1. Introduction

Man is a social being, in and of society. The nature of this societal link is essential to defining who man is (Aristotle) since man’s identity, preferences, place and status are defined in reference to society. Who he is and is not, as opposed to what he is or is not, are socially construed, and his behavior, as well as others’ behavior in response to him, depends on these social construals (Arrow, 1994; Nienass and Trautmann, 2015). This social dimension of man is stripped out of most economic analysis, and the atomistic individual, or the methodological equivalent of the individual, is left to take decisions based on his endowments, tastes, and technology, all of which are taken as given without reference to the society in which he lives. If something is lost by this approach, it is often argued that it can be regained relatively easily within the context of our individual-centered models by the careful design of, for example, rules of the game, information sets, constraints, or institutions. Yet, if society cannot be so easily subsumed, and if the essence of the individual is not immutable but can be and is changed by society and social interaction, wherefore economic analysis?

In this paper I examine societal linkages in the context of their dissolution, arguing that if the societal link is damaged or broken, man is fundamentally changed. Since despair evidences eviction from society, I examine despair, the loss of hope, and the behaviors associated therewith from the perspectives of many disciplines to define despair and to characterize the despairing individual and his relationship to society. I then develop a model of a goal-oriented, socially-embedded agent in which the usual concept of the individual is challenged, and hope and despair are fundamental to this challenge. Using this theoretical framework, I return to the economics literature and examine the extent to which economics has, at least implicitly, recognized despair without necessarily confronting it either in theory or policy design, argue why this failure has weakened both our theory and our policy, and suggest a possible remedy.

2. Characterizing despair

2.1. Despair in Christian thought

From St. Paul’s second letter to the Corinthians onwards, Christian theology has defined despair as the loss of hope of salvation. To be saved, one must repent one’s sins and seek forgiveness. Since all sins can be forgiven, by God if not by man, no one is excluded from salvation, from entrance to God’s kingdom, a priori. Yet if the sinner
desairs, he determines that his own sins are unforgivable by God and that penance, no matter how sincere, will avail of nothing. In this it is the sinner who damns himself by rejecting God’s capacity to forgive rather than God rejecting the truly penitent sinner. This perspective was given weight by Origen and other early scholars of the Church, who argued that God would have forgiven even Judas Iscariot and welcomed him into his Kingdom had he repented rather than judging his sins to be unforgivable, even by God, and taking his own life in despair. Later medieval scholars, uncomfortable with the premise that all sins were forgivable, qualified this position by suggesting that the act of suicide signaled impenitence, since it was the Devil who induced the one who despaired to self-harm and suicide (Altschule, 1967) while still leaving open the path to salvation to the truly penitent. The association of despair with suicide generally and Judas specifically was reflected in art that reached even the illiterate. Despair was represented by the very recognizable suicide, Judas, paired with Hope, represented by the crucified Christ, or by a suicide alone, defiantly unrepentant even in death, such as Giotto’s fresco in the Arena Chapel in Padua (Barasch, 1999). Despair was personified in morality plays and other literature as a character, variously named Despair or the Devil, who provided the means of suicide, a rusty knife, poison or a noose, to the wavering Christian, Everyman, weighed down by sin perceived as unforgivable and seeking release (Beecher, 1987; MacDonald and Murphy, 1990). The message was clear, accepted and central to medieval theology (Lederer, 2006), so much so that even suicides that had a secular motive, such as a desire for ciò, were treated as spiritual despair in both law and custom. Specifically, it was common in the Middle Ages for the bodies of suicides to be left unburied, to be mutilated and for their property to be seized or destroyed, thereby financially ruining and socially excluding their families (Murray, 2000; MacDonald and Murphy, 1990). The sins of the fathers were visited on their sons.

Thomas Aquinas, in Summa Theologica (Aquinas, 1947 [1265–1274]), examines despair in the context of his exploration of the 11 passions (emotions). Aquinas characterizes these passions as either concupiscible or irascible. Each of the concupiscible passions is directed to the understanding of good or evil absolutely. Each of the irascible passions is also directed to good or evil, but these passions reflect what is arduous to obtain or to avoid (Miller, 2012). Thus, the object of despair is an unattainable good, well worth attaining but perceived to be beyond the despairing’s grasp no matter how hard he tries, leaving him to do without the good (King, 1999). When hope (of one’s own salvation through the grace of God) is given up, that is, when one desairs, one is drawn away from the good, from God and from one’s fellow man, and into sin. Despair, which destroys hope, does not require that one is without faith and consequently does not believe in God’s grace, but only that God’s grace does not extend to oneself. This can lead, eventually, to the loss of faith and to the hatred of God, the worst of all sins (Snyder, 1965).

Luther suggests that, contra Thomas, despair leads to rather than away from salvation (Snyder, 1965). For Luther, there are two sources of knowledge: God’s law and the Gospel. Through God’s law, man learns that he is born in sin and is, thereby, damned. Man, through the Gospel, which he can only access via God’s law, discovers God’s mercy, the only means of man’s salvation. God’s law forces man to recognize that he is damned, and this recognition leads to despair: he is nothing without God’s grace. This realization opens to him the knowledge of the Gospel and the prospect of salvation. Despair, the descent into and journey through hell, for Luther, was a prerequisite for salvation. So, too, for Calvin, yet for Calvin despair afflicts only the pre-conversion elect or those who have not truly converted and are thus not of the elect. For Luther, life is a continual struggle against despair since the spirit is always beset by doubt. For Calvin, not so, except for those who were not members of the elect who were forever barred from God’s mercy. The journey to salvation, in the Protestant tradition, was through hell (despair) where many remained. The Protestant and Thomist portraits of despair permeate Western culture. Spenser’s Redcrosse Knight in The Faerie Queene (Spenser, 1590–1609) journeyed through hell to emerge strengthened and saved (Snyder, 1965), as did Bunyan’s pilgrim Christian in The Pilgrim’s Progress (Bunyan, 1678), while the lives and deaths of Graham Greene’s protagonists in his novels Brighton Rock (Greene, 1938) and The Heart of the Matter (Greene, 1948) exemplify Thomistic despair (Sinclair, 2011).

For Kierkegaard, like Luther, life, the process of discovering one’s true self, a self only defined in relation to God, is a battle with despair (McDonald, 2012). Kierkegaard defines three levels of despair: ignorant despair, in which the individual is ignorant of having a self, despair in weakness, in which the individual does not try to be himself, and defiant despair, in which the individual recognizes the eternal aspect of himself, that which makes him himself, determines to become himself, but rejects God’s essential role in the process (Banks, 2004). Thus, despair comes from trying to know oneself without God, although it is only in relation to God that the self, the true self, can be realized (McDonald, 2012). That is, in despair one desairs of one’s own sins and desairs of the forgiveness of those sins: the sinner, and everyone is a sinner, rejects God’s forgiveness, a sin against the Holy Spirit, and thus is unforgivable. In winning the battle with God to become oneself by oneself, one loses oneself: the self is not defined in the absence of God. To defeat despair one must go beyond the finite and humanly attainable, have faith in God, have faith in the infinite possibility of God’s forgiveness to effect what is humanly impossible, accept God’s judgment and thereby find one’s true self in relation to God (Podmore, 2005). Kierkegaard’s philosophy mirrors his own spiritual struggle. It is also the struggle faced in Ibsen’s play Brand (Ibsen, 1912), where the protagonist, the Reverend Brand, unlike Kierkegaard, rejects God, and in his defiant despair not only loses his own life but the lives of his family and his parishioners (Banks, 2004).

While Kierkegaard examines despair in the context of man’s relationship with himself and with God, Gabriel Marcel examines man in the context of the world in which he lives (Treanor, 2010). Man is defined by his ontological exigencies, his sense of being, and his need for experience that transcends the material world. This need is accompanied by a sense that something is amiss, that the world is broken, a dissatisfaction that cannot be assuaged, as the transcendence of the material world cannot be achieved on one’s own, that is, without God. But, if man does not feel that something is amiss, does not feel dissatisfied, and cannot reflect on the need for transcendence, his transcendent exigency will atrophy to the point of absence. He will not view the world as being broken yet it is its brokenness that killed his transcendent exigency leaving him as only a functional entity. He will be reduced to a machine-like existence living a life in despair unable to participate meaningfully in his own reality. Having will replace being. He will neither be available to himself nor to others (Pamplume, 1953). He will be without hope so that the current situation, despair, is final and irrevocable. He will be alienated from being.

2.2. Despair in secular thought

Over the centuries while the understanding and characterization of despair evolved, despair remained fundamentally defined as the loss of hope of salvation. Theologians explored what despair meant to the individual in this life and the next. Philosophers, psychologists and others, moving away from theological characterizations, expanded the analysis by defining despair more generally as the loss of hope, subsuming the theological in a more general characterization of despair.

Steinbock (2007) defines despair, from the perspective of phenomenology, as the impossibility of the ground for hope. This impossibility is not attached to a particular situation or event, for were this the case, while the particular situation would be hopeless...
(a particular goal could not be achieved), this hopelessness would be confined to this situation. With despair the impossibility of the ground for hope encompasses everything. Everything is hopeless: no goals can be achieved no matter how much effort is expended. While hope is oriented positively toward meaning, despair is oriented toward lack of meaning. He who despairs perceives himself to be completely abandoned, by society, by God, or both, now and forever. He has no control over his life, and so gives up on everything since nothing is possible. Because despair affects him at the spiritual level, suicide can be contemplated since life has no meaning, no value, neither now nor in the future. In despair he has no future, since nothing is possible, and he cannot retreat to the past since it cannot redeem the present. He is imprisoned in the present in a life totally devoid of meaning and to which meaning will not affix.

The evolutionary biologist, Nesse (1999) examines despair as an emotion, which must be (have been) beneficial since it has survived the evolutionary selection process. Despair is aroused as a result of the perception that a goal one has sought to achieve is unobtainable despite one’s best efforts. It is an emotion that arises along the path toward a goal, and since the goal is socially construed as important, recognizing that there is nothing one can do to achieve the goal can cause one to despair. The goal could be a happy marriage, supporting one’s family, having a successful career, or salvation. The point is that despair is an emotion common across cultures. The question is, can despair, while painful, have a salutary effect by enabling a re-assessment of one’s goals? From this perspective, the pain and suffering caused by despair provides a signal that something is wrong and to which a response is required. If emotions aid fitness, in a Darwinian sense, then these emotions, part of the body’s management and resource allocation system, would be positively selected for, thereby improving our species ability to survive.

From Nesse’s perspective there are gradations of despair, despair that sends the signal that a new path needs to be taken or a goal revised downward, a signal that may only be interpretable after a period of stasis during which action cannot be taken, and despair from which there is no exit. In the former the period of stasis is characterized by low self-esteem, lack of initiative, impaired imagination. The despairing individual is rendered incapable of action and must wait until the situation clarifies itself so the decision to give up or to persevere, but with lowered expectations, can be made. In the latter, the signal is effective, but the period of stasis endures, as there is neither a new path nor possible goal revision. All is lost.

Those who despair may feel shame since they deem themselves to have failed to achieve a goal socially construed as important or to have transgressed morally. In their review of moral emotions and behavior Tangney, Steuwig and Mashek (2007) explore shame. Shame, at least from the perspective of Western culture (Wong and Tsai, 2007), represents a negative evaluation of the self as well as the perception of a negative social evaluation of the self. When ashamed, one’s essential self is at issue, and that self is found lacking both by the individual himself and by society. Shame causes the individual to withdraw, to distance himself from others, to be defensive, to lose his ability to empathize with others, to be angry and aggressive to the detriment of interpersonal relationships. This withdrawal is reciprocated by society (Schmader and Lickel, 2006). Feelings of shame lead to disgust with one’s own “bad self.” Feelings of shame are difficult to overcome and offer little chance of absolution. Thus, shame is often linked with transgressive behaviors (Tangney, Steuwig and Mashek, 2007). Society deals harshly with shame and the despair to which it may lead.

In the psychological literature on despair, despair is referred to as existential distress (Connor and Walton, 2011), demoralization (Frank, 1974) or hopelessness (Greene, 1989). Demoralization and hopelessness, while sometimes comorbid with, are not clinical depression and have distinct clinical symptoms (Clark and Kissane, 2002; Greene, 1989; Henkel et al., 2002; Jacobsen et al., 2006). For the hopeless, although not for the non-hopeless depressed, “the future holds no possibility of good or fulfillment” (Greene, 1989, p. 657). Demoralization, as first characterized by Frank (1974) “results from persistent failure to cope with internally or externally induced stresses that the person and those close to him expect him to handle…. The person’s self-esteem is damaged, and he feels rejected by others because of his failure to meet their expectations. Insofar as the meaning and significance of life derives from the individual’s ties with persons whose values he shares, alienation may contribute to a sense of the meaningless of life” (Frank, 1974, p. 271). “They feel powerless to change the situation or themselves and cannot extricate themselves from their predicament” (Frank and Frank, 1993, p. 35). This may lead to recklessness, violence and nihilism (Hillbrand and Young, 2008). Thus, demoralization is a state of being that affects how individuals view their world, their place in it, and their experiences of it. The causes of hopelessness and demoralization are individual, such as loss, grief, poor health or abuse, and societal, such as cultural dislocation, economic upheaval, unemployment, poverty, or welfare dependency (Johnson and Tomren, 1999; Harper et al., 2002; Haatainen et al., 2004). Demoralization/hopelessness isolates individuals, robs them of their self-esteem, their ability to act, to cope, to control their own feelings and behaviors, to respond in some/all difficult situations, and/or to perceive future opportunities (O’Connor, Fraser and Whyte, 2008; Mair, Kaplan and Everson-Rose, 2013). While each individual’s despair is different, the demoralize/hopeless/despairing can often be reached and helped, if not cured (Connor and Walton, 2011; Hillbrand and Young, 2008). Just as Spenser’s Redcrosse Knight needed Una to save him from Despaire and return him to the path to salvation in The Faerie Queene, the despairing individual may need a helping hand.

Common themes run throughout these characterizations of despair. First, despair is a social malady. Despair excludes the individual from society (the society of God, of man or both), a society from which he has or perceives himself to have been expelled. Second, re-entry into that society is or is perceived to be exceedingly difficult, perhaps impossible. Third, because the despairing have been expelled from society they are not or do not perceive themselves to be bound by its conventions. Fourth, social relationships become difficult or impossible. Fifth, the ability to act, to cope even with the quotidian, atrophies or is lost. Apathy, lethargy, recklessness and suicide are common responses to despair. Sixth, life is without value or meaning. This state of may be temporary or permanent. If temporary, life after emerging from despair has less value. If permanent, a future, any future, cannot be imagined.

3. Hope: the antithesis of despair

Pecchenino (2011) examines hope, despair’s opposite, from the perspective of many disciplines to establish its place in economic thought. From her review of the literature she finds the following. First, that most of the theories of hope have a strong future goal orientation where the future looms large in an individual’s decision making process. The present, rather than the future, is discounted. Second, goal attainment depends on an individual’s or society’s desire and ability to transform what is into what should be or to move toward what should be or what will be even if that goal is known to be unattainable through human effort: nothing is impossible. Third, theories of hope address the process of living, the journey one is taking, which suggests that one’s preferences and one’s hopes are redefined by the constraints one faces, such as age or disability. These theories provide a means of understanding or accepting fortune and misfortune with equanimity. All is never lost. Fourth, hope is not irrational but may rely on an individual’s ability to filter, sort and selectively use information. Fifth, the hopeful are in and of society.

In comparing hope and despair we find that hope is about possibility, despair is about impossibility; hope is about defining and
achieving goals, despair is about the inability to achieve those goals; hope is about the future, despair is about the loss of that future. Hope is the antithesis of despair.

4. Despair in economics

4.1. Despair and economic man

Hope is transformative. Despair, the loss of hope, is destructive. The person in despair is not the person he was. He is fundamentally changed both individually and societally. The individual without hope has transgressed and as a result is rejected by or determines himself to be rejected by, and thus exists outside of, society. The societal framework, generally implicit in economic analysis, within which the individual existed, is dismantled. The individual falls into a void, a sea of indifference, or, more graphically, Bunyan’s slough of despond (Bunyan, 1996 [1678]). Whether the individual can be saved from the void and be drawn back into society may depend on the circumstances of his expulsion from society, that is whether the individual expels himself or society expels him. In the void nothing has value, neither now nor in the future.

4.2. Modeling despair: social structure, expectations and goals

In economic analysis an individual is often modeled as an atomistic actor who interacts with and obeys the rules of the market rather than of society, which does not get even a supporting role in the analysis. The individual makes decisions given his preferences, which are defined absolutely. Granovetter (1985, p.487) suggests to the contrary that “[A]ctors do not behave or decide as atoms outside a social context,… Their attempts at purposive action are instead embedded in concrete, ongoing systems of social relations.” In a step toward embedding social relations, preferences can be defined over individual identities (Akerlof and Kranton, 2000) which have a social aspect, or, with a stronger nod to society, preferences can be socially referenced, so that one how one’s consumption of goods, services or leisure or how one’s wealth, income or employment status, or how one’s support standing in another social grouping. The agent must balance these competing forces, or by pursuing one goal abandon another. While goal achievement requires individual effort, it also requires social recognition and approval, actual or perceived, as well as individual perceptions of worthiness.

Let \( \Gamma(g^1 - g^{1*}, \ldots, g^N - g^{N*}) \) (1) represents an individual’s utility, for want of a better term, defined over goals, his preference ordering over goals. His personal and social well-being is a function of his \( n = 1, \ldots, N \) goals, \( g^n \), relative to its socially determined ideal (bliss point), \( g^{n*} \), that is, \( g^n - g^{n*} \), for all \( n \). Assume \( \Gamma(g^1, g^2, \ldots, g^N) \geq 0 \) for \( g^n - g^{n*} \geq 0 \), for all \( n = 1, \ldots, N \), and that \( \Gamma_{mN} \leq 0 \) for all \( n = 1, \ldots, N \). The sign of \( \Gamma_{mn} n \neq m \) is positive if the \( n \) and \( m \) goals are complements, negative if they are substitutes, and zero if they are independent.

Assume one’s goals and the effort, resources – emotional, psychological, spiritual, intellectual, and economic – expended, required to attain them are related as follows

\[ g^n - g^{n*} = e^n - e^{n*} (\nu^n) \] (5)

where \( e^n = e^0 + \sum_{m \neq n} \beta_{mn} e^m \) (6)

where \( e^0 \) is the effort the individual puts into the \( n \)th goal, which is the sum of his effort dedicated to the \( n \)th goal, \( e^n \), and any spillover from effort dedicated to the other goals, \( \beta_{mn} e^m \), for all \( m \), where \( \beta_{mn} < 1 \). \( e^{n*} (\nu^n) \) represents the individual’s belief of the social belief (Orléan, 2004) of the effort required to attain the social ideal, a construct that depends on the society in which the individual lives both narrowly and broadly defined, where \( \nu^n \) is a vector of conditioning variables – focal points upon which beliefs about goal \( n \) are conditioned. Among these conditioning variables could be the individual’s emotional state (Pfister and Böhmer, 2008), social structures (Portes and Sensenbrenner, 1993), the moral strictures of the society of which the individual is part (Kaplow and Shavell, 2007), the individual’s circumstances that are determined in part by the individual’s (relative) wealth or poverty (Dalton, Ghosal and Mani, 2015), the neighborhood in which he lives (Ellen and Turner, 1997; Atkinson and Kintrea, 2004), or the acute (Buckert et al., 2014) or chronic stress the individual is under. Goals and the ordering thereof, the value of individual resources, conditioning variables and the social beliefs implied depend on context. Finally, achievement of or movement toward one’s social goal ideals, regardless of effort expended, depends on social recognition and approval thereof. Assume, similar to Eguia (2013), that for each social ideal there is a minimum distance requirement that ensures social inclusion, \( d^n \), where \( d^n \) is determined by societal expectations and individual perceptions thereof. If \( |g^n(e) - g^{n*}| > d^n \), then, even dedicating all his resources to goal \( n \) will not allow him to achieve social inclusion in that social sphere. The individual despairs when \( |g^n(e) - g^{n*}| > d^n \) for all \( n \). Since falling into despair depends on societal expectations as well as the individual’s perceptions of his own ability to meet those expectations, the “sinner” can be damned or damn himself.

Substituting the relationship of effort to goal achievement into the individual’s utility function, the individual’s task is to allocate his resources

\[ e = \sum_n e^n \quad e^n \geq 0 \] (7)
to devise a plan to achieve/move toward his desired goals. Since an individual's total resources are a function of his emotional, psychological, spiritual, intellectual and economic resources, they are not fixed. The agent thus optimizes

\[
\Gamma\left(e^1 + \sum_{m \neq 1} \beta^m e^m - e^{1*} \right), \ldots, e^N + \sum_{m \neq N} \beta^m e^m - e^{N*}(v^N)\right)
\]

subject to his resource constraint (7), nonnegativity, and minimum distance constraints. The first-order conditions of the agent's problem are

\[
\Gamma + \sum_{m \neq n} \Gamma_m \beta^{mn} - \lambda + \mu^n + \omega^n = 0, \quad n = 1, \ldots, N
\]

where \(\lambda\) is the marginal efficiency of effort, \(\mu^n\) is the multiplier on the nonnegativity constraint, and \(\omega^n\) is the multiplier on the minimum distance constraint. The multiplier \(\mu^n > 0\) if the optimal choice of \(e^n \leq 0\): all effort is put into the individual's other goals since the marginal efficiency of effort exceeds the marginal utility of effort invested in that goal either directly or indirectly. The multiplier \(\omega^n > 0\) if \(|\Gamma^n(e) - g^n| > d^n\). Failure to get close enough to any of one's goal ideals is self and/or societally assessed: the individual's resources, however deployed, are not individually or societally perceived to be adequate to the task. In this situation nothing of value is possible, so nothing matters. He is profoundly indifferent to all possible actions since all are to no avail. Hope is lost.

In this model individuals' utility is defined over goals. There is an interplay between the individual and society which determines the cost of achieving his goals, the resources he has to do so, and the recognition of success or failure. The utility function does not conform to expected utility assumptions since probabilities, whether exogenous, affected by own actions or conditioned by social forces, are embedded in the effort required for attainment of one's goal ideal, an ideal not fixed since its achievement is socially mediated. Further, utility is neither separable across goals with different probabilities of achievement nor across time. Here the perception of time and the definition of the time horizon can also be socially mediated and vary from the eschaton to an irrelevance when contemplating the abyss. Given this structure it is possible to analyze the interactions across goals, plans to achieve those goals as a result of changes in the social environment or the specter of despair (see Jeitschko, O’Connell and Pecchenino (2008), for derivations).

5. Economics of despair

Suicide has been associated with despair since at least the first century AD. Suicide has also been seen to have economic causes, as analyzed by Hamermesh and Soss (1974), Marcotte (2003), Ludwig, Marcotte and Norberg (2009) and Campaniello, Diasakos, and Mastrobuoni (2012), among others, without reference to despair but with reference to an individual's psychological and/or mental health state. Hamermesh and Soss (1974) found that reductions in permanent income, perhaps as a result of unemployment, could cause a rational individual to value death as preferable to life and so choose to commit suicide. In their analysis, suicide is a rational choice that depends on expected income over one's remaining life, the cost of maintaining oneself and one's family at an acceptable level, and one's aversion to suicide. While their analysis does not, and is recognized not to, take all psychological pressures into account, it highlights some of the key economic variables that may impinge upon the choice. Following Hamermesh and Soss, economic analysis of suicide has expanded to include additional variables and possible actions in the suicide's choice set. Marcotte (2003) examines attempted suicide as a, perhaps strategic, cry for help which, if heard, leads to increased income; Ludwig, Marcotte and Norberg (2009) examines the negative correlation between anti-depressant use and suicide; while Campaniello, Diasakos, and Mastrobuoni (2012) analyze the effect of an amnesty on suicide rates in Italian prisons.

Suicide, from the perspective of the despairing individual is unlikely to be the result of a cost-benefit analysis, since without hope nothing is of value thus making comparisons of costs and benefits meaningless: he is indifferent to all options. However, if an individual expels himself from society, rather than society expelling him (\(|\Gamma^n(e) - g^n| > d^n\) for all n from the individual's perspective but only for some n from society's perspective), the societal linkage may be frayed but unbroken: while he has given up on society, society has not given up on him. All hope is not yet lost. The unsuccessful suicide to whose aid society rallies, the granting of amnesty by which a second chance is granted, or the prescription of anti-depressants by the caring doctor (highlighting the co-morbidity of depression and despair) provide an opportunity for society, consistent with Connor and Walton's (2011) and Hillbrand and Young's (2008) recommendations, to reach out to or to signal its continued engagement with and positive valuation of the individual, re-instilling hope, bringing the individual back into the fold, and reducing the chance of successful suicide.

Suicides born of despair may be private or public acts. Private suicides include those of the cyberbullied who are brutally expelled from their online and, often as a consequence, offline societies (Hinduja and Patchin, 2010). Public suicides are defiant displays, similar to Giotto's characterization, that oddly invert Adam Smith's observation that fame, even after death, is a motivator (Ashraf, Camerer and Loewenstein, 2005). A public or dramatic suicide can bring attention to an individual's despair and its causes and give the suicide the last word in his dialog with a society that abandoned him. It can also afford a positive, if posthumous, recognition of the individual's life (see Povoledo and Carvajal, 2012; Waterfield, 2012; Vogt, 2012), and a shaming of society that shamed him. It can, by defying social convention, bring attention to the needs of his family, who stood by him when greater society did not, who might, thereby be cared for as a consequence of his death: do right by them as you did not do right by me. The situation of female suicide bombers is similar. In life they have no future and their continued existence shames and burdens their families. Their suicides, martyrdom, bring honor and metaphorical riches to their families (Vicor, 2003). Finally, one can choose to leave anything to an individual's despair and its causes and give the suicide the last word in the company of one's family, the last remnant of society to which the suicide clings. Wilson, Daly and Daniele (1995) find that those made despondent by significantly reduced circumstances determine that not only is their life of no value, but that without them neither are the lives of their family members. Familicide is the only answer.

The behavior of the long-term unemployed, like that of the suicidal, may be better understood if considered through the lens of despair. Economists have long recognized that sustained unemployment can have severe adverse psychological as well as economic effects (see Goldsmith, Veum and Darby, 1995, 1996a, 1996b). While unemployment itself has been shown to be significantly important to an individual's wellbeing, it is not the loss of income, the narrowly economic, that accounts for its importance (Blanchflower and Oswald, 2004; Clark and Oswald, 1994; Knabe and Ratzel, 2011; Winkelmann and Winkelmann, 1998) but the nonpecuniary aspects of unemployment such as the social and psychological costs of unemployment (Jahoda, Laxarsfeld and Zeisel, 1933). Subsequent studies show that long-term unemployment is strongly correlated with poor physical and mental health, social isolation, social exclusion, low self-esteem, low self-efficacy, low self-belief, loss of identity, inability to act (to organize one's life, to search for a job), criminal (anti-social) behavior, alcohol and drug abuse, self-harm, and suicide (Brenner, 1976; Catalano et al., 2011; Choudhry, Marelli and Signorelli, 2012; Cooper, 2011; Goldsmith, Veum and Darby, 1996a, 1996b; Proudfoot et al., 1997; Stuckler et al., 2011; Wanberg, 2012), behaviors that
suggested despair: indifference to options taken and the consequences thereof.

Should some long-term unemployed individuals fall into despair, they may deem their unemployment state, which makes their goals unattainable, as a rejection by and expulsion from the society of which they were once a valued and respected part. They now find themselves outside that society and indifferent to its requirements. For those long-term unemployed in a state of despair, active labor market policies to address long-term unemployment evaluated by Card, Klueve and Weber (2013) may be doomed to failure. This is because they reinforce societal rejection rather than re-establish the lost societal connection, and do so precisely when it is most necessary that policies succeed, such as in the current Great Recession with its hordes of structurally unemployed or in response to technological displacement (Frey and Osborne, 2013). While not all unemployed, even Gielen and Van Ours’s (2012) unhappiness unemployed, despair, those who do may be sensitive to perceived and actual slights or may choose to distance themselves from the source of their shame, something labor activation policies may make difficult.

Consider the following components of many labor activation programs: retraining/upskilling, a temporary job, wage insurance. Job training, upskilling, and temporary job placements are standard elements of labor activation programs designed specifically to return the long-term, generally structurally, unemployed to the labor market. They are often mandatory as a condition of receiving social welfare payments and can increase the perceived distance to the socially important goal (Mazerolle and Singh, 2002) and further undermine the willingness to undertake the training (Titmuss, 1970; Frey and Oberholzer-Gee, 1997) as the individual perceives goal achievement as impossible in any event. Here the failure to recognize the unemployed individual’s skills, perhaps now technologically obsolete but previously the foundation upon which his earnings were based, and the make-work (charity) interpretation of the temporary job can re-emphasize the individual’s loss of status, signal that the individual is no longer a member “in good standing” in society, that the individual’s previous contributions to that society have no current value and thereby further weaken or break any remaining ties to society. That is, the policies can push individuals out of society even though their intention is to pull them into the labor force. Providing wage insurance to ease the transition to a lower-wage job for a worker may, again, reinforce the despairing individual’s feeling of worthlessness and reduce any remaining commitment to society (contra LaLonde, 2007) rather than having the desired salutary effect.

For policies to be effective in helping those unemployed who are in despair, they need to be designed taking into account the social relationship that is broken and that this relationship needs to be repaired: the unemployed person must be given cause for hope. These considerations apply not only to the unemployed, but also to the homeless, whether on the street (Wolch, Dear and Akitu, 1988) or in institutions, such as nursing homes, that are not home (Carbone, 1990), to discouraged workers and to those discriminated against as a result of race, class, family background and/or place of residence (Atkinson and Kintrea, 2004; Bjørnstad, 2006; Heslin, Bell and Fletcher, 2012; Körner, Reitzle and Silbereisen, 2012) who also despair.

6. Conclusion

That man is a social being there is no doubt. Society, in its expectations, rules, strictures, norms, and assessments, forms who we are, and who we hope to be both individually and as a member of society and then assesses our achievement. While societal linkages can, perhaps, be pushed to the background when they are stable and when one’s place in society is secure, this is not the case when those linkages are altered, either positively or negatively, since their alteration can induce a change in who one fundamentally is. In studying despair, the rather dramatic repositioning of an individual from societal approval to disapproval and from a place inside to a place outside society, the importance of society to defining and redefining the individual is put into stark focus. Thus to understand the decisions individuals take and to make better socio-economic policies that give cause for hope, society’s active rather than passive role must be acknowledged and modeled. This can be done. There is cause not for despair but for hope.

References


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