

# **Taking Control in the Economic Downturn**

How to avoid emotional depression during  
the financial recession

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(For a brief bio, go to the third last page)

## **Brief Summary**

It's 2009 and we're in the midst of what's being referred to as "The Global Financial Crisis"; most of us have never seen anything like this before. For many people, times are tough and economic pressures are starting to impact on personal lives – including our emotions and our relationships.

*Are you concerned about your financial future?*

*Are your job prospects looking decidedly more uncertain than they were 12 months ago?*

*Do you feel, as a result, less sure of yourself; more irritable; and maybe even depressed about what's to come?*

If so, this short paper has been written for you. It's been specifically developed to help you understand what's going on and more importantly, what you can do to get your life back under control. It includes practical and proven strategies for getting on top of things and for ensuring the economic woes don't lead to you suffering excessively personally.

The economy might be heading for, or even in a depression but that doesn't mean you have to experience the emotional equivalent...depressed mood.

So read on and find out what you can do to take control during the economic downturn.

**And please pass this paper on to family, friends, and colleagues...in fact please pass this on to anyone who you think might find it interesting and useful.**

If you find this paper useful – and I certainly hope you will – I'd love you to spread the word. Help others get access to some of the practical advice included within and avoid depression or emotional distress during these difficult financial times.

But I do have one simple request.

Please don't charge anything for this and please don't modify this paper in any way; instead, please just forward the document, in its entirety, to whomever you like.

## ***The Economic Downturn: How did we get here and how's it affecting you?***

In the last two years alone, you may have seen or even directly experienced the effects from the tidal wave of economic disasters – the sub-prime mortgage fallout, banking failure, stock market crises. It has been estimated that 45% of the world's wealth has been destroyed in this short period of time.

Governments are scrambling to stabilise their economies, but it's clear that any fix will not be a quick one. Many people are not even sure the bankers and politicians who led us into this mess can, in fact, lead us out of it and further, many of us don't even care; because what's really important is how it's impacting on us, as individuals; as mums and dads; family and friends; employers and employees.

And it is impacting on almost all of us!

Property and asset values are decreasing almost everywhere. Given that the family home is the most valuable investment most people make it's somewhat disconcerting when our house is worth considerably less than it was 12 months ago. Along similar lines, many people had their pension savings invested in the share market and even those who made relatively conservative decisions have experienced significant losses (those who took more risk have suffered major losses!).

This is exacerbated by the fact that all around the world, unemployment rates are increasing with no sign of decreases any time soon; times are very tough if you are looking for a job (especially in some areas such as banking and finance). Many businesses are simply trying to survive through the downturn and so many have "freezes" on new appointments which means there are very limited job opportunities for the millions seeking work; the situation is worse due to the many older employees who'd planned to retire but now can't afford to leave the workforce and are starting to wonder if they'll ever be able to achieve their dreams of scaling back or ceasing paid employment.

Even if you're still employed, you may have already or you may be at risk of losing work hours; you may be wondering whether you're at risk of being laid off at any time, all while losing benefits and working for less pay.

If this is you, you must be stressed! Even if it's someone you know (such as a loved one) you might still be stressed!

But that's not all...

As well as people cutting back on luxury goods, The Wall Street Journal reported that consumers have cut health spending, including preventative treatments that could save thousands in long-term illness treatment years down the road.

## ***How the Economic Downturn can affect Your Health and Well-being***

There's no doubt that financial insecurity, unemployment, job uncertainty and high debt all impact negatively on health and well-being in a number of ways but most directly, the current economic downturn is leading to an increase in mood disorders such as depression.

Psychologists and medical researchers have found important linkages between lack of employment security and stress. People who feel insecure about job stability and their finances have been found to have higher levels of perceived stress and poorer general health than people with secure positions. Unemployment has also been correlated with lower self esteem, depression, increased alcohol abuse, and feelings of lack of control in life. In terms of physical health, immune functioning decreases due to stress associated with unemployment and diminished immunity puts people at greater risk for illness, which can be especially distressing during times of financial hardship.

Stress and tension can also disrupt sleep habits and relationships with family. Couples tend to argue more and parents can experience guilt over not being able to give children their "wants".

At the heart of the issue for many is a sense of feeling out of control and unfortunately, lack of control only exasperates the experience of anxiety and depression from financial strain because it causes more distress which then reduces our ability to cope; when we don't cope well our problems become worse and we then become more stressed.

On top of all this, part of the problem is that many people are blaming others including banks and big business; some are regretting making what in hindsight were clearly poor decisions. But apportioning blame doesn't help; all it does is add to the negative, downward spiral described above.

But there is a way out so keep reading...

## ***Practical Steps to Regain Control***

By developing a personal sense of control, you will be better able to weather the financial storm so here's the good news – there are a number of things you can do, practical steps you can take to regain control of your own financial situation and well-being. The same practices for regaining control may also help you lower your debt, increase your savings, find a job, and build or foster a network of support from equally-minded people.

So if you want to take greater control of your financial situation and of your mood then try the following:

***Set up and follow a financial monitoring plan:*** Keeping track of spending, saving, and income habits have been shown to greatly increase savings and reduce spending, even when income stays the same. People who maintain a financial monitoring plan also demonstrate better self control when tested. Keep a financial diary, and you can save your way into a renewed sense of control.

***Stay on the search:*** although unpleasant, if you are experiencing financial tension and related problems while you scour the job market, you are actually in the best position to find and secure a job. People who honestly and realistically identify their need for a job work more intensely to find one, and in turn land a new gig before less concerned job seekers. Ending unemployment increases personal control, so search and you shall find.

***Reduce your credit card debt:*** Since higher levels of debt are associated with greater levels of emotional distress, poor self image and eating habits, and lowered sense of financial efficacy you should do whatever you can to reduce this high interest debt as soon as you can. By paying down debt, you can reduce the negative effects associated with credit overextension.

***Help others, or accept a job that involves helping others:*** Having social support helps buffer against stress and depression, as well as the low self-esteem associated with unemployment. But interestingly, giving support is more effective than receiving support as helping others positively impacts your own sense of self control (more so than receiving).

At the same time that high-paying marketing and finance jobs are no longer as easily available, many jobs in social, education, and public service are still available and are actively being recruited through national programs. Though lower paying, these jobs enable you to help others and to engage in meaningful and satisfying work all of which can have a significant and very positive effect on your emotional health (much more so than a six-figure job you can't find anymore). By taking advantage of the interconnectedness of helping and social support, you can help yourself gain control.

**Practice gratitude:** Similar to helping others, simply expressing thanks in everyday interactions is another source for improved self control from interconnectedness. Although you might be facing some very real problems, and although it's important to acknowledge this realistically and deal with it as best you can, it's also worth spending at least some time each and every day focusing on what you have rather than on what you don't have.

**Talk to your family and children about finances:** Talking to your family realistically about your financial situation can help reduce perceived financial inadequacy, garner social support from family members which can buffer financial strain and lack of control. A problem shared is a problem halved and you might find that if you tackle your budget and expenditure together, as a family, you actually bond together and form more positive relationships.

**Stay mindful:** Reflection, meditation and other mindfulness activities can help focus your thoughts and activities on what can be controlled rather than worrying about things that are beyond your control. By all means, do what you can to improve your situation but also be aware than actively practicing acceptance, for example noting that you can't change everything, is a very positive and helpful strategy.

In addition, mindfulness techniques can help you gain perspective on your *own* life and clarify what your real priorities may be; you might discover that they aren't material or even financial.

**Stay active:** Regular exercise is a buffer to the everyday stress you may experience during financial hardships. Health wise, staying active prevents a number of chronic illnesses and pain – all of which can be costly in the long-term. Exercise often and you will be taking control of your well-being and future healthcare costs.

**Stay optimistic:** A poor outlook increases stress and feelings of loss of control which can exacerbate the negative health outcomes associated with economic uncertainty. An optimistic outlook can buffer the stress of financial strain and may increase sense of self control.

But remember, optimism is not just about positive thinking; it is about looking for positives but it's also about facing up to the cold hard realities, in a constructive way. Research clearly suggests that what happens to us is often not as important as how we react to, and think about what happens to us.

So even if you can't control the global economy and even if you can't fully control your employment prospects what you can control are your thoughts so find out how to think helpful and realistic thoughts because by doing so, you'll enhance your sense of life-control and accordingly, your mood and prospects of coping better.

**Take small steps:** With all of the above and with anything you're trying to achieve, make sure your expectations are realistic. If you're feeling stressed or depressed, then tasks you would normally complete with little or minimal effort might now seem more daunting.

So divide your goals into smaller, achievable chunks; break down larger goals into smaller, shorter-term goals like stepping stones or rungs on a ladder.

**But if you've tried all this and you're still struggling, you might need some help:** are you, for example, experiencing any of these signs or symptoms?

- Feeling sad most of the day, nearly every day, over a period of at least a couple of weeks
- Having difficulty engaging in usual activities and difficulty enjoying activities
- Withdrawing from social activities
- Significant loss of appetite
- Difficulty sleeping
- Difficulties with concentration and memory, and difficulty making decisions
- Feeling slowed down, tired, lacking energy or not very motivated to do things
- Irritability
- Feeling very guilty about things
- Excessively worrying or ruminating
- Feeling hopeless about the future
- Feeling very low about yourself and/or your abilities. Feeling worthlessness
- Reduced interest in sex
- Feeling suicidal, perhaps even thinking about how to harm yourself

**If so, then consider the following options:**

- Go to **[www.overcomingdepressiontreatment.com](http://www.overcomingdepressiontreatment.com)** for a practical and very effective self-help program
- Talk to your local doctor or primary care physician
- Find an appropriately qualified clinical psychologist (or someone with similar skills and expertise)

Do you need help with depression?

Go to **[www.overcomingdepressiontreatment.com](http://www.overcomingdepressiontreatment.com)** to find out more about Dr. Sharp's "10 Simple Steps to Overcoming Depression" Program based on empirically proven, tried and tested, practical strategies.

## **Who is Prof. Sharp?**

Dr. Sharp has three degrees in psychology (including a Ph.D.) and an impressive record as an academic, clinician and coach. He runs one of Sydney's most established and successful clinical psychology practices, a highly regarded Executive Coaching practice, and he is the founder of Australia's first organisation devoted solely to promoting the principles of positive psychology in individuals, families and organisations.

Dr. Sharp has taught at all the major universities in NSW and is currently an Adjunct Professor within the School of Management, Faculty of Business at UTS and also an Adjunct Professor within the School of Health Sciences at RMIT University. His primary area of interest is preventing mental health problems and promoting the principles of positive psychology at work and within organisations (which includes coping positively with change as well as developing practical optimism and resilience within teams and organisations).

In early 2008 Dr. Sharp's achievements were recognised by the Australian Davos Connection when he received a Future Leadership Award (presented to him by the Prime Minister, Kevin Rudd).

He's worked with some of Australia's leading executives and top companies including professional service firms such as Mallesons Stephen Jacques and Allens Arthur Robinson, as well as businesses within the finance sector such as Westpac & BT Financial Services, AMP, JP Morgan and Swiss Re. and many, many more.

Dr. Sharp is also a best-selling author, a sought after public speaker, and he makes frequent appearances in the local and international media including being read and heard by millions of people every week in a syndicated newspaper column and radio spot.

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