

# Nonfinancial Benefits of Work

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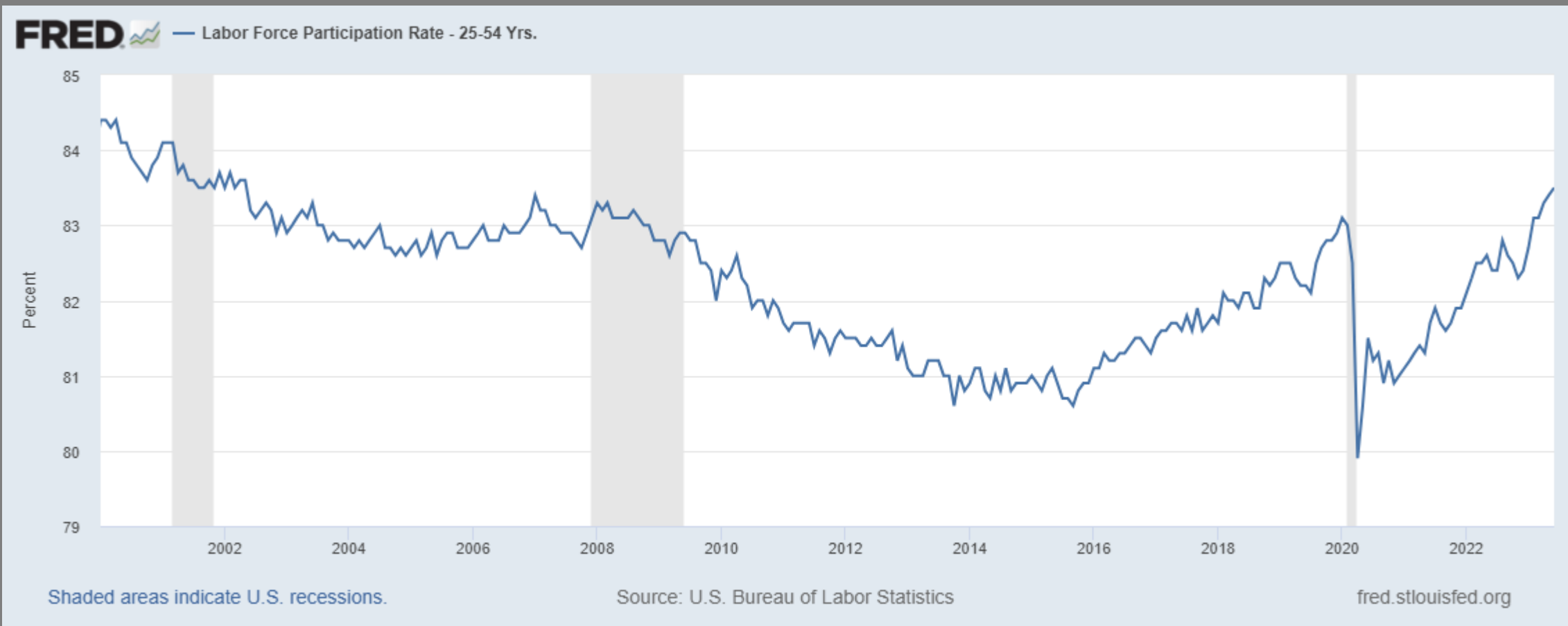
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The US has a labor force participation problem and poor health is a major contributor.

Poor health impedes employment, but does unemployment contribute to poor health?

# Prime-age Labor Force Participation



Source: Federal Reserve Economic Data.

“We provide new information, showing that many inactive men have poor physical health, poor mental health, or both. Over one-third of them (and nearly three in five disabled inactive men) are in the bottom quarter, nationally, of both physical and mental health.”

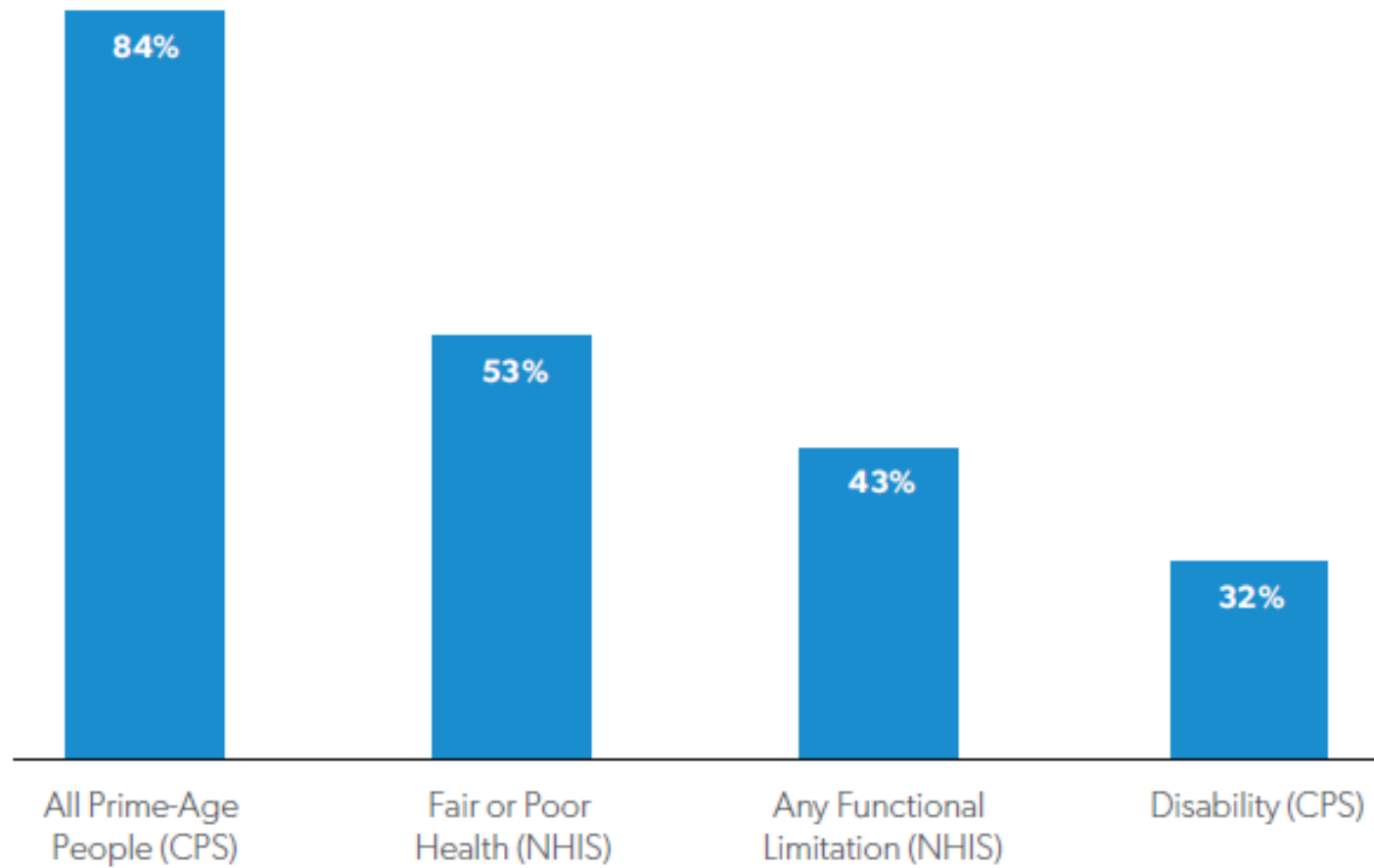
“Compared with employed men, inactive men are more socially isolated, less happy, and have more adverse childhood experiences to overcome.”

— *From “Inactive, Disconnected, and Ailing: A Portrait of Prime-Age Men Out of the Labor Force, Social Capital Project, JEC, September 2018*



**Figure 2. Labor Force Participation Among Prime-Age People (Age 25–54) by Disability and Health Characteristics**

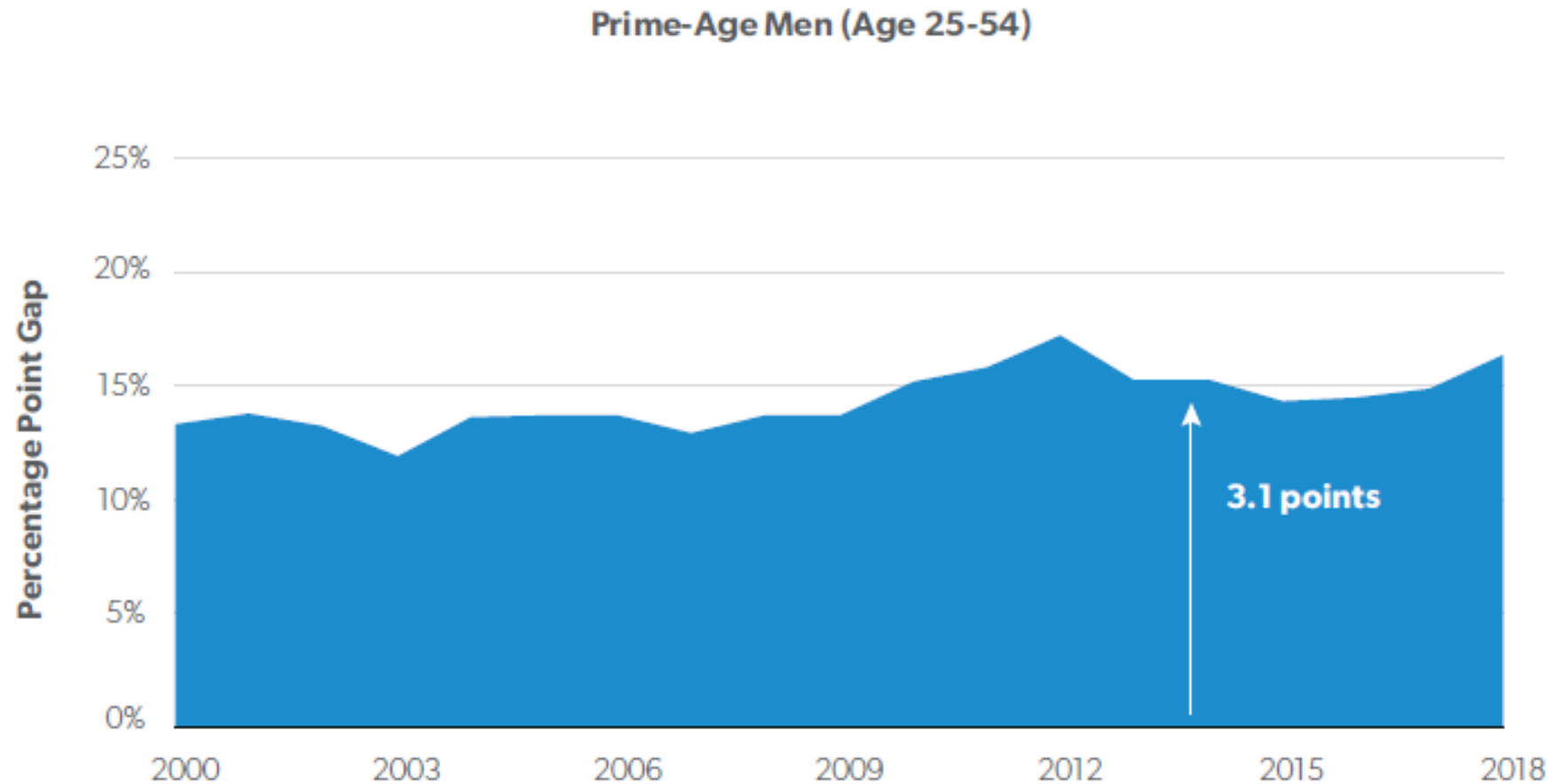
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Source: Author's calculations using National Health Interview Survey, 2018, <https://nhis.ipums.org/nhis/>; and Current Population Survey, Annual Social Economic Supplement Data, 2019, <https://cps.ipums.org/cps/>.

**Figure 3. Difference in Self-Reported Rates of Fair or Poor Health Between Men with Less Than a High School Education and Men with a College Education, 2000–18**



Source: Author's calculations using National Health Interview Survey, 2000–18, <https://nhis.ipums.org/nhis/>.

# Literature on Health Benefits from Working

- Causal pathway challenge – poor health leads to unemployment, or unemployment leads to poor health
- Firm closure studies – job loss due to mass layoffs, not individual characteristics
  - Worse health after job loss no matter baseline measures of health
- “Beneficial health effects of returning to work have been documented in a variety of populations, times, and settings. Return-to-work programs may improve not only financial situations but also health.” – *American Journal of Public Health literature review.*

# Implications

- TANF
  - WeCare model
- SNAP & Medicaid
  - Work requirements with services
- SSI
  - Return to work programs (Burkhauser)