] such as sleeping pills, which are frequently used to treat symptoms often related to anxiety, this proportion rises to just over a quarter (26% of adults in England, or 11.5 million in all).

If this looks like a sign of a big anxiety problem, another recent batch of prescription data, mentioned in Chapter 1, and released by the NHS Business Services Authority (2022), suggests a growing problem, with a steady rise in the number of antidepressant items prescribed, which gradually totted up to a third, over the six years from 2015/16 to 2021/2.[12]

But is this simply part of a wider global trend for responding to mental distress with medication? Figure 7 draws on data for countries of the Organisation for Economic Co-operation and Development (OECD), allowing us to put both the volume of prescriptions and the recent trend in international context. Here it is expressed in a slightly different statistical currency: dosages per 1,000 inhabitants every day. On this pill count, the UK figure shoots up by 64% between 2010 and 2017. The year 2017 is the latest OECD data-point for the UK, but – as mentioned above – NHS Business Services Authority (2022) analysis confirms that the growth continued through to 2021/2.

Figure 7: Anti-depressant dosages per 1,000 inhabitants per day in selected OECD countries

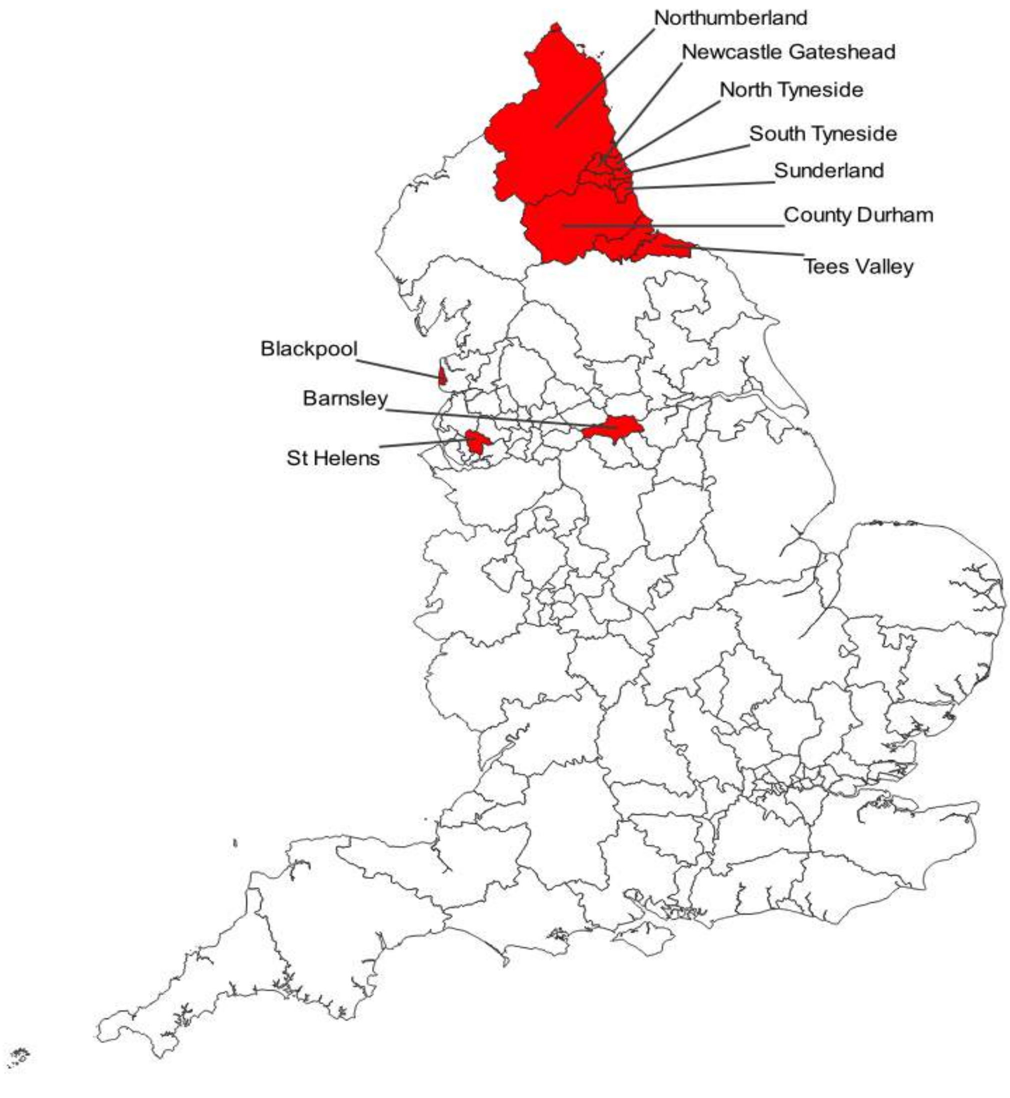


Source: OECD (2022b)

Even though it cuts the story short by a couple of years, this chart shows that the rise seen in the UK is exceptional. There have been substantial rises in Spain (41%) and Germany (29%), but they built up over a longer period, being calculated from more years of available data. And even so, they are not as large as that seen in the UK. In Italy, the rise has been far smaller (12%), and in Denmark (-10%), recourse to antidepressants has actually been getting rarer. Looking more widely across all the OECD countries with available data over the 2010s, we find that prescriptions for antidepressants in the UK have recorded the sharpest absolute rise in any major economy, which are up by 42 daily doses per 1,000 citizens, compared with 25 in Spain, 14 in Germany and just 5 in Italy. Overall over the decade, the UK shifted from seventh place to third in the European league table of total antidepressant prescriptions, with only Portugal and tiny Iceland now above it.

So what of the link between any of these medicines and the unreliable material foundations of life reviewed in Chapter 2? After soaring up to place the big UK picture on psychiatric drugs in an international context, we can now dive down to interrogate local variation using records from NHS commissioning organisations (we use this vague term because reforms have seen the nomenclature and structures change over time). Focusing on January 2020 (so as to avoid being distracted by the local vicissitudes and associated anxieties of the Covid-19 pandemic), we can map the top 10 communities in England with the highest rates of antidepressant prescriptions (see Figure 8).[13]

Figure 8: The 10 English communities with the highest rates of antidepressant prescriptions per 1,000 inhabitants (January 2020)



Source: OpenPrescribing (2022)

It is immediately obvious that **all** of these communities are clustered across northern England, and in exactly those sorts of places that have increasingly come to be described as being 'left behind'. Even if journalistic clichés oversimplify things, these are all places where there really is likely to be a lot of economic exposure. Much ink has been spilt, to take two examples, on Blackpool's broken coastal economics and Barnsley's post-mining woes.

Both places – and most of the other highlighted areas on the map – score highly on Whitehall's own Index of Multiple Deprivation (Ministry of Housing, Communities and Local Government, 2019). Blackpool, for instance, has England’s highest overall average deprivation score, while Middlesbrough (part of the Tees Valley) is top of the table for the proportion of its neighbourhoods ranking among the most deprived in England. While the boundaries used in the headline Index of Multiple Deprivation results and prescription data differ, nine of the ten place-names shown on the map correspond to councils in the top quartile of deprivation on that second ‘deprived neighbourhoods’ measure.

The apparent connection was reaffirmed when the latest NHS Business Services Authority (2022) analysis drilled down deeper into the affluence or poverty of the neighbourhoods in which the practices doing the prescribing were located. It found that the number of antidepressant prescriptions was about twice as high in the most-deprived 10th of neighbourhoods of England as the least-deprived 10th.[14] The analysis also defies hope that the overall upward trend is simply about changing patient behaviour (in seeking help) or doctors’ willingness to prescribe in moderate cases, because it reveals that the differential between better-off and worse-off communities is even more marked in prescriptions of medications for more severe conditions, such as psychosis.[15]

In sum, to the extent that prescribing data is telling us about Britain’s anxiety problem, it seems to be telling us that it is big, that it is growing and that it is concentrated in economically exposed communities. All of this is at the least compatible with our hypothesis that anxiety could form part of an insecurity vortex. The next step is for us to interrogate its potential twists and turns much more directly, by looking at what connections further emerge when the same people are asked direct questions about both mental health problems and markers of economic insecurity.

4 Inside the spiral

Thus far, we have established increasing insecurity in certain aspects of social and economic life (Chapter 2) and have found signs of a concurrent rise in at least some measures of distress, notably those relating to diagnoses and pharmaceutical treatment (Chapter 3). And we have seen that crunching the prescription data in particular is strongly suggestive of a link between economic exposure and mental health problems, with far more psychiatric medications being dished out in areas with more deprivation in comparison with more affluent areas. However, this data is drawn with a broad brush: at the level of community, rather than the individual. The next step, and the way to start getting a real feel for what is going on inside the 'spiral' of insecurity, is to dive into what happens when **the same individuals** are asked about both their material life and how they are feeling emotionally.

Measures of minds

The landscape of UK official surveys is somewhat frustrating for this task. Some, such as the Wealth and Assets Survey, do ask about anxiety, alongside their main focus of interest. But unfortunately they then leave out the other detailed questions we would need to form a rounded picture of material security. For example, there is not much about work in the Wealth and Assets Survey. Particularly tantalising are the Labour Force Survey and the Annual Population Survey, which respectively ask many of the very same people questions about work and mental wellbeing, but remain separated by administrative silos, which prevent researchers linking the two.

Thankfully, the UK tracking study Understanding Society, which has tens of thousands of respondents, contains pretty rich information on both. Although it is a 'panel survey', which reconnects with the same respondents so changes in individual circumstances can be seen over time, in the rest of this chapter we will keep things simple, and focus on one year's data at a time. Mostly we will concentrate on 2019/20 – which has the most up-to-date information available, other than that collected in the very special circumstances of the Covid-19 pandemic. But the questions asked in the survey change over time, so we will sometimes take our data snapshot from an earlier year when that gives us a better gauge of what has been happening.

Understanding Society does not deploy a single 0–10 anxiety score, but rather a dozen questions about the experience and consequences of mental distress. (In addition, a further suite of questions from the so-called Warwick–Edinburgh Mental Wellbeing Scale are asked in selected years, but not the year we are concentrating on here – 2019/20; we may examine this in future work.) Of our 12 indicators, six are taken from each of two well-established diagnostic survey-tests:

- The General Health Questionnaire (GHQ) directly gauges mental distress by asking whether respondents are suffering from things like feeling worthless or losing sleep due to worry.
- The 12-item Short Form Survey (SF-12) questionnaire focuses more on the **consequences** of poor emotional health for daily life in recent weeks, such as taking less care with work and other activities or achieving less than you otherwise might.[16]

The two sets of questions come with two different sets of answer options, with a four-point GHQ scale about how regularly experiences of distress are cropping up relative to usual, and then, for the SF-12 questions, a five-point scale about whether such consequences as problems in social life are happening 'all', 'most', 'some', 'a little' or 'none' of the time. The full question wording, and details of how we derived our indicators from the responses, are given in Annex A, but one implication of the way we have turned these into 'flags' for mental health problems is worth dwelling on here.

In the charts that follow, we focus on the relatively smaller group that reports having a problem 'much more' than usual in the GHQ questions, whereas with the SF-12 indicators we look at the typically larger group that reports consequences as arising either 'all' or merely 'most' of the time. We tried applying the strictest threshold to all questions and arrived at the same broad conclusions. But especially in light of the high rates of antidepressant prescriptions described in Chapter 3, we are interested in the link between material insecurity and the more common, as well as the more extreme, forms of mental distress. And so we have opted to include in our main results 'most of the time' as well as 'all of the time' answers to the SF-12 questions as indicating a problem.

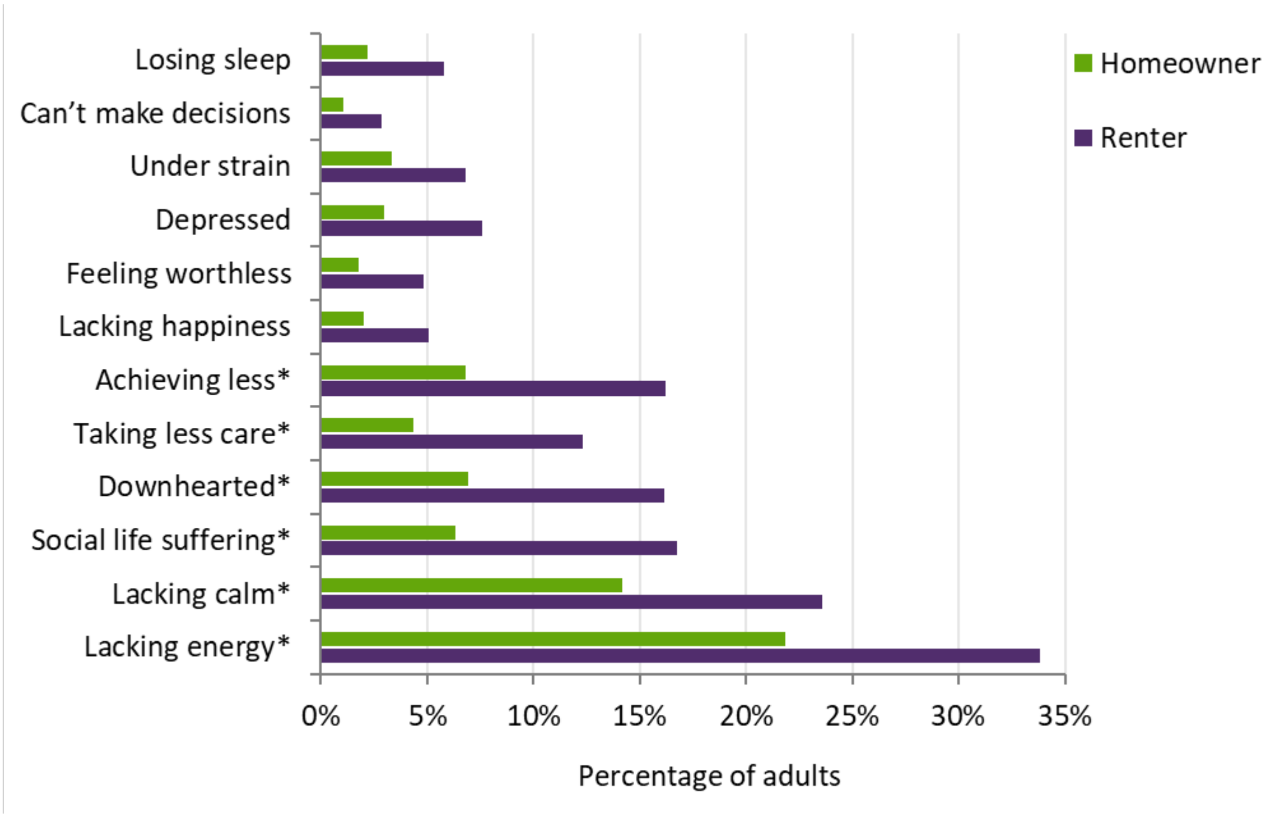
Consequently, as well as highlighting different aspects of mental health problems, the charts provide – by recording the incidence of both more- and less-common problems – an at-a-glance insight on different parts of the 'anxiety spectrum'. Each chart shows the (more tightly defined) six GHQ/experience indicators in the top half, and then the (broader) SF-12/consequences indicators in the bottom half.

The home front

Let us start with housing, the field in which Chapter 2 suggested there has been a particularly striking 21st-century slide towards a more insecure society, amounting to a 'swing' of more than 10 percentage points of the UK working-age people, from relatively more secure homebuyers to relatively insecure private renters. Coming with this change is exposure to the risk of rising rents and the danger that, after relatively short notice, a landlord may ask you to move. But is being a renter really associated with greater mental distress than being a homeowner?

Figure 9 provides the answers, which are strongly in the affirmative. On all 12 counts, we can see that the flag for distress is raised much more often for renters than for homeowners.

Figure 9: Home truths: every indicator of mental distress is higher for renters than for homeowners



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

On all of the first 10 indicators, the flag is raised at least **twice as often** for renters as for homeowners, and sometimes considerably more. To take two examples, the proportion of homeowners (or strictly speaking, those in owner-occupied homes, which will include adult children of owning parents) reporting they had become more likely to lose sleep over worry was just 2%, but that rose to 6% among renters; the proportion of homeowners reporting that they had been taking less care over work and other tasks due to mental health problems was 4%, but that rose to 12% among renters.

Given that renters are, on average, a younger group, it is also striking to find that even those indicators that might be expected to flash more often with age turned out to do so more for renters. For example, 22% of homeowners reported lacking energy, but that was also true for 34% of renters.

To chart a course through an ocean of data, Figure 9 deliberately keeps things simple, concentrating on a single 'homeowner' versus 'renter' distinction, rather than differences between outright homeowners and mortgagors, or between people in the social rented sector and those in the private rented sector. But we are aware that Britain's overall housing story is more complicated than the homebuyers-to-private-renters headline. The late-20th-century slide out of (semi-secure) social housing continued into the 21st, and the group of (super-secure) pensioners who 'own outright' expanded. We have probed some of this, and found significant wrinkles to the overall story, which are discussed in Annex B. But for our purposes here, they should not distract from the main 21st-century change – a big social shift from homebuying to private rentals. This is a shift that our results here suggest could make for a society that is not only less secure, but also more anxious.

Something to fall back on

Possession of savings is perhaps the most obvious of all sources of material security. A stash of ready funds not only offers protection against a crisis, but also leads to the confidence that comes with knowing that, should it be necessary to walk away from a job, housing or relationship in which something has gone badly wrong, there is breathing space to do that.

Analytically, this dimension of security is a bit trickier to pin down than housing, as there is no equivalent of that clean homeowning–renting binary. To produce the same sort of chart, a decision is needed about where to draw a line about who has got meaningful savings – just how much money is required?

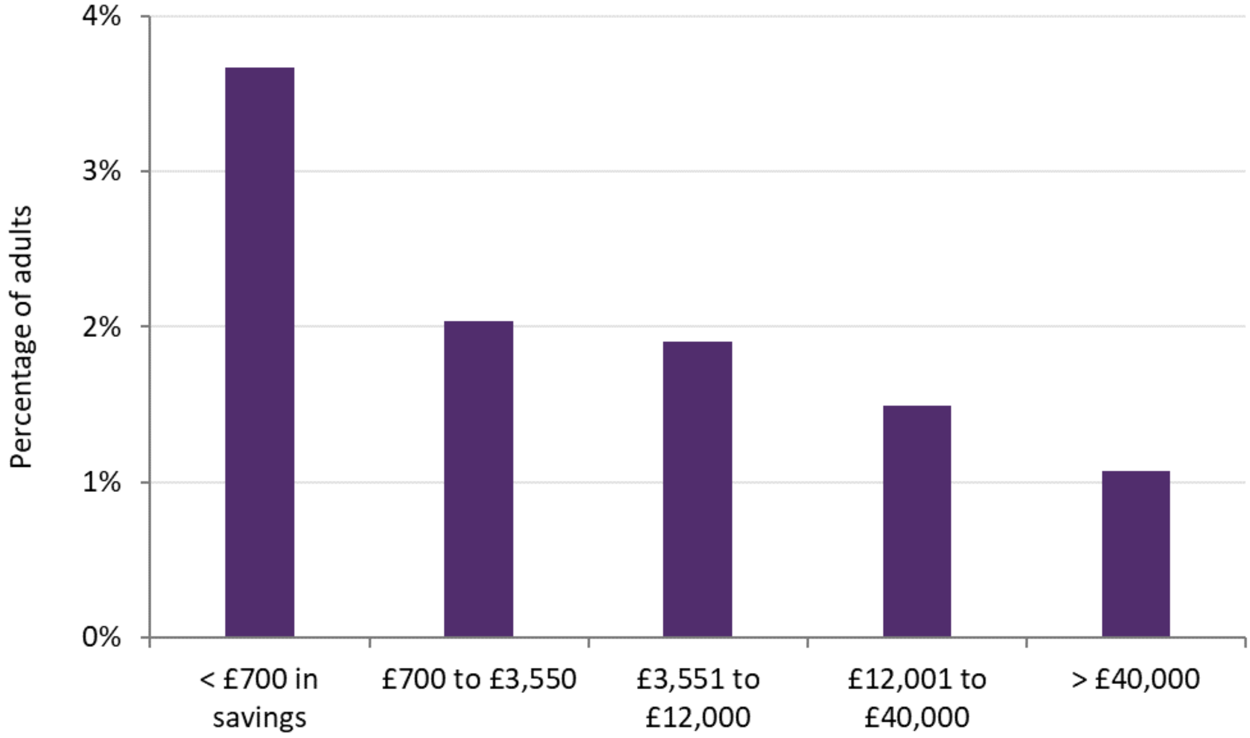
One relevant piece of information here is the spread of savings across society. Looking at 2016/17 UK data (the last time Understanding Society asked about savings in detail), one fifth of people had £700 or less; the next fifth had between £700 and £3,550; the next fifth had up to £12,000; the next fifth had up to £40,000; and the richest fifth had more than that. We used these 'quintile points' to divide the population into fifths, and then explored exactly where it was along the savings distribution that we saw any effect on each of our mental health metrics.

It soon became clear that while savings were in general protective, the level required to make a difference varied somewhat from indicator to indicator. Figure 10 charts the results for two measures by way of example: first, the proportion of people reporting that they now lost more sleep due to worry; and second, the proportion reporting an impeded social life. On both counts there was a clear and substantial 'gradient': as savings rose, the incidence of the problem fell.

But look closely, and you can spot a difference in the precise **level** of savings that appears to make the most difference. With sleep loss, by far the sharpest effect occurred at the very bottom of the savings distribution: there was a big step down for those who had as little as £700 saved as compared with those who lacked that amount. Beyond that modest level, extra savings were still associated with less sleep, but the link was less dramatic. By contrast, when we looked at the impeding of social life, it appeared to take a bit more in savings to make a difference. There was a decline right across the savings distribution, suggesting that more money always helps, but with the biggest step down coming not at the £700 threshold, but at the £3,550 mark, which divided the second and third quintiles. Particularities of the definition of these distress markers could be shaping the difference here, but it could also simply be that a bit more money is required to buy protection against some bad outcomes than others.

Figure 10: How much is enough? The incidence of (a) lost sleep and (b) impeded social lives across the savings distribution

(a) Lost sleep



(b) Impeded social lives

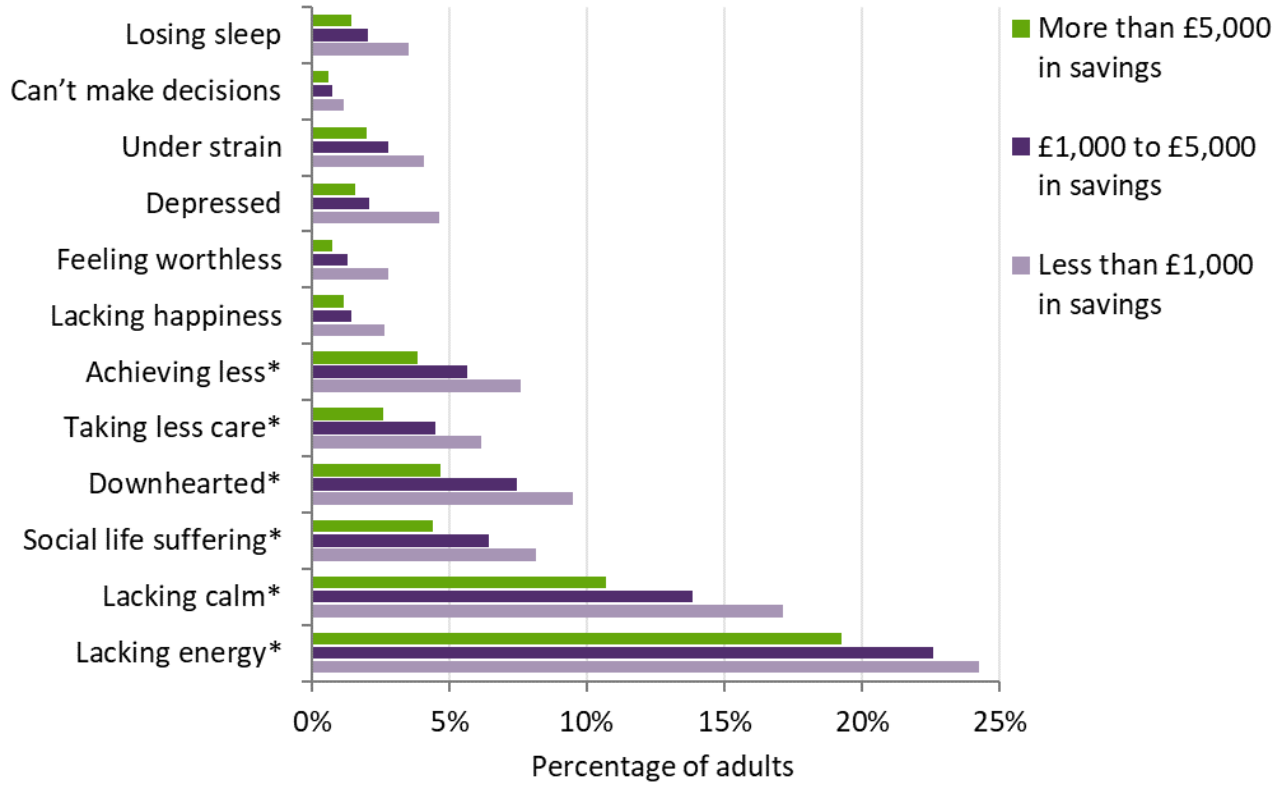
Source: JRF analysis of Understanding Society, 2016/17

Having reviewed similar charts for all 12 indicators, we consistently found that most of the action was in the bottom half of the savings distribution, but that there was variation from indicator to indicator regarding exactly what level of savings was needed to make the most difference. On some counts, £1,000 appeared plenty to see the association with main psychological benefits; on others, the benefits showed up more clearly with savings of a few thousand pounds.

In light of all this, we decided to draw the lines at two points: £1,000 and £5,000. For someone on the full (aged 23+) minimum wage and working 35 hours a week, the first figure covers just over three weeks of net pay while the second covers about three months. Very roughly, the lower threshold catches the bottom quarter of the population by savings, the higher one the bottom half.

We examined the full range of mental health indicators on this basis (see Figure 11). In every case, the same gradient was evident: distress rose as savings fell, first below the more substantial (£5,000) benchmark and then it fell further below the more minimal (£1,000) threshold. On all of the first six experiential (General Health Questionnaire) indicators, although the absolute proportions were often low, the minimal-savings group reported **at least double** the incidence of the more substantial savers, and sometimes more than that. For example, a rounded 4% of the minimal savers said they lost sleep due to worry, as against a rounded 1% of the substantial savers, and 3% of the former reported feeling worthless against just 1% of the latter. With the 'consequential' Short Form Survey indicators, while the proportional differences were sometimes smaller, the absolute numbers were often bigger – and the gaps were reliably material. For example, the 6% of minimal savers who admitted taking less care with work or other tasks on account of mental health problems dropped to just 3% of those with nest eggs of more than £5,000.

Figure 11: Savings grace: all the mental health warning lights flash less often for those with more money in the bank



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question. Totals will differ from other charts in this chapter, as a different year's data was used.

Source: JRF analysis of Understanding Society, 2016/17

Facing the future

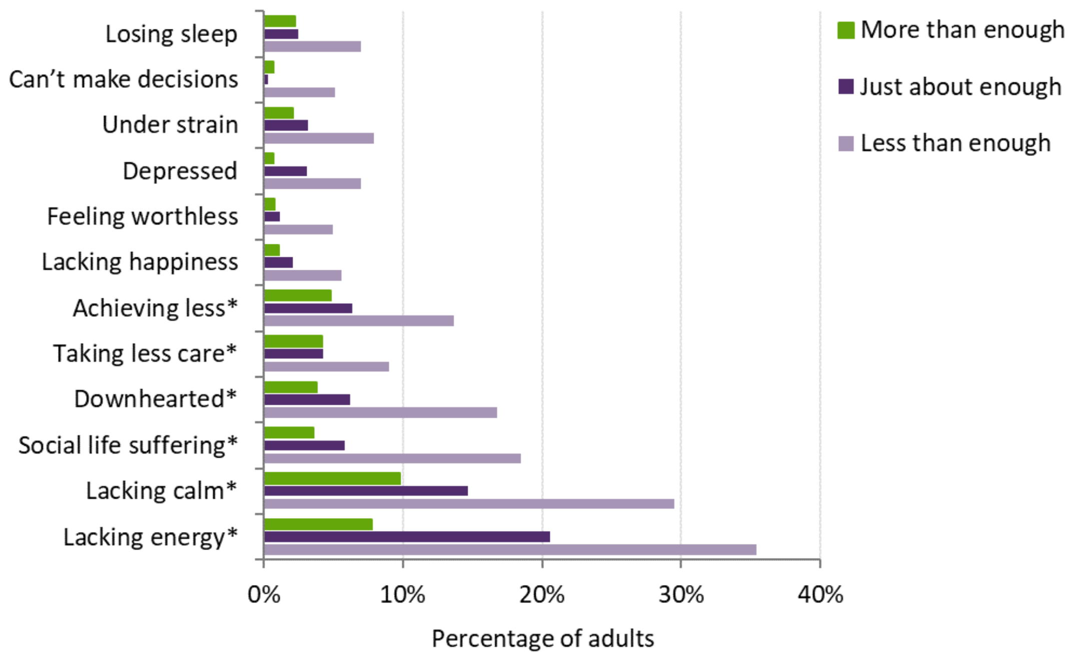
Alongside nagging anxieties about rainy days, as we age, a slower-burning worry can often set in: how we are going to get by in retirement. There are state pensions and safety-net payments for older people. But many remain uneasy about claiming means-tested benefits, and the basic pension will not be enough to cover the lifestyle many people would expect – or indeed the financial obligations they may need to meet. So as the years march on, retirement becomes a serious worry, unless of course you have a decent occupational pension or other private funds in place.

Understanding Society asks people of selected ages whether they have 'more than enough', 'just about enough' or 'less than enough' in place to meet their needs 'in later life'. This is, very specifically, an age-related insecurity – few 22 year olds will be losing sleep over inadequate retirement funds – and so we concentrate here only on those who are both aged 50 and over and asked the question, which includes some people over state pension age who are not yet retired.[17] Overall, most people (60%) were in the 'just about enough' group, with less than a fifth (16%) having 'more than enough' and just over a fifth (24%) judging they had 'less than enough'.

The age restrictions obviously reduced the number of respondents and somewhat increased the scope for sampling error, but so large was the overall survey that the age-restricted subsample remained roughly twice as large as a traditional opinion poll. Besides, a wider margin of error matters little if the results are dramatic – which Figure 12 confirms they are.

Virtually all the results ran in the expected direction. But with a couple of exceptions (such as being depressed and lacking energy) there was not all that much separating the lucky 'more than enough' group from the 'just about enough' majority. By contrast, those with 'less than enough' were on the wrong side of a chasm of anxiety. On all 12 indicators, the risk of distress for the 'less than enough' group was **more than double** that for the 'more than enough' group, and indeed on 11 counts more than double that for the 'just about enough' majority, sometimes far more than double. For example, those with inadequate pension plans were four times as likely as those with 'just about enough' to feel worthless, and fully six times more likely to feel worthless than those with 'more than enough'.

Figure 12: Age-old worry: the adequacy of pension provision shapes all the anxiety markers in the run-up to retirement



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question. Source: JRF analysis of Understanding Society, 2019/20

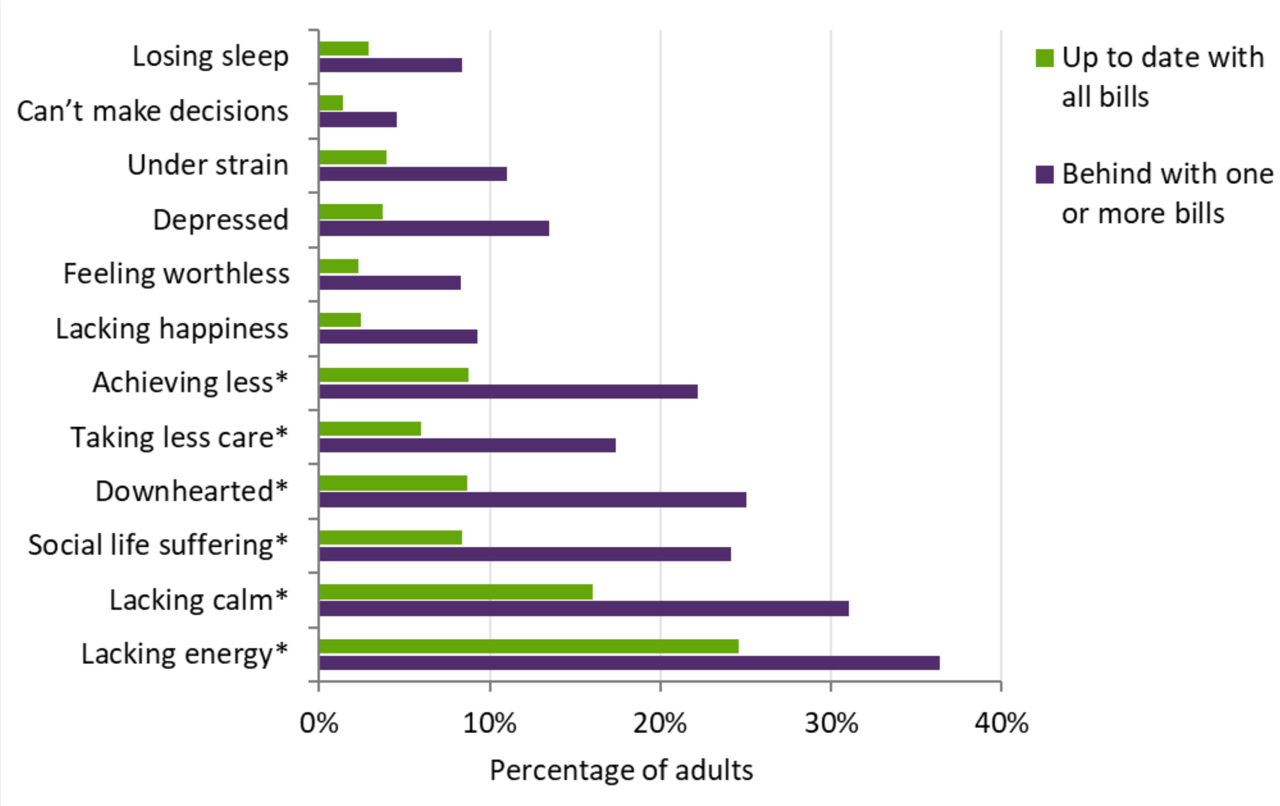
Falling behind

So far in this chapter we have been thinking about assets that people either do or do not have. But could owing too much turn out to be even more stressful than owning too little? Looking broadly across problems with emotional health, and tapping into the Adult Psychiatry Morbidity Survey, which puts diagnostic questions to a nationally representative sample of respondents in England, the charity Money and Mental Health established an apparently powerful link, finding that 46% of all respondents in problem debt also had a mental health problem, compared with just 17% of those who did not have such debt (Holkar, 2019).

Identifying debts as a 'problem' is complex, depending on excessive repayment burdens, lapses into arrears and more – varied dimensions that JRF has sought to tease out in bespoke surveys (Earwaker and Bestwick, 2021). Understanding Society does not have all the same detail on debts as such surveys, but it does contain one simple and telling test: 'How many bills are you behind on?' Just over 5% of respondents answer one or more bills, which is enough to give a meaningful sample of more than 1,000 people.

Debtors bear a disproportionate mental health burden (see Figure 13). All six of the experiential/General Health Questionnaire indicators are in the ballpark of being three or four times as likely in those behind on bills as those who are not – with a rough three-fold increase in sleep loss, struggles with decision-making and feeling strained, rising to a four-fold increase in feeling depressed, feeling worthless and lacking general happiness. For the (more broadly cast) Short Form Survey indicators of poor mental health consequences, the proportional increase is more like double, but with larger absolute risks.

Figure 13: Frightening bills: every marker of distress is substantially raised for those who cannot keep up with their regular payments



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

Toil and troubles

Our scan of the big picture in the last chapter confirmed that work matters for wellbeing: average anxiety levels fell during the jobs recovery of the 2010s; and antidepressant prescriptions remain higher in the deprived communities where jobs are often in short supply. But we also referred to more detailed studies which suggested that the **type** of job also matters a lot. The measured anxiety specifically of those who were in work was found to be rising, at a time that was at least concurrent with the rise of certain insecure forms of hiring such as zero-hours contracts, as highlighted in Chapter 2.

The next obvious step is to see how workers employed in less-secure ways fare on our full suite of anxiety measures. But defining exactly who is classed as an insecure worker is tricky, especially in a general purpose survey like Understanding Society, which does not have all the same detail on contractual forms that a dedicated labour market study might have. Sociologists in the past emphasised the 'monthly salariat' versus the 'weekly wage packet' distinction. We explored this, but if pay period was ever a reliable indicator of stability, it soon became apparent that its power was limited in a world where even the most junior and temporary staff can often expect a monthly bank transfer.

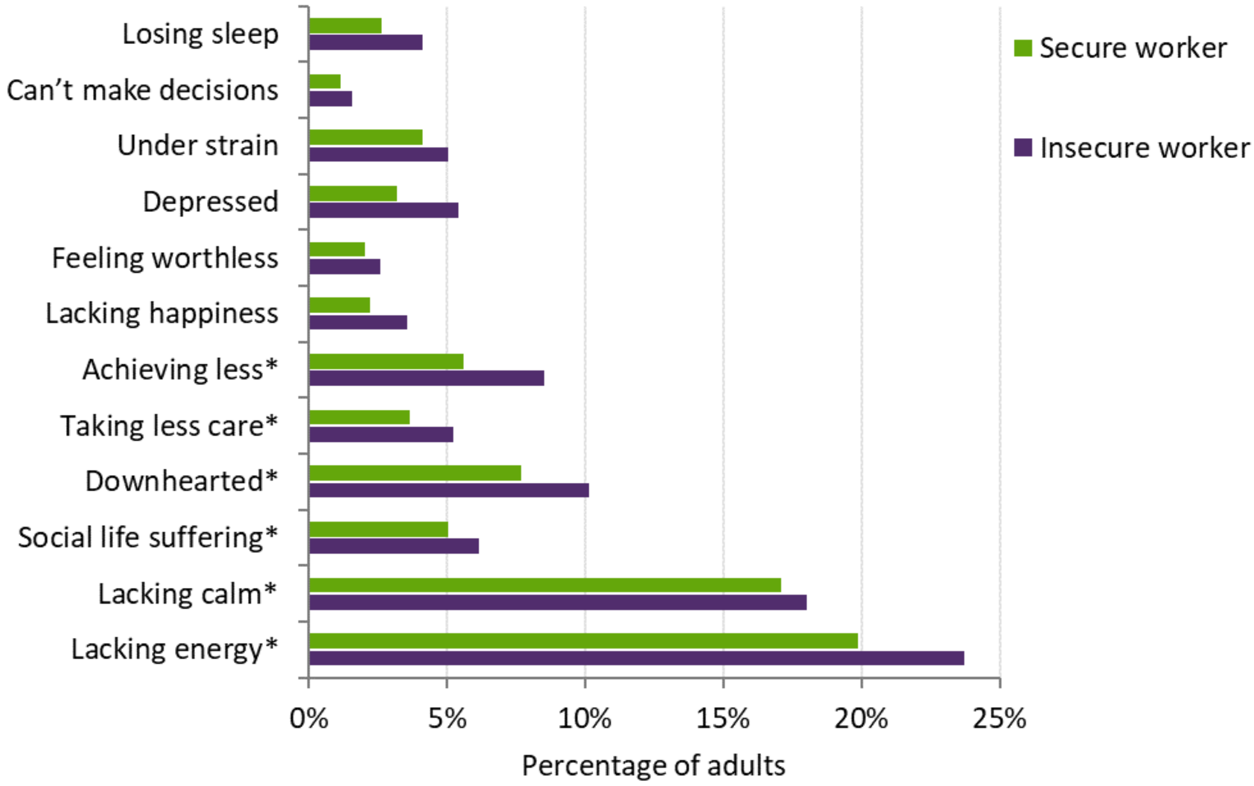
Zero-hours contracts are of obvious interest, and we will come back to them, but they are not identified in our main 2019/20 dataset. More fundamentally, they are merely one example of a far wider pattern of insecurity that affects many people on different contractual forms – including 'forced freelancers', agency staff, other temporary workers and those on variable shifts who may have a few guaranteed hours.

So instead, we start by producing a composite, which begins with all those who are working,[18] and then deems them 'insecure' if their employment is classed as 'casual', temporary (whether that be seasonal, agency, a fixed-term contract or impermanent in 'some other way') or paid in a way (by the hour or through a lump sum) which suggests an unreliable work attachment.

This measure catches 8.5% of workers in Understanding Society, and 4.6% of all adults. It has obvious imperfections: it misses 'forced freelancers' and others on unreliable shifts, and so almost certainly understates the breadth of the true insecurity problem. But it is the best we can do with the data at hand – and turns out to be good enough to reveal a clear link between insecure work and mental health problems.

On all 12 anxiety measures, insecure workers recorded more problems than their 'secure' counterparts (see Figure 14). The association was consistent and always clearly visible. It might just be worth pausing, however, on its scale. The risk of adverse symptoms or consequences was often raised by the order of a half, sometimes less. That sounds like a lot, but was a weaker association than we found with housing tenure, debt and want of savings, where the incidence of distress was often doubled or more in comparing the have-nots to the haves.

Figure 14: Work worries: people employed in insecure ways have poorer mental health



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

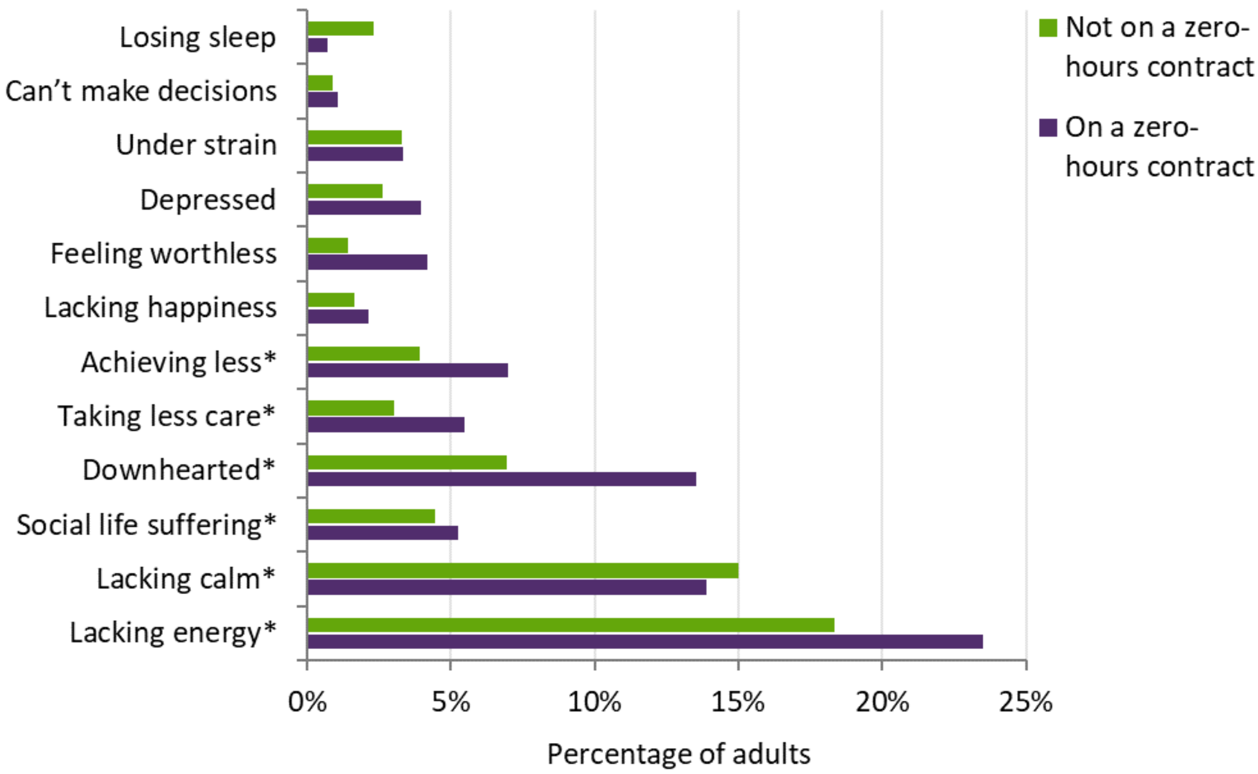
Source: JRF analysis of Understanding Society, 2019/20

An individual's financial security is shaped not only by the reliability of their own earnings, but also by the assets and earnings of their wider family, so perhaps we should not be so surprised to find the effects are relatively more modest here. They are averages, and as such represent cold comfort to those insecure workers who are entirely dependent on their own pay. But it does raise the question as to whether, in looking for answers to soothe the anxiety of the British population, we might do well to make assets and debt, rather than jobs, the very top priority.

But any such conclusion is very tentative. For one thing, we need to check that the relatively more-modest – although still consistent – effect of insecure work on mental health in Figure 14 is not just because of the particular and imperfect way in which we have identified 'insecure workers'. While zero-hours contracts were not asked about in the 2019/20 Understanding Society survey, they were recorded – for some workers at least – in 2018/19. In total, 3% of those workers who were asked the question confirmed they were on such a contract, still enough for a half-decent sample of 354 cases. While 39% of these cases would have been caught by our 'insecure worker' definition set out above, the majority (61%) would not be. So if we were able to include the zero-hour workers in our wider 'insecure worker' measure, the proportion caught by it would increase somewhat; but, for the most part, we are exploring here a distinct 'second front' of the unreliable employment issue.

And yet the results are pretty similar (see Figure 15), although for the first time in this chapter we find a picture that is not quite uniform. On a couple of indicators – such as sleep loss – zero-hour workers actually appeared to fare better. But this could be a product of the reduced sample size, as the number of instances of some relatively rare problems in the zero-hours contract sub-sample got very small. Overall, being on a zero-hours contract was associated with a visibly higher risk for three of the experiential (General Health Questionnaire) symptoms, and for five of the six consequential (Short Form Survey) symptoms. These negative effects were consistent with the one other study we are aware of to have used the same data, which totted up an overall mental health score and found it to be statistically significantly worse for zero-hour workers than for others (Keely, 2021).[19] That study also shed light on the mechanism through which the damage flowed – identifying poor job satisfaction and insecurity of income as the culprit, rather than variation in hours in itself.

Figure 15: Zeroing in: most indicators of mental distress are higher for workers on zero-hours contracts



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2018/19

But, again, look at the scale of the effects. On average, the excess risks associated with zero-hours contracts look to be on the relatively more modest scale of those we found using our more general flag for 'insecure work', as opposed to the bigger ones relating to assets and debts outlined earlier in the chapter. This second way of examining 'insecure' work, then, is yielding similar results to our first attempt.

So the picture broadly tends to reinforce, rather than undermine, our tentative previous conclusion about the over-riding importance of assets and debts in mental health, with work playing a secondary, but still important, role. This remains a tentative judgement, for we have not attempted to address such potentially confounding effects as the greater mental robustness that might be required to stick it out in an insecure job. If these were important, it could be that we are understating the damage that such jobs inflict.

So there is much more to do on the detail, but for now it is worth stepping back from it, and considering the remarkable strength and consistency of the message that has run right through this chapter. Correlation is not, of course, causation. But insecure work has been shown to be, at the very least, associated with many markers of distress. So, even more emphatically, has debt and lack of homeownership. Everything we have found has encouraged the thought of the 'spiral of insecurity' that we tentatively floated in Chapter 1. The final analytical challenge, before we get onto the question of what should be done about it, is to get some perspective on the strength of the link between material insecurity and poor mental health. Just how big a problem are we really talking about?

5 How much anguish?

The remarkably consistent results of the last chapter have established an association between economic insecurity and mental distress. While establishing causation is always trickier (we will briefly come back to that question in the next and final chapter), we have at least shown that every measure of material insecurity we can come up with is associated with most – and usually **all** – of the anxiety indicators we have at our disposal.

But the question remains as to how important the link truly is. Connections can be clear but not important. Imagine, plausibly, that eating a very small after-dinner mint each night is associated with weight gain. Imagine, further, that this weight gain can be measured, and is found to be consistent – but also as consistently small as the mint. Public health advice could be tweaked to suggest cutting the mint out, but it would not make much of a dent in an epidemic of obesity that reflects sedentary work patterns, transport habits, access to and aptitude with fresh foods, industrial marketing and all the rest of it.

Turning back to anxiety, when you reflect on the range of things that can play havoc with the human heart – from bereavements to failed romances or wayward children – the causes will be equally myriad. So it is reasonable to ask just how much anguish, in the wider scale of things, is truly connected to economic exposure. The granular particularities of survey questions do not readily translate into answers to this sort of sweeping, open question. But they can offer a few clues. And then a bit more specifically, it is important for social policy to try to isolate the power of the anxiety–insecurity link once it is disentangled from the damaging effects of a simple **inadequacy** of income. The second half of this chapter grapples with that.

Shifting the dial

A good place to start with gauging the scale of the anxiety–insecurity link is the Annual Population Survey, the source of Whitehall's 'official' wellbeing indicators. Taking a quick look at this separate dataset also allows us to check that the pattern of results we found in Understanding Society is not a quirk of the way the mental health questions are asked in that survey.

The Annual Population Survey records a single anxiety score on a 0–10 scale for everyone in the UK, making one obvious use for this data the calculation of averages across the whole population – the calmer as well as the more anxious – as opposed to the sort of flags for mental distress we have concentrated on up until now. Population-wide, in the 2019/20 Annual Population Survey data, the mean score was 3.1.[20]

So how far are, on the one hand, markers of material insecurity and, on the other, observable characteristics that are not principally economic, associated with shifts in that dial? Relationship status is one example of the latter. It is something that affects the way we live every day, and stable relationships have often been found to be a strong predictor of other positive outcomes, including those related to physical health (Hayes et al, 2016; University of East Anglia, 2016). While it is true there is, through the sharing of resources, a material aspect to partnership, that is not its essence.

According to the Annual Population Survey, among 'married' people who are living together, the average anxiety score is 2.9. That compares to a mean score of 3.2 for single people, and 3.6 for the 'married but separated group' who are perhaps most likely to be in the midst of the trials of divorce. The differences, then, are of the order of half a point on the 10-point scale.

So how strong is the association between the more material factors and anxiety relative to that with stable relationships? For housing tenure, the average score for those in owner-occupied housing is 2.9, against 3.4 for renters. The difference here, then, is actually bigger than that between the standard 'married' and 'single' groups. But overall, the thing to note is that the difference associated with tenure is, like that for family form, of the order of half a point.

What about work? Being on a time-limited contract is associated with an above-average anxiety score of 3.5, higher not only than the whole-population average of 3.1 but also even the average of 3.4 recorded for unemployed people. Those classed as 'casual', meanwhile, score an average of 3.3. We also found a slightly raised average anxiety of 3.2 among workers with variable hours, although not when that variation arose from overtime (a positive option, associated with lower anxiety).

The Annual Population Survey allows us to compare people employed in different industries, too, and – sure enough – staff in some sectors associated with insecure hiring arrangements often suffer from more anxiety. Take those whose employer is a household (cleaners, cooks and the like), among whom cash-in-hand arrangements are common. Their average anxiety score is 3.4. Now contrast that with the position of those in more secure sectors. Previous JRF analysis (Prospect and JRF, 2021) has suggested that the rate of insecure contracting for those in manufacturing is just 6%; among them, the average anxiety score drops to just 2.6.

Considering job stability, as measured by 'tenure with current employer', reaffirms the advantages of steady circumstances: sticking around in a familiar post until you know the ropes is associated with better mental health. The average anxiety score steadily declines – falling in steps from 3.3 for newbies in their first few months to 2.8 for those who have been with a firm for 20+ years. Stability, then, appears to be protective against anxiety, just as insecurity appears to inflame the risks.

All told, observable job insecurities look to be exerting a hit, of the same rough order of half a point as we saw with tenure, and indeed also relationship status. The latter comparison in particular might suggest that material insecurity ranks as one of life's more substantial stressors. There are, admittedly, a few more powerful anxiety effects evident in the Annual Population Survey data, notably related to health. Those who are disabled according to the Equality Act definition record an average anxiety score of 4.0 compared with 2.7 for those who are not, a huge gulf in relative terms that cannot be explained away by the minority who are classed as disabled by dint of anxiety.[21] But even so, it seems fair to conclude that neither homeownership nor stable work is a triviality for mental wellbeing. Economic exposure really matters.

Insufficiency versus insecurity

The next question is how far the issue is truly insecurity as opposed to insufficiency – that is, simply not having enough. The conceptual distinction is not entirely clear: if your income is reliable but very low, you are still exposed to many problems of insecurity, such as budgeting for any large, unexpected costs that arise. Conversely, if you are a high-paid, self-employed information technology (IT) contractor, your earnings might well vary dramatically from month to month, but it should be perfectly possible to build up a sufficient buffer to deal with most of the things that life can throw your way.

Yet even if they sometimes overlap, insecurity and insufficiency are different things. There are people with decent but variable incomes whose big worry is uncertainty about what they will have available next month. Meanwhile, others who do not have much coming in, may nonetheless get by with little worry because their circumstances are stable and they know how to manage them.

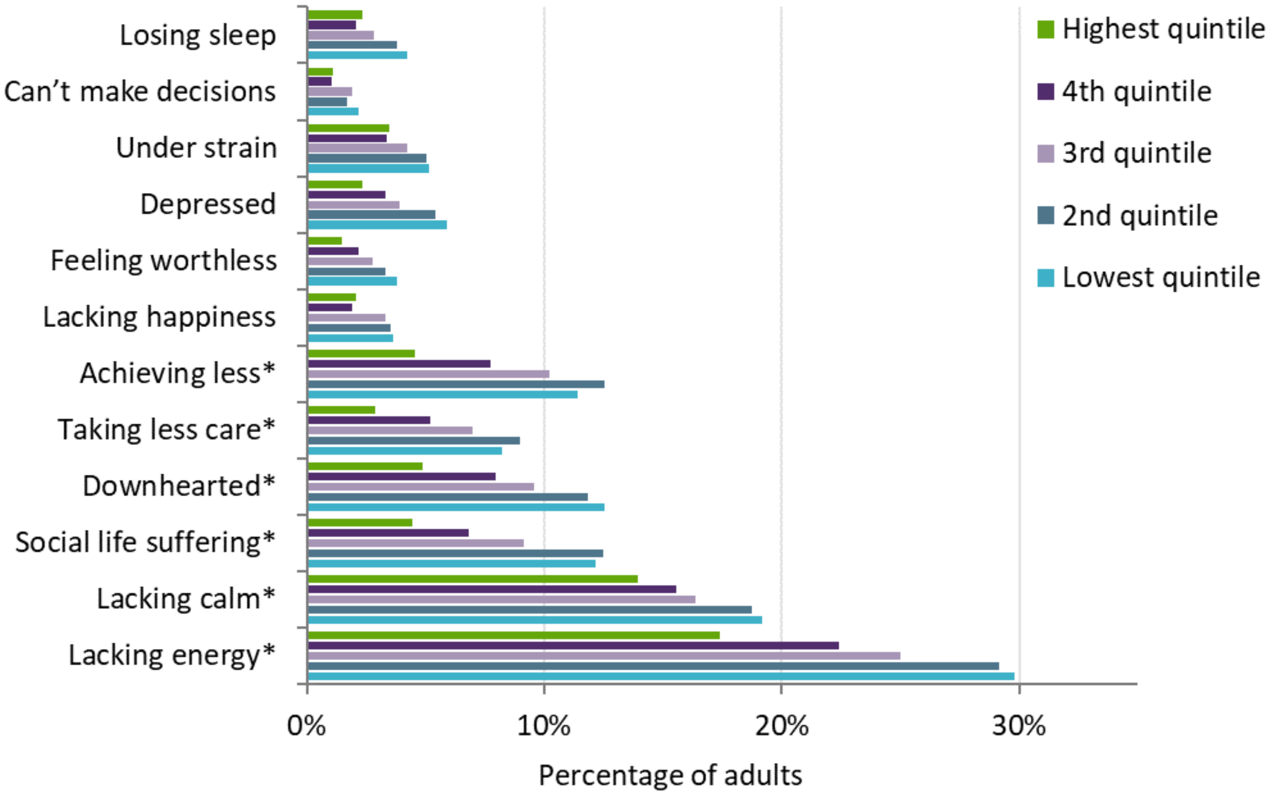
In the sphere of political science, Green and de Geus (2022) argue that insecurity might be a more instructive guide to voting behaviour than income, one that connects more closely to the interacting 'education and age divides' that increasingly shape our society. Focusing only on income, they argue, 'hides the economic security felt by older people' with modest but predictable income and the padding of assets, and also underplays the full disadvantage that younger non-graduates experience, who not only earn less, but also have fewer prospects of increasing their income and very often also less family money than their more-educated counterparts. Green and de Geus also report that the correlation between income and their preferred security measure is weak, and so the analytical choice between the two things really matters.

Coming back to mental health, can we find any meaningful way to gauge the importance of income level on the one hand, and exposure to economic risk, on the other?

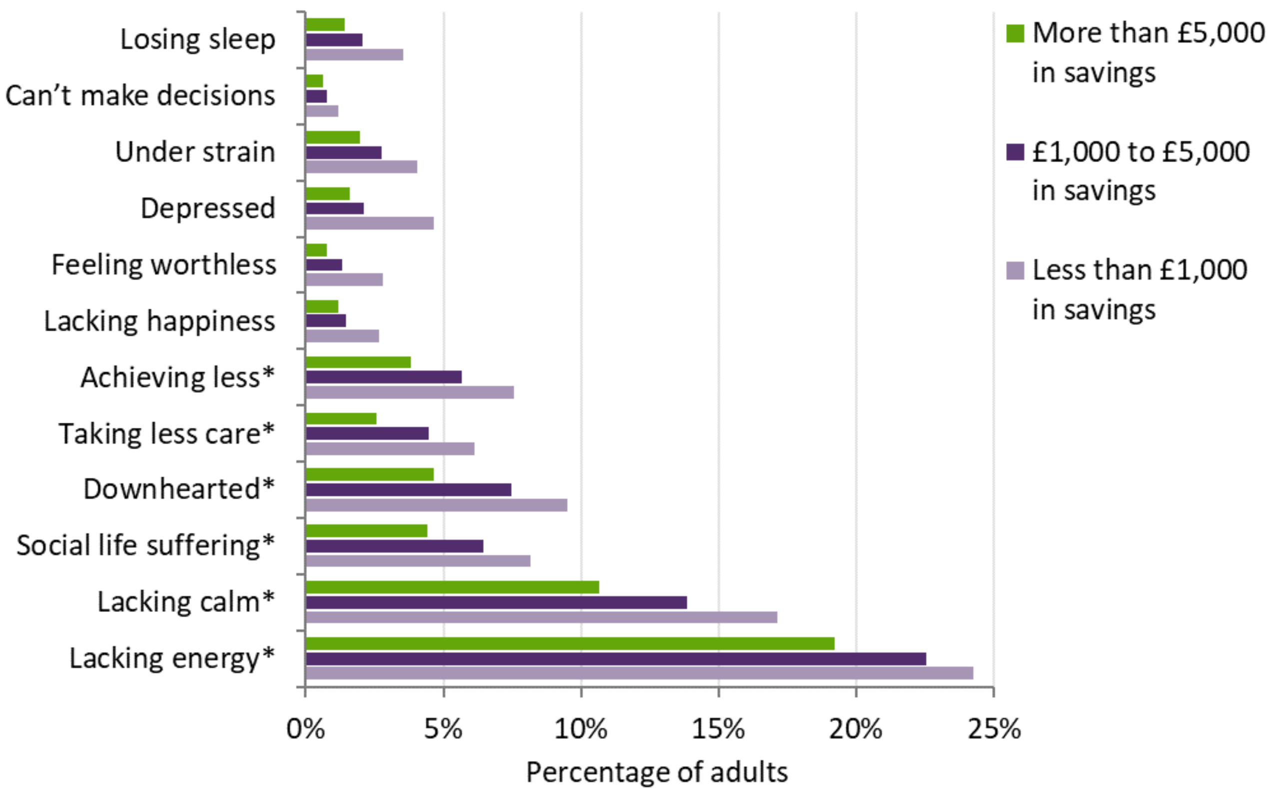
It is not easy to because various facets of life, or even character, which cannot be identified in surveys, may simultaneously affect emotional health **and** the ability to, for example, build up a buffer of savings at any given income level. So the exercise needs to be approached with caution. But Understanding Society enables us to shed some useful light. Figure 16 returns to our full suite of anxiety indicators, with the top panel showing how the incidence of each problem varies across the income distribution and the bottom panel (reproduced from the previous chapter) showing how they vary by level of savings.

Figure 16: What is coming in versus what is stashed away: anxiety indicators across the distribution of (a) income and (b) savings

(a) Income



(b) Savings



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20 (panel a) and 2016/17 (panel b)

The first thing that leaps out from the chart is that mental health problems decline just as consistently with income as they do with all the markers of security we have already explored. With only a few minor exceptions (mostly at the top end of the scale), as we step down through the different brackets of the income distribution (measured here post-tax, but before the deduction of housing costs) we find the incidence of all the symptoms and consequences of mental ill-health rising. This is as expected: all else being equal, life is more stressful if you have got less money coming in. In sum, insufficiency in income matters.

But now concentrate on the **rate** at which the problems fall as income rises. Compare the very top and bottom fifth of incomes, and the indicators tend to roughly double. Some indicators (for example, losing sleep and lacking energy) increase by somewhat less than that, others (for example, feeling worthless and achieving less) somewhat more.

If, however, we forget about people in the higher income brackets, and focus on the gaps between low-income people and those in the middle – the basis of the official poverty line – then the gaps are smaller. The differential in incidence rarely as much as doubles: the incidence of several of the anxiety problems is only a quarter or so higher in the bottom than in the middle income bracket.

Set against these differentials along the income spectrum, the mental health benefits associated with having some savings in the bank look substantial. When we compare even the moderate savers (with between £1,000 and £5,000 squirrelled away) to the minimal savers (with less than a £1,000), the incidence of anxiety problems goes up by half on several counts. And when we compare the minimal savers to the more substantial savers – this is no elite, but the half or so of the UK population with more than £5,000 – the incidence frequently doubles or more.

As we have stressed, making direct comparisons between the relative importance of insufficiency and insecurity for mental health is fraught, if not impossible. But the charts suggest that moving a given distance up the 'savings distribution' might be associated with particularly large psychological benefits. Moreover, given the relatively modest savings that the great majority of people in the UK have, the amounts of money involved in doing so are relatively small. As we said in Chapter 2, a one-off nest egg of £1,000 puts you, very roughly, a quarter of the way up the scale, and £5,000 roughly half the way up. (By contrast, the official income statistics suggest that a family's income needs to rise by about £160 a week, to move from the 25th percentile to the median – that is more than £8,000 after tax, each and every year; Department for Work and Pensions, 2022.)

Recall, too, that several other markers of security that we looked at – including homeownership, pension provision and being up to date with bills – had just as solid a relationship with mental health as savings.

If – a big if, admittedly – social policy could somehow directly boost savings and financial security, then on the face of these findings that might powerfully bolster public health. If we really care about wellbeing, this has to be worth pausing on. As we saw earlier in this chapter, the effect of material insecurity on anxiety appears substantial even when set beside those other things, like love and family, which we like to think count for more than money.

6 Facing it – and fixing it

This report has not attempted sophisticated statistical techniques – but nor has it had to. Through a rich catalogue of official statistics and secondary sources, it was not hard to establish that material life is insecure for many in Britain (in Chapter 2) or that diagnoses of and drugs for mental disorders have recently been racing away (in Chapter 3). Linking the two things with the help of Understanding Society in Chapter 4 has proved remarkably straightforward, too: virtually every indicator of insecurity we could find went hand in hand with a raised risk of all 12 of our anxiety indicators. The effects were often very large – with many of the risks doubling or more for those in insecure situations in comparison with those in secure ones.

Although we have not directly tested for sampling errors, the consistency of the size and direction of the results encourages confidence in the findings. Moreover, several of the secondary studies – including work by official statisticians – that we have referred to along the way have found statistically significant connections (for example, ONS 2020a and Keely, 2021). And indeed, the fact our Understanding Society results came from more than one year's data points against the results being the result of a quirk of any particular sample. So too do our findings of an association between raised anxiety and various flags for insecurity of circumstance in the separate Annual Population Survey (in Chapter 5).

The resounding conclusion is that Britain has big and, on many measures, growing problems with both material insecurity and poor mental health, and furthermore that the two things look very much like they are linked. Many of our compatriots really would appear to be caught in something like the spiral of insecurity that we speculated about in Chapter 1. If we care about the wellbeing of the population then we need, first, to face up to this, and then turn our minds to how it might be fixed.

In terms of 'facing it', there is still much more analytical work to be done in mapping the problem. In this report we have deliberately focused on the intersection of insecurity and anxiety problems across the population as a whole. An early and straightforward priority is to see how the shadow of anxiety affects different social groups – in terms of race, family type, age, region, social class and everything else. A slightly more complex task, but a realistic option for the larger social groups, is to explore how the relationship between mental distress and material forms of insecurity plays out in different sub-populations. It is conceivable, indeed plausible, that being in a marginalised or vulnerable group could increase the 'exchange rate' between material insecurity and distress, and it would be worth knowing that if it were true. Recent findings in the United States suggest that Native Americans have higher rates of poor mental health, and moreover that those rates have been rising, underlining the pertinence of such questions (Blanchflower and Feir, 2022).

There are also some deeper challenges and opportunities for more forensic analysis. This report has, in truth, done more to reveal the insecurity–anxiety link than explain it. Both qualitative research – in essence, conversations with people at the sharp end – and more sophisticated quantitative analysis would have the potential to establish the precise mechanisms that link material insecurity and mental distress. As a panel study, which re-interviews the same people, Understanding Society itself has special potential here, because it would, for example, allow researchers to identify individuals who have undergone insecurity-inducing events, and then track them over time to see which such events matter most for the deterioration of mental health.

If stripping out all the confounding causes and effects between anxiety and assets in survey data ultimately proves too difficult, then there might be an analytical case for a social experiment that can directly reveal how mental health outcomes change after assets are distributed (or debts are cleared) in a particular place or among a particular sample.

There are obvious deeper data dives that can be done, too, in relation to assets (through the Wealth and Assets Survey, and its question on respondents' anxiety level) and work. For the latter, it would be useful for researchers to acquire the necessary accreditation to link the answers that the same individuals give to questions about work in the Labour Force Survey and those they give about wellbeing in the Annual Population Survey. (Even better, the Office for National Statistics could release a combined dataset to facilitate this.) And if the volatility of income is as important for mental health as appears likely, it would be great to get really authoritative data on that volatility – for example through analysis of tax and benefit administrative records.

So much for 'facing it'. What of the 'fixing it' question for public policy? If mental health matters, then rising diagnoses of and treatments for anxiety have to be a concern. It is incumbent on us to do something. And if the spiral of insecurity is real – and we would defy anyone who has read this report to dismiss that possibility – then stable work, widespread homeownership and ubiquitous rainy-day saving would seem like obvious goals.

But hard-bitten politicians and officials will reasonably wonder: can public policy truly – and affordably – achieve any of these things? The best reply to fatalism is to flip the question, and ask – given the growing burden of mental ill-health, can we afford **not** to tackle anxiety? The NHS mental health dashboard (NHS, 2022b) reports that in England alone the creaking health service now spends around £15 billion a year, which is the order of a 10th of the total budget, on mental health services. And for wider society, this is just the start of the cost: attempts at more comprehensive estimates, factoring in effects such as absences from work on top of health care, have come in at well over £100 billion (O'Shea and Bell, 2020). Remember: if the spiral of insecurity is real, failure to tackle it will have enduring knock-on consequences for employability and performance at work and produce many other effects that could impair economic performance.

This report contains a few encouraging pointers about the affordability of making a difference. On the face of our results, it looks as if even small one-off improvements in the 'balance sheets' of struggling households – whether through conferring assets or attenuating debts – could, potentially, have a huge effect on mental wellbeing. As we stressed in Chapter 5, disentangling the measurement and even the concepts of insecurity and insufficiency is fraught with difficulty. But our results suggest it is at least worth asking whether policy focused on assets and debts could achieve an awful lot for wellbeing, and potentially at a relatively modest cost.

Sceptical questions will rightly be asked about whether any one-off improvement in family balance sheets will be sustainable without accompanying improvements on income. As we have stressed, various facets of life, or even character, which cannot be identified in surveys may simultaneously affect mental health **and** the ability to, for example, build up a buffer of savings at any given income level. But, on the strength of our findings, the benefits of supporting less well-off people to build up assets or savings could extend beyond improving their financial position. Ideas about 'asset-based welfare' could warrant renewed debate.

The clear perils of debt we have uncovered suggest that boosting the relatively modest public support available for money management services such as Citizen's Advice is likely to be highly cost-effective in relieving anxiety. With the vast gap in mental wellbeing between renters and homeowners, there are obvious questions for housing policy too. Our results point to the urgency of reforms to make the experience of private rental less anxiety-inducing by increasing security for tenants – starting with the Government finally making good on its commitment to end section 21 'no fault' evictions.

Beyond that, reversing the ebbing tide of homeownership is something that politicians of all stripes have found it easier to promise than to achieve: ill-designed schemes to subsidise homeownership for some can end up pushing up prices, and thereby lock others out of the market. But there are other options, including part-ownership, which could allow more people to build up more of a stake, and a great deal of scope for more social housing. As JRF has argued elsewhere (Baxter-Clow, 2022), we should eventually aim to rebalance the tenure mix, curbing and even reversing reliance on private rentals, especially for families with children.

Turning to work, with the economy on the cusp of a recession, if millions of jobs disappear, the over-riding priority for security (and attenuating anxiety) could soon be getting unemployment down. But the coming economic crunch could instead translate into mass **insecure** employment. Either way, attention urgently needs to turn towards doing something for all those workers who lack the basic protections that most employees take for granted. As JRF has repeatedly said, the Government should make good on its commitment to introduce an Employment Bill, so that we make jobs work for all.

In truth, the real aim of a research report like this is bound to be more about kicking off a conversation about a problem than definitely solving it. The few thoughts we offer on policy here are no more than suggestions. Our real purpose has been to wake readers up to the reality of Britain's twin problems with insecurity and anxiety, and the ways they are linked. From where we sit, the evidence is both clear and alarming.

Annex A: How we derived our ‘anxiety indicators’

The core analysis in this report – in Chapter 4 and the second half of Chapter 5 – comes from wave 11 (2019/20), wave 10 (2018/19) and wave 8 (2016/17) of the UK Household Longitudinal Survey (UKHLS), commonly known as Understanding Society. The presumption was to use the most recent pre-pandemic wave (2019/20) where possible, but sometimes – notably for savings, zero-hours contracts and retirement provision – we had to look back to an earlier wave because the relevant question had not been asked in 2019/20. In all cases, the year of the data is highlighted in the main text.

All the measures of mental distress used in this analysis are available in every wave of the UKHLS. While there is no question within the UKHLS that specifically asks respondents to measure their anxiety, there are 12 variables that capture phenomena associated with the condition. For example, ‘[In the last four weeks,] have you felt downhearted and depressed?’ and ‘Have you recently lost much sleep over worry?’.

These questions derive from two survey schemas for assessing health:

- the 12-item Short Form Survey (SF-12) – for more details, see Ware et al (1996)
- the General Health Questionnaire (GHQ) – see Goldberg (1978).

For the precise wording of all 12 of the questions we used for this research, the answer options available to respondents, the responses we deemed to constitute an anxiety ‘flag’ and the number of respondents for whom each flag was raised, see Table A1. For reasons discussed in the main text, we raised an anxiety flag for two different answers on the five-part Short Form Survey response schema, but only for one answer on the four-part General Health Questionnaire response grid, which tends to result in larger ‘anxious’ groups on the Short Form Survey measures. We did try using the most restrictive definition of anxiety on all questions (details are available from the authors on request) but found this made little difference to our broad conclusions.

Table A1: The 12 UKHLS indicators of anxiety used in this study

Anxiety indicator	UKHLS variable	SF-12 or GHQ	Survey question	Scale	High anxiety values	Total sample size, 2019/20	High anxiety sample size
Losing sleep	scghqb	GHQ	GHQ: loss of sleep Text: Have you recently lost much sleep over worry?	1 Not at all 2 No more than usual 3 Rather more than usual 4 Much more than usual	Much more than usual	36,139	1,151
Can't make decisions	scghqd	GHQ	GHQ: capable of making decisions Text: Have you recently felt capable of making decisions about things?	1 More so than usual 2 Same as usual 3 Less so than usual 4 Much more than usual	Much more than usual	36,119	523
Under strain	scghqe	GHQ	GHQ: constantly under strain Text: Have you recently felt constantly under strain?	1 Not at all 2 No more than usual 3 Rather more than usual 4 Much less capable	Much less capable	36,117	1,379
Depressed	scghqi	GHQ	GHQ: unhappy or depressed Text: Have you recently been feeling unhappy or depressed?	1 Not at all 2 No more than usual 3 Rather more than usual 4 Much more than usual	Much more than usual	36,123	1,304
Feeling worthless	scghqk	GHQ	GHQ: believe worthless Text: Have you recently been thinking of yourself as a worthless person?	1 Not at all 2 No more than usual 3 Rather more than usual 4 Much more than usual	Much more than usual	36,119	837
Lacking happiness	scghql	GHQ	GHQ: general happiness Text: Have you recently been feeling reasonably happy, all things considered?	1 More so than usual 2 About the same as usual 3 Less so than usual 4 Much less than usual	Much less than usual	36,115	928

Anxiety indicator	UKHLS variable	SF-12 or GHQ	Survey question	Scale	High anxiety values	Total sample size, 2019/20	High anxiety sample size
Achieving less	scsf4a	SF-12	During the past 4 weeks, how much of the time have you had any of the following problems with your work or other regular daily activities as a result of any emotional problems (such as feeling depressed or anxious)? Text: Accomplished less than you would like	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	All of the time Most of the time	36,061	2,931
Taking less care	scsf4b	SF-12	Last 4 weeks: mental health meant worked less carefully Text: Did work or other activities less carefully than usual	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	All of the time Most of the time	36,037	2,366
Downhearted	scsf6c	SF-12	Last 4 weeks: felt downhearted and depressed Text: Have you felt downhearted and depressed?	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	All of the time Most of the time	36,094	3,263
Social life suffering	scsf7	SF-12	Last 4 weeks: physical or mental health interfered with social life Text: How much of the time has your physical health or emotional problems interfered with your social activities (like visiting friends, relatives)?	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	All of the time Most of the time	36,130	3,233

Anxiety indicator	UKHLS variable	SF-12 or GHQ	Survey question	Scale	High anxiety values	Total sample size, 2019/20	High anxiety sample size
Lacking calm	scsf6a	SF-12	Last 4 weeks: felt calm and peaceful Text: Have you felt calm and peaceful?	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	A little of the time None of the time	36,096	5,486
Lacking energy	scsf6b	SF-12	Last 4 weeks: had a lot of energy Text: Did you have a lot of energy?	1 All of the time 2 Most of the time 3 Some of the time 4 A little of the time 5 None of the time	A little of the time None of the time	36,139	8,319

Annex B: A fuller picture on housing

The focus of this report has been the intersection of material insecurity and poor mental health, both of which are measured in a large number of different ways. To chart a course through an ocean of data, we opted for the simplest meaningful categories to differentiate people in secure circumstances from those in less secure ones. In the case of housing, this meant majoring on the binary between homeowners and renters. It strikes us as by far the most important dividing line for economic security, not least because homeowners build up an asset whereas renters do not. But a more complex four-way schema is also in common use, which splits outright homeowners, mortgagors, private tenants and social tenants. Deploying this produces a more complicated story in terms of insecurity, but one we thought was worth teasing out here for those of our readers with an interest in housing.

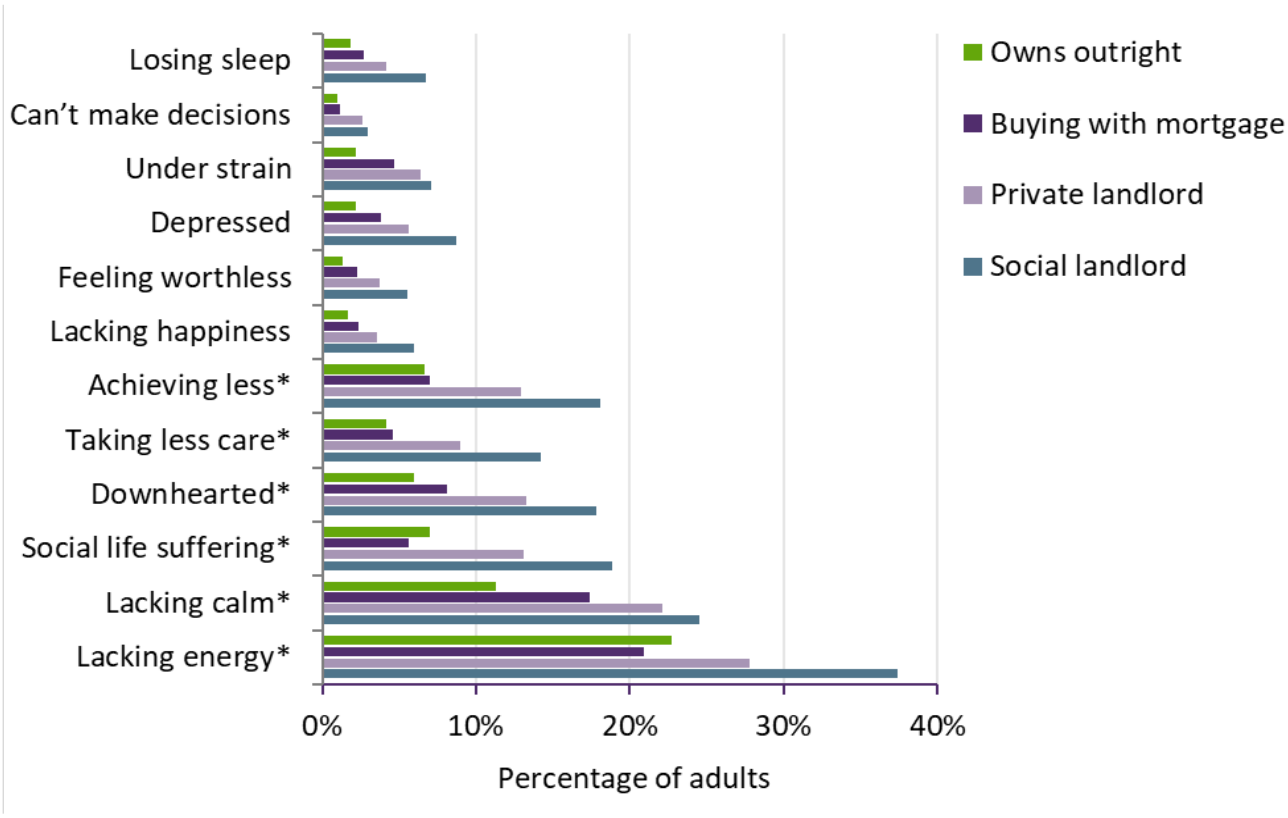
The results of overlaying this four-way schema with the Understanding Society mental distress markers are shown in Figure B1. Before diving into it, it is worth explaining from a pure 'material security' point of view, that there is a spectrum running between ultra-secure 'outright owners', via the 'buying with mortgage' group through to 'social renters' (who enjoy certain safeguards regarding tenure, rent and its relationship to benefits) and on to the least-secure private renters (who enjoy far fewer such safeguards).

As between the first three groups, the anxiety story played out in the same way as we have found throughout this report. For example, the (most-secure) outright owners lost less sleep and felt less strain than the (slightly less secure) homebuyers, who were in turn more secure than the (less secure again) social renters. Indeed, the gap between the last two groups was typically huge.

But then comes the twist: despite their greater housing security, social renters were actually shown to be more distressed on most markers than the private rental group. In this part of the housing spectrum, there is no straightforward link from security to anxiety. But this is very plausibly due to the strict rationing that manages the long waiting lists for social rented homes. Poor previous housing situations and low incomes are frequent criteria, as are health problems, which could include a diagnosis of anxiety and other mental health problems. All this creates a 'selection effect' – more distressed people being sorted into social housing – which looks to be even more powerful than any direct insecure housing effect.

This is, of course, a reminder that some things besides the security of housing also matter a great deal for mental health. It is only one of many potential selection effects that the simple analysis in this report has not dwelled on, effects that can operate in both directions. For example, it takes time to build up savings, which should mean that substantial savers tend to be older, and if older people are also typically less anxious anyway, that could mean that our 'on the face of it' results will exaggerate the effect that savings exert on mental health once this age mix is taken into account. Other potential confounding effects could, like the social/private rental distinction, overwhelm and obscure the true security–anxiety link. In the end, the way to untangle all this is through more comprehensive statistical analysis, something JRF might wish to undertake or sponsor in future. But the 'selection effects' in social housing merit special attention seeing as this is one of the very few areas where mental stressors (such as poor past housing and family crises) are proactively used, by dint of policy, to put people into a more secure group.

Figure B1: More home truths: indicators of mental distress for more detailed tenure groups



Notes: Indicators without an asterisk are derived from the General Health Questionnaire (GHQ) and those with an asterisk are from the Short Form Survey (SF-12). See Annex A for the precise wording and use made of each question.

Source: JRF analysis of Understanding Society, 2019/20

Notes

1. The wider class of drugs comprises: benzodiazepines (mostly prescribed for anxiety); z-drugs (sleeping tablets with effects similar to benzodiazepines); gabapentin and pregabalin (together called gabapentinoids and used to treat epilepsy, neuropathic pain and, in the case of pregabalin, anxiety); and opioids, for chronic pain that is specifically not associated with cancer.

2. Change is 2015/16 to 2021/2.

3. The 'rough and ready' factor here is that the OECD uses data for slightly different years for insecurity and poverty, but the report also contains information on how both measures have been changing over time, and the differences in the time period do not look material.

4. In particular, the Department for Work and Pensions (2021) notes that the treatment of funds in current accounts changed, in a way that the official statisticians say created a 'large shift in the division of families… between the two categories of (i) those with no savings at all to (ii) those with less than £1,500 in savings'.

5. This section condenses and updates the analysis in Clark (2022), which we refer readers back to for a fuller account.

6. This is comparing 2017/18 with the earliest available 2011/12 figures. With all these indicators, we chart movement 'over the 2010s' as far as possible, by comparing the latest data highlighted in the Office for National Statistics' final pre-pandemic dashboard of 'social capital' indicators against the baseline of 2010, when the numbers go back that far, or the earliest available data where not.

7. The underlying psychological data came from self-reported answers to a suite of questions known as the Patient Health Questionnaire (PHQ-9), a questionnaire to test for depression.

8. The Department for Work and Pensions' Stat-Xplore, accessed August 2022, records that of the 1.752 million people in receipt of Employment and Support Allowance, 868,000 were in receipt of the allowance due to 'mental and behavioural disorders'. The absolute number of people in receipt of income-replacement benefits by reason of such disorders will be higher, since many will by now have transitioned to Universal Credit.

9. It is worth noting that the overall story in these earlier years was more complex than the summary 'coding' statistic allows for: coded symptoms were already rising, while diagnoses were not, which might suggest that doctors remained more reticent about diagnosing a 'label' than they are now.

10. See Figure 2 in Archer et al (2022).

11. The wider class of drugs comprises: benzodiazepines (mostly prescribed for anxiety); z-drugs (sleeping tablets with effects similar to benzodiazepines); gabapentin and pregabalin (together called gabapentinoids and used to treat epilepsy, neuropathic pain and, in the case of pregabalin, anxiety); and opioids, for chronic pain that is specifically not associated with cancer.

12. From Figure 1 in NHS Business Services Authority (2022).

13. The precise boundaries shown on the map relate to clinical commissioning groups at the turn of the relevant financial year, in April 2020. But they need to be taken as illustrative, as various clinical commissioning group mergers were phased in over recent years, culminating in the abolition of all clinical commissioning groups and their replacement with a smaller number of integrated care boards in July 2022.

14. Figure 5 in NHS Business Services Authority (2022) shows that the number of identified patients receiving antidepressant drugs was 589,000 in the least-deprived 10th of local areas, against 1.290 million in the most-deprived areas.

15. See ‘Key Findings’ and also Figure 15 in NHS Business Services Authority (2022), which suggest that the proportion of identified patients on anti-psychotic medication is 2.7 times higher in the most-deprived areas as the least-deprived areas.

16. The Short Form Survey as a whole covers the consequences of all health issues, but the Understanding Society questions that we are focusing on here concentrate overwhelmingly on the mental health aspect.

17. More specifically, the 2019/20 survey asked the question only of respondents aged exactly 45, 50, 55, 60 or 65 and not retired, and of those who are of pensionable age but less than 71 years old who do not yet consider themselves retired. To focus on worries in the ‘run-up to retirement’ we dropped the 45 year olds.

18. ‘Working’ is defined broadly as being in employment or self-employment, but also on an apprenticeship, on a government training scheme or busy working unpaid in a family business.

19. Using the same data for 2018/19, Thomas Keely at Aberdeen University found that the mental health of zero-hours workers was, on a composite measure of the General Health Questionnaire questions, 12.2% notably worse than that of others on average.

20. There is a skew to the data: a large chunk (more than a quarter) report ‘no anxiety’ and then there is a (rough) tendency for the proportion to decline as the anxiety scores rise. Relatively few people report the highest scores of 8, 9 or 10, although the exact number who do so will matter a lot to the overall average on which this section concentrates.

21. The possibility that the presence of a super-anxious minority explains this is ruled out by the fact that this gap is evident at the median as well as the mean.

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