

## CHAPTER 4

### **DID THE CRISIS HURT THE DANES?**

#### **Life conditions and quality of life in Denmark during the period 1976-1986, and how the Danes coped with the 1980-1982 crisis**

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*Did the Crisis really hurt? Effects of the 1980 – 1982 economic recession on satisfaction, mental health and mortality.*

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#### **Summary**

*On the basis of the three Danish studies it is concluded that the recession 1980-1982 - apart from a slight decline in real income - has not harmed the Danish population in general. Yet there is evidence of a harmful effect on the socially underprivileged groups. However, even at the lowest end of the social ladder, most people have managed to cope with the crisis.*

### **1. THE CRISIS CONCEPT**

What is a 'crisis' in general and what is 'the last economic crisis' in particular?

In this book a crisis is understood as an economic recession and the crisis under consideration is the economic recession 1979-1983 with 1980-1982 as the core. This narrow - and exact - quantitative definition of a crisis is relevant, especially to comparisons between economic variables and for instance psychosocial criteria of mental health, well-being or quality of life (Dooley and Catalano, 1986). However, one can also operate with a broader concept of crisis. In *The Danes during the Crisis, Vol. I* (Petersen, Kristensen, Sabroe, 1987), Petersen and Sabroe put forward a general model of crisis which can be presented as follows:

A crisis is a fundamental life condition for all human beings. It occurs in all aspects of human life, i.e. in relation to ecological, political, economic, social, psychological and cultural matters. A crisis is an unavoidable step in every development of society within both group or individual life.

Therefore, a crisis is a characteristic of every open system with human elements - which occurs when the function of the system no longer fits its interactions or transactions with the environment. Crises take place in a developmental process as delimited periods which may occur as an isolated or cyclic event. The inherent purpose - the 'meaning' - of crisis is to produce a qualitative shift in the way the system transacts with the environment, and accordingly a crisis represents a turning point in the development, containing both a risk of stagnation, regression and extinction - as well as a potential for new growth and development. Since crisis is a phenomenon of transaction through time, the form of manifestation of every crisis is unique, a matter which hinders the perception and recognition of the fact that the system is in crisis. Symptoms of a crisis are 1) When the goal of a system is threatened or not feasible through time and when the situation; 2) From a cognitive point of view: when the system is marked by

confusion as to alternatives of action, perplexity and reduced control of events; 3) From an emotional point of view: when the system is characterized by tension with its environment or between the sub-systems, groups or individuals within the system, and 4) From a conative point of view: when the system is marked by unintentional activity of decision and behavior, i.e. the efficiency of the system declines. Consequently the immediate result of the crisis is that part of the resources of the system is used to fight symptoms of the crisis and not to fight the crisis as such, and furthermore that those activities swallow up resources, resulting in declining output of the system.

The crisis may result in either growth or decline of the system's functional level, for instance economic growth or decline; it cannot remain constant through time. The longer the crisis is fixated (in one of the three first stages), the higher will be the costs the crisis demands and the higher the changes in the system or its surroundings.

Acceptance of the universalism of the crisis, knowledge of the characteristics of the crisis, experiences with (former) crises and a diacritical attitude to the signs of crisis promote an early outcome of the crisis.

Looking at the situation from this point of view, the economic recession 1980-1982 in itself can hardly be called a crisis. It can be seen either as a minor economic decline or as an outcome of the general crisis which manifested itself in most of the western (and eastern etc.) countries from the beginning of the seventies, beginning with the first oil crisis of 1973-1974.

The previous period of growth from the second world war to the first oil crisis was from a political-economic point of view largely governed by Keynesian thinking. Leading political forces such as the Social Democrats in the Scandinavian countries had both a political belief - manifesting itself in the welfare state - and an economic model based on Keynesianism.

Since the first oil-crisis, which was particularly acute in countries such as Denmark which were poor in resources, it has become evident that this belief has undergone a serious setback, just as Keynesian economic models have lost their magic. They simply do not work any more. And monetary models, as launched by Milton Friedman in combination with liberal political beliefs, do not seem to be especially successful from a quality of life point of view - either, as seen in the United Kingdom.

According to the general model, signs of a system being a crisis are 1) that the goals of the system are threatened and that the situation 2) from a cognitive point of view is marked by confusion as to crisis solving methods, 3) from an emotional point of view is characterized by tensions and 4) from a conative point of view is marked by inappropriate activity, for instance fighting the symptoms of the crisis and not the crisis itself.

A main cause seems to be that systems and individuals have little ability or inclination to achieve resignation (see definition on page 71) or to initiate creative new thinking. And since both those elements are necessary according to the model of crisis, we seem far away from the 'big leap forward', or at least from the qualitative shift, which seems to be the precondition for ending the crisis.

Thus since the Second World War we have had, so to speak, two 'Kondratievan' waves, which are qualitatively distinct. The growth period from the end of the Second World War to the beginning of the seventies and the period of crisis from the beginning of the seventies until today.

During the period of crisis most countries have had at least two economic recessions, 1973-1975 and 1980-1982, which can be said to be crises within a crisis, times where confusion and perplexity, anxiety and despair, tensions and irrational behavior reach a peak.

It follows from these arguments that the theme of this book - by defining just the crisis - is a quite complex one. Let us proceed from this starting point.

'Did the crisis really hurt' is the main theme of this book. My counter question is: Which

crisis, the real crisis - manifesting itself since the beginning of the seventies - or the smaller crisis-within-crisis, the economic recession 1980-1982.

Well, the editors have explicitly put down the period of crisis as the period from 1980-1982. So this is the period we have to discuss. I only wished to draw your attention to the concept of crisis as such and to the complexity of defining the crisis and hope that the proposed general model of crisis may be of interest.

Let me proceed with the question: How did the crisis-within-the-crisis, the economic recession 1980-1982, hurt or influence the life of the Danes? My answer to this question will be based on three studies:

- a) A study carried out by Hansen, before and after the crisis on factual living conditions in 1986 compared with those in 1976 (Hansen, 1986 and 1988).
- b) A study carried out during the crisis on the life of the Danes, May 1982 - with special regard to experienced life conditions, life style, attitudes to and reactions to the crisis by Petersen et al. (Petersen, Kristensen and Sabroe, 1987 and Petersen, Kristensen, Rasmussen and Sabroe, 1987).
- c) A study made during and after the crisis: the political-psychological development and the change in the life of the Danes in 1982-1986 by Petersen et al. (Petersen, Sabroe and Sommerlund, 1987 and Petersen, 1987).

## **2. BEFORE AND AFTER THE CRISIS:**

### **The factual life conditions of the Danes 1986 compared with 1976**

The Hansen study on the living conditions of the Danes (Hansen, 1986) is based on interviews in 1976 with a representative sample of about 5000 grown-up Danes (20-70 years of age), about 4500 of the same individuals being reinterviewed in 1986. In the interviews the persons were asked structured questions as to their living conditions, i.e. their housing, working and health conditions, their social contacts and their possibilities for controlling their life/work situation. Even though the data collected are statements of personal experiences, the questions, as a rule, do not deal with subjective matters. The interviewed were for instance asked to state the number of rooms of their apartment, the level of noise in their apartment as well as how much modern furniture and fittings their apartment contained. The interviewed were not asked whether they were satisfied with these conditions or not. Thus the questions are formulated in such a way that they can be said, as a rule, to represent the factual life condition and not the subjective experienced life conditions - although some of the questions are not without subjective elements.

The main result of the study is that living conditions of the Danes have greatly improved from 1976-1986, in particular in the age groups between 30-70.

**Scheme 1. Housing and standard of housing in the different social groups in 1976 and in 1986 (Hansen, 1986)**

Family social group <sup>1)</sup>	30 - 69 years old)												n	
	Lives in block of flats		Owns his residence		Less than 1 room per person		Minimum demands not met <sup>2)</sup>		Demands for modern residence met <sup>3)</sup>		Owns weekend cottage		'76	'86
	'76	'86	'76	'86	'76	'86	'76	'86	'76	'86	'76	'86	'76	'86
	(perc.)													
I	17	15	76	81	3	3	5	3	72	89	36	29	237	342
II	20	13	70	79	8	3	8	4	74	88	24	22	434	559
III	18	13	74	81	7	3	10	4	70	89	13	14	1.280	1.070
IV	36	28	53	64	11	5	16	7	59	81	11	10	1.004	1.209
V	33	30	51	52	14	6	26	15	49	73	4	3	838	691
Total	26	21	63	70	9	4	15	7	63	83	13	13	3.793	3.871

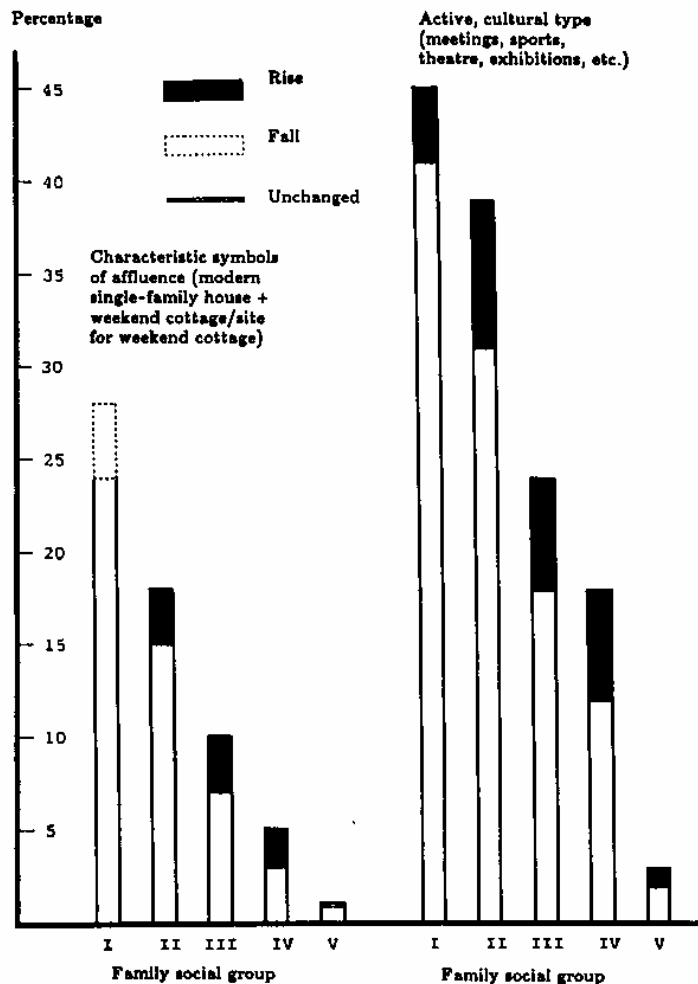
Note: Excl. of uninformed social group and those not being able to be placed within social groups

- 1) Based on highest social position in the family. Group I is the socially highest group, group V the lowest (unskilled worker).
- 2) Short of at least one of the following: separate kitchen, warm water, cold water, own toilet, own bathroom (bath or shower) or central heating.
- 3) All minimum demands being fulfilled plus cooker (electric or gas), refrigerator, freezer and washing machine (own or in communal laundry).

**Scheme 1** shows that the housing conditions are noticeably improved from 1976-1986 through all social groups. **Scheme 2** (shows a similar trend in self ratings of various aspects of life.

<b>Scheme 2. Parts of unsatisfactory life conditions in each area and parts with very strained life conditions in 1976 and in 1986 (Hansen, 1986)</b>										
Own social group	1		2		3		4		1 + 2 + 3 + 4	
	Has problems with health		Lacks close contacts or influence		Unsatisfactory housing		Strained work environment		Very strained conditions of life	
	'76	'86	'76	'86	'76	'86	'76	'86	'76	'86
	(perc.)									
I	29	25	22	16	23	18	63	66	2	-
II	34	31	29	16	27	19	61	67	5	2
III	42	39	41	24	32	19	60	62	7	3
IV	43	40	56	36	41	26	47	51	11	6
V	54	52	72	62	51	33	44	39	19	10
Total	45	41	54	37	37	23	51	52	12	6
	3.613	3.799	3.574	3.782	3.793	3.862	3.613	3.800	3.564	3.768
1) When it is a question of housing the interviewed here are placed according to family social group.										

Scheme 3



With regard to 'the good life' **scheme 3** shows the good things in demand and high valued life style also have become more common in 1986 than in 1976.

In his succeeding book Hansen follows the same individuals from 1976 through 1986 (Hansen, 1988). Through his analysis, Hansen shows that although the general conclusion of his first book holds - that the living conditions of the Danish population have generally improved (through all social groups) - still it appears that there are considerable differences from generation to generation. Not all people in Denmark are 'living in the same boat'. But since these results only have an indirect bearing on the issue under debate here - the effect of the crisis in 1979-1982 - I will go no further into this subject.

To sum up: Hansen's study shows without doubt that the living conditions in Denmark - using

factual criteria - improved noticeably between 1976 and 1986 for the whole population and for all social groups.

### 3. A STUDY DURING THE CRISIS:

#### The life of the Danes during the crisis - from a psychological point of view, 1982

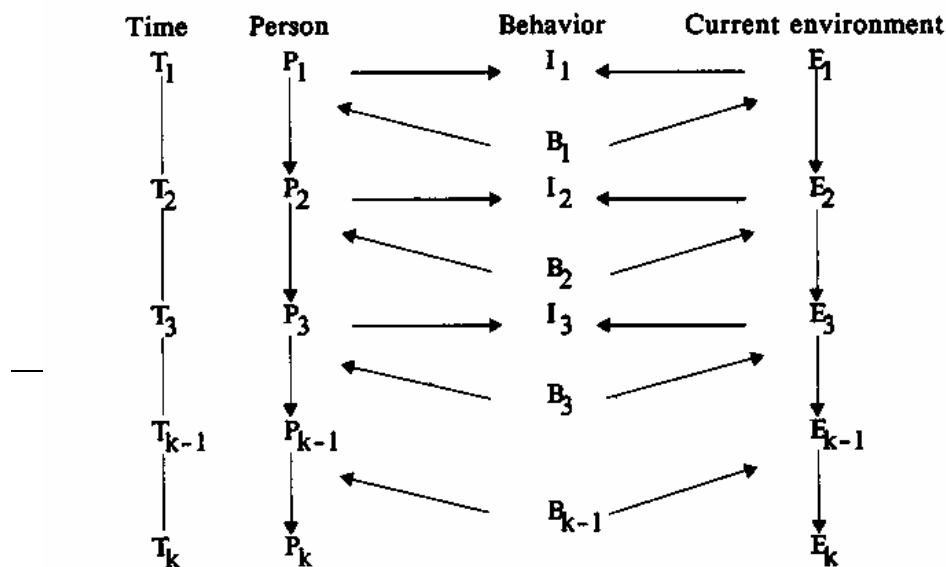
##### 3.1 The theoretical and empirical foundation of the study

In this study Petersen and his collaborators (Petersen, Kristensen and Sabroe, 1987 and Petersen, Kristensen, Rasmussen and Sabroe, 1987) used a representative sample of about 1800 Danes above 16 years, the data collecting taking place in May, 1982.<sup>1</sup> The general aim is to describe how the Danes experience the crisis and how they react to the crisis with special regard to their socioeconomic life conditions, life style and quality of life, besides their attitude to and way of coping with the economic crisis as such.

The theoretical basis of the study is 1) Petersen & Sabroe's general model of crisis (discussed above in section I), 2) a Lewinian inspired general interactional or transactional model as formulated by Petersen (Petersen, 1967 and 1977) illustrated in **scheme 4** and **10**, Petersen's interactional model of thriving (or mental well-being) (Petersen, Kristensen and Sabroe, 1987, chapter 3, vol. I; Petersen, 1967 and Petersen et al., 1968).

Scheme 4

#### Petersen's interactional/transactional model

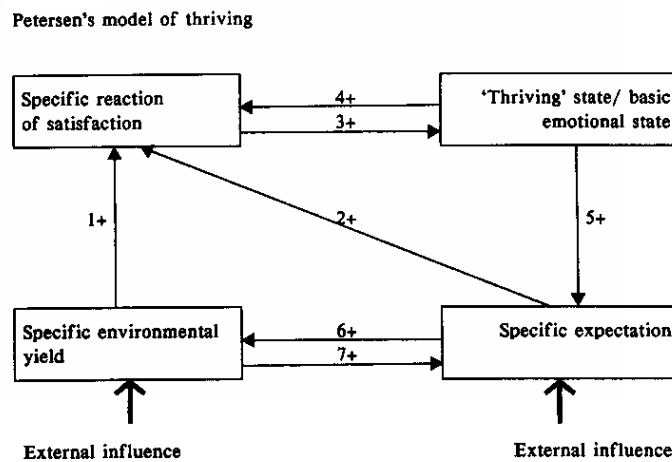


where T is a given time, E is the current environment, P the person, I interaction and B behavior.

The model of thriving is shown in scheme 5

<sup>1</sup> The study was repeated in May, 1986 and a third data collection has taken place in November, 1988.

Scheme 5



$$(1) \quad T = f(RS) = f(P_{Ex_s}, E_{Y_s}) = \frac{Y_1}{Ex_1} + \frac{Y_2}{Ex_2} + \frac{Y_3}{Ex_3} + \dots + \frac{Y_n}{Ex_n}$$

$$(2) \quad RS_n^s = f(P_{Ex_s}, E_{Y_s} \mid T_{n-1})$$

$$(3) \quad T_n = f(RS_n, T_{n-1})$$

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The thriving system is an equilibrium system in which the successively released specific reaction, i.e. feelings of satisfaction (RS) - released to the degree in which the environment furnishes the yields ( $E_y$ ) corresponding to the individual's specific expectations ( $P_{Ex}$ ) (see formula 1 of **scheme 5**), are integrated into a general feeling of well-being, the current state of thriving (T). When the system functions (as a system) it is able to cope with the change in environmental yields or in expectations (produced by internal or external forces, and the person thrives, resulting in personal growth. Of vital importance for thriving - and the system's ability to cope with changes - is the person's forms of action (or 'coping'): external offensive or defensive actions (producing yields corresponding to the given expectations) and internal actions in forms of active resignation, i.e. a conscious existential choice to reduce or in other ways change one or more expectations or through adaptive resignation (more or less automatic, unconscious change of expectations to the given environmental yields). If the person is unable to change either the yields or the expectations - for given changes in expectations or yields - the person is passively resignative, resulting in a state of ongoing, lasting dissatisfaction. Accordingly, the thriving system is in crisis ('crisis-afflicted') - since it cannot cope with the given changes. If the crisis of the person (or of the thriving system) is not solved, an accelerating developmental process towards mental illness is started. In **scheme 5**, 6+ represents external action, 7+ represents adaptive resignation and 5- active resignation. The arrows in the scheme indicate the causal relations in the system and the signs (+/-) indicate whether the covariation of the parameters is positive or negative.

The person's state of thriving is measured with a battery of questions of satisfaction (see **schemes 14 & 15**) with marked answer alternatives, psychometrically described by Rasch's model of item-analysis (Rasch, 1980). From this model the estimated personal parameter describes the person's actual tendency to express satisfaction independent of the matter in



question (the specific question), which is taken as an expression of the person's general feeling of well-being (basic emotional mood) or current state of thriving.

In the study the thriving model has been used in three ways: 1) as the general psychological basis for the study, 2) to lay down operational variables used in the study, for instance parameters for personal and for social thriving, adaptive, active and passive resignation, external offensive action, socioeconomic environmental yields, etc., 3) as the model to interpret the empirical findings.

On this theoretical basis the general problem as to life during a crisis is formalized in the following 3 hypotheses:

- A. The interactional process is changed due to the demands of the crisis on society and its members as to quantitative interference or qualitative renewal, so that the individual has to adapt himself to current life conditions to a higher degree than in periods of growth. Therefore resignation in some form or another will become an immediate given course of action in times of crisis.
- B. The declining environmental yields (i.e. wages, social welfare) will mean that established expectations decline and that qualitative new expectations are made.
- C. The crisis will tend to intensify the uneven distribution of economic advantages and quality of life (socioeconomic yields) - unless this tendency is deliberately counteracted by means of distributional policy or a qualitative renewal policy.

All three hypotheses find empirical support in the study, based on analysis of the 1982 data.

### 3.2 The perceived life of the Danes during the crisis, May 1982

Let us consider some examples of the empirical findings. **Scheme 6** shows the perceived changes as to conditions of life, May 1982. It appears that at least 2/3 of the Danish population have not experienced a major reduction in their economic and social conditions of life during the recent years of crisis. As the disposable real wages from a factual point of view have declined steadily since 1977 for the majority of the population, there is an evident discrepancy between factual and perceived life condition - a problem we will discuss later.

#### **Scheme 6. Distribution of the answers concerning changes in conditions of life (during recent years)**

Have you and your closest acquaintances during the recent years noticed a change within your	much better	some-what better	the same	some-what worse	much worse	don't know	total	N
A. financial situation	6	22	37	27	8	1	101	1862
B. housing	13	14	67	4	2	0	100	1961
C. daily work outside or at home	6	13	61	14	4	3	101	1860
D. ability of providing consumer goods	3	16	48	23	8	1	99	1860
E. condition of life as a whole	3	15	62	15	3	1	99	1958

Let us now examine whether the perceived life condition in recent years - during the crisis - is the same throughout society, socially stratified from 1 (highest/best social group) to 5.

**Scheme 7. Social differences in change of perceived conditions of life in recent years.**  
**Percentage as to worse conditions of life or no change (1 = highest, 5 = lowest).**

social group	financial situation	consumer abilities	daily Eork	housing	conditions of life as a whole
1	64	79	79	68	74
2	63	72	74	68	74
3	68	81	81	73	79
4	70	80	80	71	81
5	76	80	82	73	83
outside	80	84	86	83	89
total	72	79	79	73	80
N	1862	1860	1860	1861	1858
p<	.0000	.11	.007	.01	.04

The figures in **scheme 7** indicate that generally speaking the lower the social group, the more negative the changes in experienced condition of life during the crisis. The crisis seems to have harmed the underprivileged groups more than the privileged groups.

The general findings from the 1982 study (Petersen, Kristensen and Sabroe, 1987) can be summarized as follows:

1. 2/3 of the Danes have experienced unchanged or improved economic conditions and purchasing power during recent years, in spite of the fact that the majority of the population has had a declining income since 1977;
2. 5/6 of the Danes have not changed their life style during recent years in a more resource conscious direction except in relation to energy saving;

3. a minority, about every fifth Dane, feels much hurt by the crisis, 1/5 feels not at all hurt;
4. 60 - 80% have a feeling of co-responsibility for the crisis;
5. 2/3 were willing - as a personal contribution in fighting the crisis - to accept a lower standard of living and reduce private consumption, whereas only 1/4 were willing to pay higher taxes;
6. the great majority thinks that the Government ought to initiate a more active crisis policy, for instance 85% go in for a general public re-cycling arrangement, 66% want more support for renewable energy, 56% think that production ought to be initiated through countries and communes;
7. social and occupational group differences can be observed both with regard to experienced changed life conditions and life styles during recent years.

On this basis, the study gives the following portrait of how the typical Dane experienced life during the crisis, May 1982: She/he knows quite well that the country is in crisis and also thinks that the prospects for the future are dark. Still she/he has not felt the crisis very much personally, either psychologically, socially, or economically. Therefore she/he has not changed her/his usual life style with the exception of energy saving, but she/he is ready to sacrifice her/himself with regard to material standard of living. Moreover she/he feels that the Government ought to market a more active policy in fighting the crisis, especially with regard to recycling arrangements and renewable energy.

### 3.3 Thriving during the crisis, May 1982

According to the principles laid down by Petersen (1967 and 1977) and on the basis of a Raschian item analysis (Rasch, 1980) a personal parameter (as opposed to a parameter of the specific question) has been estimated in this study as to social thriving or thriving in society (6 questions, see **scheme 14** below), and a personal parameter for personal or private thriving (5 questions, see **scheme 15** below) besides an index for psychological stress (based on 5 questions of symptoms, see **scheme 16** below).

Changes in life style as to a resource conscious orientation are also expressed in a personal parameter, based on 5 questions, expressing 'do-it-yourself', 'buy and throw away' and 'energy conscious'-attitudes. Since we have worked with personal parameters and indexes, the distribution by itself is of less interest in this section (but shown in **scheme 17** in section 5).

In this study, however, the parameter is related to a great deal of variables. Let us by way of example consider the variables distributed on the four personal variables used in the study.

**Scheme 8. Relation between personal variables and thriving/stress**

Personal variable	Social thriving Average	Personal thriving Average	Stress (% without symptoms)
<u>Sex</u>			
Man	102	100	73
Woman	98	100	62
p<	.000	.43	.000
<u>Age</u>			
16-20	99	99	82
21-30	98	98	74
31-40	102	101	74
41-50	101	102	70
51-60	100	102	59
61-	100	99	52
p<	.07	.0033	.0000
<u>Social group</u>			
1	104	106	75
2	103	106	82
3	103	103	70
4	101	101	67
5	96	95	63
Outside	98	98	61
p<	.0000	.0000	.0003
<u>Income</u>			
Low	98	97	61
Middle	99	100	67
High	102	103	75
p<	.0000	.0000	.0000

For instance it appears from the scheme that the lower the social group you belong to, the lower (poorer) is your (personal parameter for) social and personal thriving and the higher is your level of stress.

The personal parameters for thriving (index for stress) express, according to Rasch's psychometric model, the person's liability to express (i.c. high) satisfaction through all questions, i.e. independent of the specific matters as formulated in the questions. Since satisfaction with a specific matter is a (response of) feeling, the personal parameter can, according to Petersen's model of thriving (see **scheme 5**) be said to express the person's emotional basic mood or the person's general emotional well-being. This 'snapshot' of the interactional process of thriving (the 'freeze' of the system of thriving, see **scheme 5**) is then an expression of the person's current state of thriving.

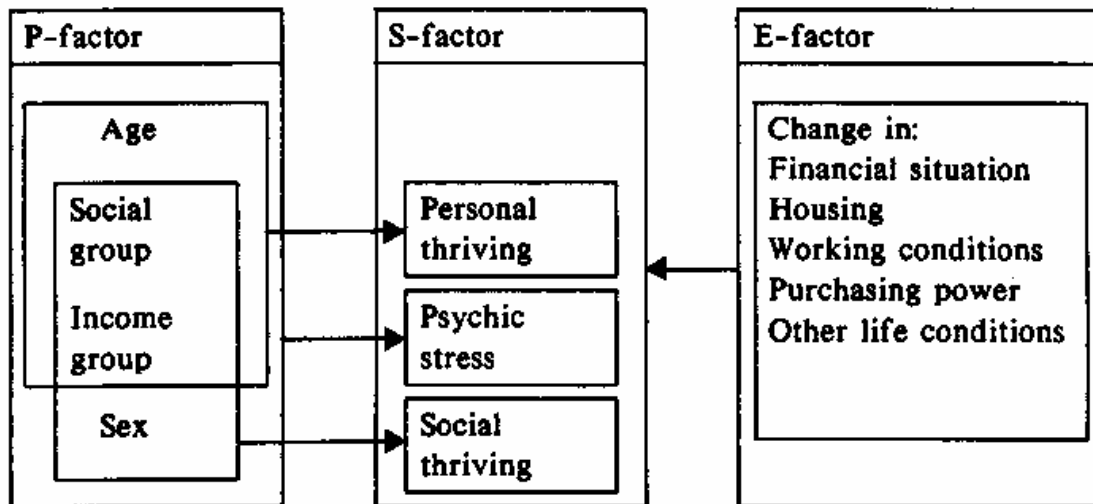
Our problem here is to examine whether the state of thriving is influenced by the crisis - here expressed through change in the person's experienced - socioeconomic - conditions of life (phenomenologically described being the environmental yields, see **scheme 10**). According to Petersen's model of transaction (see **scheme 4**) current thriving is a result of the interaction between the person and his environment through time. This means that we have to use an interactional methodological technique, i.c. examine the relationship between thriving (-parameter) and the experienced life conditions, conditioned by relevant personal variables, since this is a cross-sectional study. We will, however, not go into detail here with the methodological technical matter, but present the basic scheme (**scheme 9**).

**Scheme 9 Relation between changes in conditions of life and thriving/stress**

Changes in	Personal thriving Average	Social thriving Average	Stress (% without symptoms)
<u>Financial situation</u>			
Improvement	105	102	72
Unchanged	102	101	69
Deterioration	94	98	62
<u>Housing</u>			
Improvement	103	100	69
Unchanged	100	101	68
Deterioration	85	94	49
<u>Working conditions</u>			
Improvement	104	102	71
Unchanged	102	101	70
Deterioration	94	97	55
<u>Consumer possibilities</u>			
Improvement	105	102	74
Unchanged	102	101	70
Deterioration	93	97	60
<u>Other life conditions</u>			
Improvement	105	103	72
Unchanged	101	101	69
Deterioration	91	95	54

The result of the interactional analysis is shown in **scheme 10**.

### Scheme 10



The diagram (**scheme 10**) expresses:

1. The more negative the experienced conditions of life - in all (given) social and income groups - the poorer the thriving and the higher the stress.
2. the lower the social and income groups<sup>2</sup> - for given changes in conditions of life - the poorer the state of thriving and the higher the stress.

This implies that the underprivileged are typically most vulnerable to the crisis.

<sup>2</sup> with regard to age and sex, see **scheme 5**.

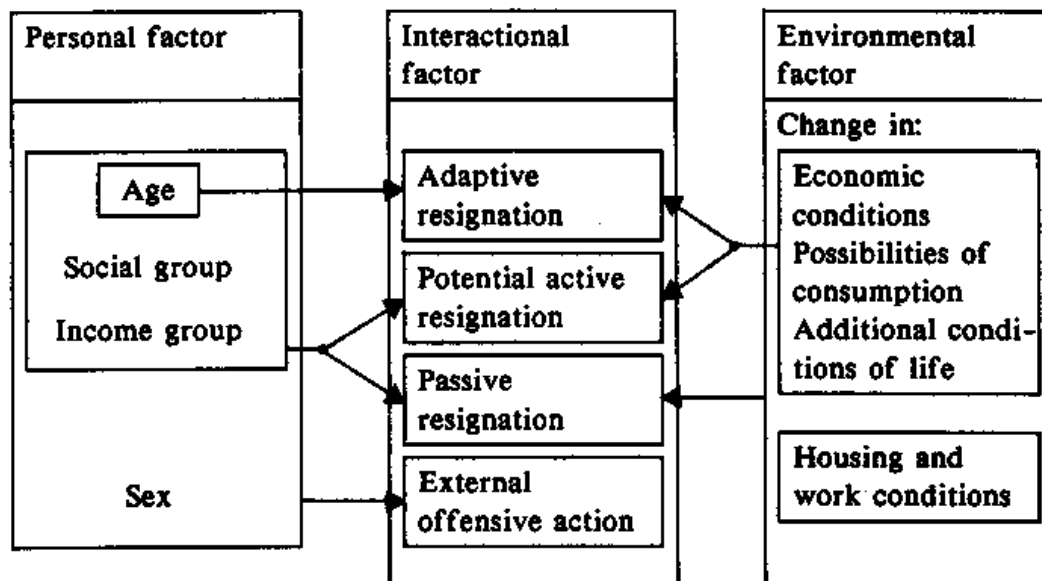
### 3.4 Coping with the crisis, May 1982

In this study we have no direct measurement which expresses the coping behavior explicitly as a reaction to the crisis. We have, however, some measurements on the individual's current tendency to use the models of thriving, action or coping forms, besides a parameter for the individual's change in life styles in recent years in a resource conscious direction. By relating these measures to the individual experienced change in socio-economic life conditions in recent years we will examine the following question: Can it be established that the crisis (expressed through questions of change in life conditions) is a conditioning factor for (correlated with) the way people act during that crisis (expressed in their changes of life style and general coping forms) for given different personal variables (social and income group, age and sex).

As to life style, the analysis shows that changes in resource conscious life style are both conditioned by (correlated with) changes in perceived life conditions and by social status: All in all, until 1982 the crisis seems only to have changed life style within a minority of the population in the following way: the harder the crisis hits you socially and economically and the better your social standing, the more you change your life style in a resource conscious direction.

**Scheme 11** shows the result of the interactional analysis<sup>3</sup> with regard to the forms of action or coping of the model of thriving.

Scheme 11



<sup>3</sup> In the **appendices 1 and 2**, some of the basic schemes are shown in this analysis, i.e. the interrelation between sociobiographic factors, respectively experienced changes in life conditions and adaptive resignation, respectively exterior action.



The scheme shows for instance that the variable 'changes in economic condition in recent years' correlates with adaptive and potential active resignation (and not with 'housing' and 'work conditions') whereas all 5 E-factors correlate with passive resignation, i.e. the more negative the changes in life conditions, the bigger the adaptive and passive resignation and the lesser the active resignation. The scheme shows that external action is not correlated with changes in life conditions, but only with (all) personal factors - whereas adaptive resignation is not correlated with personal factors (except age), only with changes in life conditions. On the personal side the scheme shows for instance that the higher the social status, the higher the active resignation and the lower the passive resignation.

In this study these empirical findings are interpreted as follows: Up to May 1982 the crisis does not seem to have provoked a higher tendency to external action, but only a tendency to internal action: *the Danes have generally (i.e. through all social, income, age and sex groups) reacted with adaptive resignation, combined with active resignation, among the privileged and with passive resignation among the less privileged. It is not, however, within all areas that the Danes have shown adaptive resignation. In May 1982 the Danes were prepared to resign adaptively as to economic standards of living and possibilities of consumption, but were not ready to adapt themselves to changing (worse) housing and working conditions (since there is no correlation between these factors and adaptive resignation in the diagram).*

The Danes' apparent coping with the crisis primarily by internal and not by external action might very well be one of the reasons for the severe economic problems of crisis in Denmark, especially an external debt 'second to none', relatively speaking. The Danes' apparent coping with the crisis by adaptive resignation up to May 1982 is, however, a very positive economic political phenomenon - of great importance for social harmony. Adaptive resignation is, within the model of thriving, defined as a more or less automatic ('unconscious' versus 'conscious' in active resignation) lowering of expectations in accordance with declining environmental yields, i.e. income. As you may remember from section 3.2 available real income had declined since 1977 for the majority of the Danes. But according to this study 2/3 of the Danes have not experienced declining economic conditions during recent years up till May 1982 (cf. **scheme 3**). The explanation seems to be evident, viz. that the Danes through a process of adaptive resignation have lowered their economic expectation in accordance with their declining income with the result that - despite declining economic conditions - they do not perceive this decline. Correspondingly Hansen (1986) also found that about 60% of the Danish population in 1986 perceived their living conditions as either unchanged or deteriorated (30%), since 1976, although, as shown by Hansen, the actual living conditions were greatly improved.

### 3.5 Costs of coping style

We have seen that the Danes coped with the crisis mainly by 'adaptive resignation' and also by active resignation in the privileged and by passive resignation in the less privileged part of the population. This leads us to the question whether these forms of coping are 'harmful' according to mental health or quality of life criteria, i.e. thriving and stress. The question is partly answered in **scheme 12**.

**Scheme 12. The relation between the four forms of action and criteria for mental health**

Forms of action	Mental health criteria		
	Social thriving	Personal thriving	Stress
Exterior, offensive action	+	+	÷
Passive resignation	÷	÷	+
Adaptive resignation	0	0	+
Active resignation	+	+	÷

The scheme expresses the following correlations:

1. more active resignation, respectively exterior action, leads to better thriving and less stress;
2. more passive resignation leads to poorer thriving and more stress;
3. more adaptive resignation leads to more stress; there is no correlation between thriving and adaptive resignation (in accordance with the model of thriving).

Thus the forms of coping have different mental health revenues:

- exterior action and active resignation are beneficial coping forms for mental health since they tend to give high thriving and low stress,

- passive resignation is a harmful coping form since it tends to give low thriving and high stress, and
- adaptive resignation is not so good as active resignation, but better than passive resignation since it tends to give stress, but does not seem to be harmful for thriving.

It follows from the above results (conclusions from **scheme 11**) and from this empirical characterization of the 4 coping forms - in accordance with the theoretical model of thriving - *that the socially underprivileged groups are more prone to use psychologically harmful coping forms than the privileged groups during the crisis.*

Finally an analysis of variance has been carried out to establish the relative effect with regard to thriving and stress (as criteria) of the crisis as expressed in the experienced condition of life, the social position expressed as membership of a certain social group and the four different coping forms which can be said to be the individual's way of reacting to the crisis, for given social position (see **appendices 3** and **4**).

*Generally speaking, the overall conclusion from this analysis is that 1) the influence of the crisis, 2) the social position and 3) the individual's action - expressed through the four coping forms - have more or less the same importance for the individual's current thriving and state of stress. So, even if you are unlucky enough to belong to the lower social class, it is nevertheless important how you react to or cope with conditions of life, i.e. the challenge of the crisis.*

#### 4. A STUDY DURING AND AFTER THE CRISIS:

##### **The political-psychological development and changes in the conditions of life, life style and quality of life of the Danes, 1982-1986**

As mentioned earlier this is the 1982 study repeated with exactly the same questions four years later, in May 1986 (Petersen, Sabroe and Sommerlund, 1987) - as the first follow-up of five planned studies - the third collection took place in November 1988.

I shall here abbreviate my extract from this study (see also Petersen, Kristensen, Rasmussen, Sabroe and Sommerlund, 1987, and Petersen, 1987, in English) to what is especially relevant to the problem treated in this chapter, as follows:

##### **Scheme 13. Changes of perceived conditions of life in 1982-1986**

Year	1982		1986				
Changes of conditions of life as to	% better	% no change	% worse	% better	% no change	% worse	P '82-'86
Financial situation	28.4	36.7	34.8	31.1	34.6	34.3	.040
Housing	27.0	67.4	5.6	27.4	67.6	5.0	.104
Working conditions	19.1	62.5	18.3	25.4	60.5	14.1	.000
Purchasing power	20.0	49.1	30.9	30.9	40.4	28.7	.000
Other life conditions	18.7	63.0	18.3	28.6	52.2	19.2	.000
Average of index	3.03		3.11				.000

**Scheme 13** shows that the perceived changes in conditions of life up to 1982, respectively 1986 have been slightly better (more positive) in 1986 than in 1982.

However, taking social status (social groups) into consideration, the study shows (cf. **appendix 5**) that the progress in perceived conditions of life only occurs significantly in social group 3 - which incidentally contains the majority of the electors of the 1986-conservative Government.

**Schemes 14 to 16** represent the three expressions of psychic quality of life.

#### Scheme 14. Social thriving in 1982 and 1986

Degree of satisfaction with ... in this country	1982		1986		P '82-'86
	% high satisfaction	% low satisfaction	% high satisfaction	% low satisfaction	
hospital conditions	71.4	28.6	51.0	49.0	.000
social security	58.1	41.9	46.5	53.5	.000
standard of living	52.1	47.9	48.8	51.2	.001
opportunities of education	45.8	54.2	52.0	47.0	.000
housing facilities	37.2	62.8	37.8	62.2	.001
distribution of income	18.8	81.2	14.9	85.1	.003
societal 'thriving' parameter average	100.1		96.1		.000

**Scheme 14** shows that social thriving has declined significantly from 1982-1986 (especially expressed in a pronounced drop in satisfaction with hospital conditions and the social security system) since this tendency is also found in 28 (biographical) sub-groups, a decline in social thriving can be said to be a national developmental trend in Denmark, 1982-1986.

**Scheme 15. Personal thriving in 1982 and 1986**

How satisfied are you with your . . .	1982		1986		P '82-'86
	% high satisfaction	% low satisfaction	% high satisfaction	% low satisfaction	
housing	61.5	38.5	63.2	36.8	.000
daily work outside or at home	55.0	45.0	55.3	44.7	.112
financial situation	39.4	60.4	42.0	58.0	.004
purchasing power	34.3	65.7	38.3	61.7	.021
other life conditions	52.1	47.9	54.4	45.6	.019
personal thriving parameter average	100.0		100.6		.214

**Scheme 15** shows that there is no significant change in personal thriving from 1982 to 1986.

**Scheme 16. Stress in 1976, 1982 and 1986**

Do you often suffer from	1976 % yes answers	1982 % yes answers	1986 % yes answers	P
extreme tiredness	23	24.5	20.8	.0089
insomnia	16	13.3	12.7	.6024
weak nerves	11	8.9	7.5	.1630
attacks of fear	6	4.5	3.7	.2735
low spirits*	3	2.9	3.0	.9750
	-	67.1	68.5	.3750

**Scheme 16** shows that there is no significant change in stress from 1982 to 1986 and suggests a decline from 1976 through 1982 to 1986.

**Scheme 17. Resource conscious life style in 1982 and 1986**

Life style aspect	1982 %	1986 %	P '82-'86
Repair things instead of buying new things	92.5	89.2	.0008
Wear out my clothes instead of buying new clothes	64.9	60.6	.0097
Try to do things myself instead of sending for a tradesman	78.3	79.1	.7879
Try to reduce the heating bill	89.2	82.8	.0000
Index:% persons where 3 answers are saving resources	55.8	49.5	.0004

**Scheme 17** shows that the resource conscious life style was less common from 1982-1986.

As to the four coping forms, the study shows a noticeable decline in (potential) active resignation (expressed through lower willingness to sacrifice), a smaller decline in adaptive resignation (not so adaptive as in 1982), no change in exterior action and an increase in passive resignation (expressed in being less afflicted by the crisis).

As to the special subjects of crisis the general picture is as follows: feelings of co-responsibility towards the crisis have gone down, prospects for the future have become more positive just as a higher proportion of the Danes wishes the Government to lead a more active policy of crisis in 1986 than in 1982.

**Scheme 18. Changes in experienced life conditions, life style and psychic quality of life in the Danish population in 1982-1986**

General subject	Specific subject	Change 1982-1986
Life condition	Perceived condition of life	Unchanged (except for social group 3, improved)
Life style	Resource conscious life style	Deteriorated (less common)
Psychic quality of life	Social thriving Personal thriving Stress	Deteriorated (worse) Unchanged Unchanged

Continued next page

**Scheme 18 continued**

Coping forms	Active resignation Adaptive resignation Passive resignation Exterior action	Deteriorated Deteriorated Improved Unchanged
Crisis related matters	Co-responsibility for the crisis Future prospects Attitude to crisis policy of the Government	Deteriorated More optimistic  Wish more activity

The overall picture is shown in **scheme 18**. From this overall picture it appears that getting over the crisis/economic recession (1980-1982) seems to have resulted in, or at least is correlated with some relevant psychological changes; for instance in less resource-conscious life styles and similarly as to coping forms and crisis related matters. There are, however, no evident reasons for the deterioration of social thriving (which primarily must be seen as a result of the Government's policy during the period 1983-1986), whereas the lack of change in personal thriving and stress may be more understandable. Perceived conditions of life being unchanged is not in accordance with actual economics (except the perceived improved conditions for social group 3).

All in all, it seems that the crisis in 1980-1982 did not harm the general Danish population, especially not from psychic quality of life criteria.

**5. SUMMING UP**

1. The *study before and after the crisis* showed that the actual living conditions were considerably improved for literally the whole Danish population from 1976 to 1986 (except for a very small proportion of poor people).
2. The *study during the crisis* showed that in May 1982:
  - a. 2/3 of the population had not perceived declining material life conditions - although the actual standard of living had declined since 1977, a discrepancy which is explained with the concept of 'adaptive resignation' of economic expectations;
  - b. The typical Dane knew quite well that the country was in a crisis and also found that the prospects were bad. Still, socially and economically, the crisis had not harmed him very much. Therefore he had not changed his life style, except for energy saving (which coincides with an active Government policy in this area), but apart from that he was quite ready to make sacrifices with regard to material standards of living;
  - c. The crisis seemed to have harmed the socially underprivileged group more than the privileged group, both with regard to (perceived) socioeconomic life conditions and with regard to psychic quality of life. The crisis tends to worsen the state of thriving and stress among socioeconomically underprivileged groups, just as socially underprivileged groups (during the crisis) were more prone to use harmful coping forms than the privileged groups;
  - d. The Danes in general had reacted to (coped with) the crisis and the declining actual income with adaptive resignation - in some areas, especially with regard to economic expectations - combined with active resignation among the privileged groups and passive resignation among the underprivileged groups of the Danish population;

- e. The effect of the crisis on the person's current state of thriving and stress is nearly equal to the effect of the social position (group) and the individual's form of acting or coping.
3. The study during and after the crisis gives no basis to conclude that the 1980-1982 crisis did in fact harm the Danes in general; especially when looking retrospectively at the 1982-situation from the 1986 situation using psychic quality of life criteria.

## 6. CONCLUSION

From the three Danish studies there is no basis to conclude that the crisis/recession of 1980-1982 - apart from a slight decline in real income - has harmed or hurt the Danish population in general, either using actual or perceived criteria of conditions of life or from psychic quality of life and other psychological criteria; there is, however, well-founded evidence of the crisis having had a harmful effect, both socioeconomically and psychologically on the socially underprivileged groups. As shown in the psychological study by Petersen et al. (Petersen, Kristensen and Sabroe, 1987), the individual - by choosing or using a relevant coping form to challenge the crisis - may counteract to a certain degree the influence of the crisis, at least psychologically, even when he is unlucky enough to be in, or end up in, a low social position.

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## APPENDIX 1

**The relation between sociobiographical factors and adaptive resignation, respectively offensive action**

	Adaptive resignation average	Offensive action average
<u>Sex</u>		
Men	99	101
Women	100	99
Total	100	100
Significance	p(t) = .20	p(t) = .0007
<u>Age</u>		
16-20	93	95
21-30	97	98
31-40	100	102
41-50	103	101
51-60	103	101
61-99	102	102
Total	100	100
Significance	p(t) = .0000	p(t) = .0000
<u>Social group</u>		
1 + 2	98	102
3	101	103
4	101	103
5	101	97
Outside	97	96
Total	100	100
Significance	p(t) = .1696	p(t) = .0000
<u>Income group</u>		
Low	100	98
Middle	100	99
High	100	103
Total	100	100
Significance	p(t) = .91	p(t) = .0000

## APPENDIX 2

**The relation between changes in conditions of life and adaptive resignation, respectively offensive action**

Changes in conditions of life	Adaptive resignation average	Offensive action average
<u>Financial situation</u>		
Improvement	99	101
Unchanged	100	99
Deterioration	102	100
Significance	p(t) = .0031	p(t) = .0523
<u>Housing</u>		
Improvement	99	100
Unchanged	100	100
Deterioration	99	95
Significance	p(t) = .1342	p(t) = .0117
<u>Daily work outside home</u>		
Improvement	97	100
Unchanged	100	100
Deterioration	101	100
Significance	p(t) = .0019	p(t) = .8682
<u>Abilities of consumption</u>		
Improvement	97	100
Unchanged	100	100
Deterioration	102	100
Significance	p(t) = .0001	p(t) = .6543
<u>Other life conditions</u>		
Improvement	97	101
Unchanged	100	100
Deterioration	102	99
Significance	p(t) = .0001	p(t) = .1981

## APPENDIX 3

**Two-sided analysis of variance of the effect of social group, changes of life conditions in economic matters and 'coping form' on thriving and stress**

	Personal	Social	Psychic stress
Social group	43.3**	1) 24.1**	2) 6.8**
Changes in life conditions			
as to financial situation	69.5**	10.3**	7.3**
Potential active resignation			
as to lower standard of living	36.0**	18.5**	3.4
Social group	46.1**	25.5**	2) 6.3**
Changes in life conditions			
as to financial situation	66.4**	11.2**	6.5**
Potential active resignation			
as to private consumption	47.1**	10.7**	9.9*
Social group	43.3**	23.6**	6.2*
Changes in life conditions			
as to financial situation	78.0**	13.5**	8.1**
Offensive action	5.9*	5.4*	0.3
Social group	52.3**	27.3**	1) 6.4*
Changes in life condition			
as to financial situation	47.5**	14.3**	7.2**
Adaptive resignation	0.1	1.8	13.8**
Social group	3) 45.5**	1) 25.4*	6.6**
Changes in life condition			
as to financial situation	42.9**	5.4*	2.8
Passive resignation	82.6**	24.5**	20.5**

\*\* =  $p < .001$

\* =  $p < .05$

no marking = non significance

1) three-way interaction

2) two-way interaction between social group and active resignation

3) two-way interaction between changes in life conditions and passive resignation

## APPENDIX 4

**Two-sided analysis of variance of the effect of social group, changes of life conditions as to possibilities of consumption, 'coping form' on thriving and stress**

	Personal	Social	Psychic stress
Social group	39.9**	1) 21.7**	6.5*
Changes in life conditions			
as to consumer possibilities	80.2**	9.3**	9.3**
Potential active resignation			
as to lower standard of living	38.4**	19.5**	3.2
Social group	42.4**	3) 22.9**	2) 5.9**
Changes in life conditions			
as to consumer possibilities	77.3**	9.4**	8.1**
Potential active resignation			
as to reduced private consumption	49.8**	12.3**	10.1*
Social group	39.6**	21.0**	5.7*
Changes in life conditions			
as to consumer possibilities	90.7**	1) 12.1**	10.0**
Offensive action	6.5*	5.6*	0.5
Social group	43.3**	24.3**	6.1*
Changes in life condition			
as to consumer possibilities	87.8**	12.6**	9.1**
Adaptive resignation	.0	1.8	14.6**
Social group	41.8**	1) 22.7**	1) 6.3*
Changes in life condition			
as to consumer possibilities	53.9**	5.2*	5.0*
Passive resignation	84.8**	25.4**	18.3**
**	=	p <.001	
*	=	p <.05	
no marking	=	non significance	

1) three-way interaction

2) two-way interaction between social group and active resignation

3) two-way interaction between changes in life conditions and passive resignation

## APPENDIX 5

**Changes of life conditions (average) in 1982 and in 1986 distributed on social groups**

Year	1982				1986			
Social group	1-2	3	4	5	1-2	3	4	5
Changes in life conditions								
Financial situation	3.08	2.94	2.94	2.84	3.03	<u>3.12</u> <sup>a</sup>	2.99	2.85
Housing	3.40	3.31	3.39	3.30	3.27	3.40	3.35	3.31
Daily work	3.07	3.02	3.01	3.02	3.06	<u>3.27</u> <sup>c</sup>	<u>3.16</u> <sup>b</sup>	3.06
Consumer possibilities		3.01	2.87	2.84	2.79	3.00	<u>3.21</u> <sup>c</sup>	<u>3.01</u> <sup>b</sup>
2.91								
Other life conditions	3.14	3.02	3.01	2.97	3.13	<u>3.25</u> <sup>b</sup>	<u>3.11</u> <sup>a</sup>	<u>3.09</u> <sup>a</sup>
Average index	3.13	3.04	3.04	2.99	3.08	<u>3.25</u> <sup>c</sup>	3.11	3.04

<sup>a</sup> p < .05<sup>b</sup> p < .01<sup>c</sup> p < .001

no marking = non significant