



## First depressed, then discriminated against?



Stijn Baert<sup>a, b, c, d, e, \*</sup>, Sarah De Visschere<sup>a</sup>, Koen Schoors<sup>a, f</sup>, Désirée Vandenberghe<sup>a</sup>, Eddy Omey<sup>a</sup>

<sup>a</sup> Sherppa—Study Hive for Economic Research and Public Policy Analysis, Ghent University, Sint-Pietersplein 6, B-9000 Ghent, Belgium

<sup>b</sup> Research Foundation — Flanders, Egmontstraat 5, B-1000 Brussels, Belgium

<sup>c</sup> Department of Sociology, University of Antwerp, Sint-Jacobsstraat 2, B-2000 Antwerp, Belgium

<sup>d</sup> IRES—Institut de Recherches Économiques et Sociales, Université catholique de Louvain, 3 Place Montesquieu, B-1348 Louvain-la-Neuve, Belgium

<sup>e</sup> IZA—Institute for the Study of Labor, Schaumburg-Lippe-Straße 5–9, D-53113 Bonn, Germany

<sup>f</sup> Itinera, Hertogsstraat 31, B-1000 Brussels, Belgium

### ARTICLE INFO

#### Article history:

Received 7 January 2016

Received in revised form

7 June 2016

Accepted 11 June 2016

Available online 23 June 2016

#### Keywords:

Belgium

Health

Depression

Hiring discrimination

Field experiments

### ABSTRACT

Each year a substantial share of the European population suffers from major depression. This mental illness may affect individuals' later life outcomes indirectly by the stigma it inflicts. The present study assesses hiring discrimination based on disclosed depression. To this end, between May 2015 and July 2015, we sent out 288 trios of job applications from fictitious candidates to real vacancies in Belgium. Within each trio, one candidate claimed to have become unemployed only recently, whereas the other two candidates revealed former depression or no reason at all for their unemployment during a full year. Disclosing a year of inactivity due to former depression decreases the probability of getting a job interview invitation by about 34% when compared with candidates who just became unemployed, but the stigma effect of a year of depression is not significantly higher than the stigma effect of a year of unexplained unemployment. In addition, we found that these stigmas of depression and unemployment were driven by our male trios of fictitious candidates. As a consequence, our results are in favour of further research on gender heterogeneity in the stigma of depression and other health impairments.

© 2016 Elsevier Ltd. All rights reserved.

### 1. Introduction

According to the 2011 meta-analysis on mental health in Europe by Wittchen et al. (2011), each year 6.9% of the European population suffers from major depression. In addition to the direct impact of this mental illness on people's lives, present and former depression affect individuals' (later) life outcomes indirectly by the stigma depression inflicts (McGinty et al., 2015; Schwenk et al., 2010; Whitley and Campbell, 2014). A frequently reported consequence of depression stigma is the discrimination the (formerly) depressed undergo in their search for suitable accommodation (Corrigan et al., 2006; Whitley and Campbell, 2014) and/or gainful employment (Brohan et al., 2011; Corrigan et al., 2006). In the present study, we focus on the stigma of depression in the labour market.

Many studies have documented diminished labour market

activity related to depression (see e.g. Frijters et al., 2010; Krause, 2013) and the consequent economic burden for both individuals and society (Kessler et al., 2008). Moreover, it has been shown that being distanced from the labour market makes depression more persistent (Gebel and Vossemmer, 2014; Lloyd and Waghorn, 2007; Roy and Schurer, 2013). Therefore, not surprisingly, the reintegration into the labour market of employees inactive due to (former) depression is a key ambition of many OECD countries (OECD, 2013).

The development of adequate policy responses requires the assessment of the hurdles (formerly) depressed individuals face when attempting to reintegrate into the labour market. Next to supply side differences in human capital and preferences (Elinson et al., 2004; Ettner et al., 1997), hiring discrimination based on (former) depression may be one of the key hurdles facing (formerly) depressed individuals. As predicted theoretically by Becker (1957) and Arrow (1973), employers may hesitate to hire employees with mental problems due to a distaste (of the employers, co-workers, or customers) to working with them, a fear of diminished productivity, or anticipated sick leave problems. Yet, the stigma effect of a depression-related sick leave period may be

\* Corresponding author. Sherppa—Study Hive for Economic Research and Public Policy Analysis, Ghent University, Sint-Pietersplein 6, B-9000 Ghent, Belgium.

E-mail address: [Stijn.Baert@UGent.be](mailto:Stijn.Baert@UGent.be) (S. Baert).

URL: <http://users.UGent.be/~sbaert>

dominated by the well-documented stigma effect of a non-health-related unemployment period of comparable length (Vishwanath, 1989).

Some studies provide indicative *empirical* evidence of hiring discrimination based on disclosed depression (Ando et al., 2013; Brohan et al., 2011; Corrigan et al., 2006; Henderson et al., 2013; Stuart, 2006). However, because these studies are based on survey data, their findings may reflect perceptions of discrimination and unobserved differences in human capital rather than causal evidence of unequal treatment. In addition, they might be biased due to reverse causality, i.e. due to an effect of economic attainment on mental health (Antonakakis and Collins, 2015; Barr et al., 2015; Tøge and Blekesaune, 2015).

In this study, we assess hiring discrimination based on disclosed depression in a direct and causal way. To this end, we send out a total of 864 fictitious job applications to real vacancies in Belgium. These applications differ only in the labour market history of the candidates: one became unemployed (at most) a few weeks before the application, a second became unemployed one year earlier and does not provide the employer with a reason for her/his unemployment, and a third candidate became jobless at the same time as the second candidate but explains this break in employment by severe depression. By monitoring the subsequent reactions from the employer side, we are able to identify the effect on employment opportunities of disclosing a jobless year due to depression compared to two realistic counterfactual situations (i.e. no substantial break in employment and a comparable break without mentioning depression).

Drawing on the mentioned literature concerning the stigma of and discrimination based on depression, we propose the following hypotheses:

**H1a.** Individuals with a break in employment due to depression get less positive callback in response to their job applications compared to similar candidates with no substantial break in employment.

**H1b.** Individuals with a break in employment due to depression get less positive callback in response to their job applications compared to similar candidates with a comparable but unexplained break in employment.

The empirical literature documents lower epidemiology of and more negative attitudes towards depression among men (Berger et al., 2012; Ogrodniczuk and Oliffe, 2011; Oliffe and Phillips, 2008; Pattyn et al., 2015; Van de Velde et al., 2010; Wittchen et al., 2011). In addition, other studies suggest that men disclosing depression may suffer more stigmatisation than their female peers (McCusker and Galupo, 2011). We therefore proceed to inspect the candidate gender heterogeneity in unequal treatment due to disclosed depression and test the following hypothesis.

**H2.** Former depression hurts hiring chances more for male candidates.

## 2. The experiment

We set up a correspondence experiment in the spirit of Bertrand and Mullainathan (2004). Within such an experiment, fictitious job applications are sent to real vacancies. The applications that are sent to the same vacancy are equivalent, except for the characteristic of interest. By monitoring the subsequent callback, unequal treatment based on this single characteristic is identified. This correspondence testing framework is widely viewed as providing the most convincing evidence of hiring discrimination (Riach and Rich, 2002). Without such experimental data, researchers possess

considerably less data than employers. For instance, data on general ability and work motivation are most of the time not observed in survey and administrative data. By consequence, applicants who appear similar to researchers on the basis of standard non-experimental data may in fact be very different in the eye of their prospective employers. As long as not all variables driving hiring, remuneration, and promotion decisions that may correlate with mental health are controlled by the researcher, analyses might suffer from selection bias. A correspondence experiment, in contrast, eliminates selection based on individual unobservable characteristics because the researcher fully controls the information available to the employer, allowing the researcher to disentangle discrimination from alternative explanations of heterogeneous hiring outcomes, such as differences in human capital or in employee preferences.

Our experiment was conducted between May 2015 and August 2015 in Flanders, the Dutch-speaking part of Belgium. Following the Belgian Health Interview Survey, gathered between 2001 and 2013, 10.1% (8.9%) of the population in Belgium (Flanders) suffered, at the moment of the survey, from symptoms of a depressive disorder (average over all age groups in, for each survey year, a random sample of 10,000 individuals residing in Belgium, regardless their place of birth, nationality or any other characteristic). These percentages were higher for women (12.9% in Belgium and 11.3% in Flanders) than for men (7.3% in Belgium and 6.6% in Flanders) (source: Scientific Institute of Public Health, Belgian Health Interview Survey). In addition, these percentages for Belgium and Flanders were somewhat higher than the European average presented by the aforementioned meta-analysis by Wittchen et al. (2011). Also following the European Core Health Indicators, Belgium was the country with the highest prevalence of depression in 2008 among 15 European countries (source: Eurostat, People reporting a chronic disease by disease, sex, age, and educational attainment level; based on national surveys using a common questionnaire; average over all ages). With respect to labour market performance, the unemployment rate in 2015 in Belgium (8.5%) and Flanders (5.2%) was lower than the average in the EU-27 (9.3%) (source: Eurostat, Unemployment rates by sex, age, and NUTS 2 regions). In addition, the labour market tightness was relatively high in Belgium in 2015: the job vacancy rate (i.e. the number of job vacancies as a percentage of the sum of the number of occupied posts and the number of job vacancies) was 2.1% in this country in the first quarter of 2015, while it was 1.7% in the EU-27 (source: Eurostat, Job vacancy rate).

Three applications of unemployed candidates were sent to 288 vacancies. From the database of the Public Employment Agency of Flanders — the region's major job search channel — we randomly selected 72 vacancies in the occupations of laboratory worker (ISCO-08 classification number 3111), representative (ISCO-08 3322), production worker (ISCO-08 81), and barkeeper (ISCO-08 5131). With respect to the broad occupation of production worker, in particular vacancies for the sub-occupations of chemical products plant and machine operators (ISCO-08 8131), plastic products machine operators (ISCO-08 8142), food and related products machine operators (ISCO-08 8160), and packing, bottling, and labelling machine operators (ISCO-08 8183) were tested.

These occupations were chosen for the expected variation in levels of skill and customer contact. In addition, the labour market tightness in these occupations differed. The median vacancy duration for all vacancies in the database of the Public Employment Agency of Flanders in 2015 was the highest in the occupation of barkeeper (78 days) and the lowest in the occupation of labelling machine operator (34 days). Given that the median vacancy duration had a mean of about 66 days and a standard deviation of about 59 over all 563 occupations observed in the database of the Public

Download English Version:

<https://daneshyari.com/en/article/5046874>

Download Persian Version:

<https://daneshyari.com/article/5046874>

[Daneshyari.com](https://daneshyari.com)