The Unnoticed Actor: The Employer’s Role in Unemployment Benefit Claims
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ABSTRACT:
Unemployment Insurance (UI) is the major government social program designed to provide material support to workers who lose jobs through no fault of their own. Yet, typically fewer than two thirds of workers who lose jobs receive unemployment benefits, and the proportion of low-earning recipients is even smaller. Using data from qualitative interviews with a diverse group of individuals who experienced unemployment between 2008 and 2011, this study identifies the former employer as an important actor affecting the job loser’s interest in pursuing benefit claims and success in that pursuit. This study delineates four employer archetypes: the facilitator, the ignorer, the fighter and the architect. Respondents perceive each type of employer as taking different actions—and having different attitudes—toward their benefit access, which affects respondents’ interest in pursuing benefits. The employer role in benefit claims discourages some workers from taking up UI benefits and, because employer action interacts with worker characteristics to affect benefit access, has disparate consequences for workers of differing earning levels. This paper contributes to the larger literature on benefit take-up by identifying a previously unnoticed actor—the employer—who mediates benefit claims that had been previously theorized as a dyadic relationship between claimants and state actors.

INTRODUCTION

In December 2007, the United States experienced its most severe macroeconomic contraction since the Great Depression. While low-earning workers were more likely to be laid off than their more affluent counterparts (Hoynes et al 2012), employment
problems and job loss were widespread: unemployment rates increased for all racial groups and all educational levels (Hout et al. 2011). The lives and social networks of individuals across the social spectrum reeled in the face of economic calamity. When facing the challenges of job loss, individuals can turn to a variety of resources to address their trouble: for example, personal skills, social networks, or individual resources. In many cases, they also have the option of turning to the Federal-State Unemployment Insurance (UI) program. This program has dual aims: providing income support to individuals who lose jobs and stabilizing the macroeconomy in times of economic downturn.

Typically fewer than two thirds of workers who lose jobs receive unemployment benefits (Blank and Card 1991; Currie 2004; Burtless 2008). An even smaller proportion of low-earning workers take up these benefits (GAO 2006; Enchategui 2012; Michaelides and Mueser 2012; Gould-Werth and Shaefer 2012), despite the fact that low-earners who lose jobs face higher levels of material hardship than their more-advantaged counterparts on average (Mayer and Jencks 1989; Gruber 1997) and thus would presumably derive the highest level of marginal benefit from program participation and benefit most from the income-stabilizing function of the program (Gruber 1997; Browning and Crossley 2001).

Existing research around low levels of benefit take-up has focused on a dyadic relationship between claimants and the state. Research has examined how state-determined program factors (eligibility criteria, benefit generosity, and transaction costs) affect claimant behavior, as well as how individual-level demographic characteristics (gender, family composition, race, socioeconomic status, and neighborhood characteristics) affect an individual’s propensity to claim benefits from the state (Nicoll forthcoming and Currie 2004). Extant ethnographic work provides a closer examination of how this dyadic relationship plays out in the lives of poor Americans, showcasing how state policies are filtered and altered by street-level bureaucrats and how eligibility criteria are used to more broadly regulate the behavior of poor Americans (Lipsky 1980; Gilliom 2001; Watkins-Hayes 2009).

The body of literature on benefit take-up has examined how characteristics of the state, characteristics of the individual, and the interaction between the two affect benefit-claiming behavior. I challenge the idea that—in the case of unemployment benefits—we
should theorize the relationship between the claimant and the state as dyadic: this work shows that in the case of unemployment benefit access the employer serves as a mediating actor between the individual and the state. The analysis below delineates four categories of employers (the facilitator, the ignorer, the fighter and the architect), each of which distinctly affects whether and how the workers pursue benefits. Further, I argue that a worker’s industry and occupation influence which type of employer an individual is employed by, and that workers’ information, resources, and attitudes affect how/whether being employed by an ignorer, fighter, or architect impedes benefit claims: the findings below illustrate an interaction between worker characteristics and employer characteristics, which ultimately affects benefit claims. Thus, the employer role in benefit claims affects individuals of differing earning levels in distinct manners.

Below, I provide background information on Unemployment Insurance eligibility and financing to provide context for how a worker can receive benefits and why an employer might intervene in an employee’s claim, and I review the extant literature on benefit take-up. I then describe the research methodology, and use my findings to demonstrate that employers can be categorized into four groups—facilitators, ignorners, fighters, and architects—each of which mediates the connection between former employee and state benefits differently. I then discuss how worker attitudes and behaviors interact with employer behavior to affect benefit claiming behavior. My concluding comments provide suggestions for future research that could examine how the triadic relationship between employer, employee, and state could affect benefit claiming in the context of other government programs, as well as suggestions for research methods that could more conclusively determine what proportion of the disparity in rates of UI benefit access can be traced to employer behavior.

BACKGROUND

UI eligibility

When a worker separates from employment, the onus is on the worker to both know of and apply for unemployment benefits. In order to be eligible for benefits, a UI claimant must satisfy monetary eligibility criteria, which are designed to ensure that workers are well integrated into the labor force. These monetary eligibility criteria include state-specific minimum earnings requirements and may include requirements
about the distribution of earnings across a four-quarter period. Claimants must also satisfy non-monetary eligibility criteria: they must not be working but must be searching for work, and must have separated from their job in a manner that makes them eligible for benefits. Eligible separations include lay-offs, terminations for cause but not misconduct, and quits for good cause attributable to the employer. The intricacies of eligibility requirements vary from state to state, and within states these rules are often contested, which results in a dense body of state-specific case law pertaining to eligibility. For this reason in many cases eligibility is difficult to determine and/or contested, even by experts. Should either the employer or the state believe that the claimant is not eligible for benefits, benefits can be denied, at which point the claimant can initiate an appeals process.

UI financing

When workers do receive unemployment compensation, this benefit is financed through a federal-state partnership. Benefits are paid from Federal and State Trust Fund accounts, which are funded through a tax levied on employers. The Federal tax is a flat 0.6% tax (called the FUTA) on up to $7,000 of wages paid per employee\(^1\). This revenue is deposited in a Federal trust fund and made available for the cost of administering the UI program and for the cost of benefits for any unemployed worker who qualifies for extended benefits or emergency unemployment compensation (additional weeks of benefits provided during periods of economic downturn).

State trust funds are financed in a similar manner: employers are subject to a state tax (SUTA) on the “taxable wage base,” a state-specific amount\(^2\) of each employee’s earnings. SUTA revenue is deposited into a state trust fund and then disbursed to workers who qualify for benefits during normal economic times (which are entirely state-funded) and the state portion of additional weeks of benefits provided during economic downturn. The level of taxation varies from employer to employer based on their “experience

\(^{1}\) So for example, if employer had two employees one of whom was paid $3,000, another who was paid $51,000, the federal government would charge the employer \(0.006 \times (3,000 + 7,000) = 60\) dollars

\(^{2}\) 2014, wages subject to SUTA tax varied from the legal floor (the first $7,000 of an employee’s earnings) to the first $41,300 of an employee’s earnings in Washington State.
rating.” This rating reflects the propensity of an employer’s former employees to claim benefits, and the magnitude of their claims. The rating is generated using a measure which is a ratio expressing the amount of benefits paid to former employees to a measure of the employer’s total payroll. The higher the “experience rating” assigned to an employer, the higher the state tax levied on that employer. Each state has a different “experience rating schedule,” but the taxation level generally ranges from 0% to 6%. Thus, the more benefits claimed by former employees, the higher the rate of tax paid by their employer.

The experience rating system is unique to the U.S. and was designed when the program was initially implemented in 1935 in order to discourage employers from laying off workers. The Federal government hoped to mitigate the possibility that employers would lay off workers who could have otherwise continued to be employed, and by doing so, take advantage of the federal government’s willingness to foot the bill for these workers’ basic needs. Thus, the action that the experience rating is intended to disincentivize is the lay-off, not the benefit receipt. However, in all states except Alaska, the employer is taxed on benefit claims rather than changes to payroll, and thus the experience rating not only disincentives lay-offs, but also incentivizes employers to stop employees from claiming benefits.

Program Take-up

Existing work on program participation has narrowly focused on the state, the claimant, and the interaction between the two (for an exhaustive summary see Nicoll forthcoming and Currie 2004). This work has focused on a broad range of government social programs including cash assistance, disability insurance, state-provided medical insurance, food assistance, worker’s compensation, and the Earned Income Tax Credit. One line of inquiry has focused on the way state action affects program participation. This research focuses on program structure and benefit size, finding that greater benefit amount and fewer transaction costs make individuals more likely to participate in programs (Nord & Prell, 2011; Ellwood, 1999; Smith et al., 1998; Zedlewski & Nelson, 2003; Burstein et al., 2009; Ratcliffe, et al., 2008; Currie & Grogger, 2001).

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3 For more information see Vroman 1998 or Stone and Chen 2014
A second line of inquiry focuses on the claimant, mainly investigating how the demographic characteristics of the claimant and his/her household affect program participation. This work finds that African Americans, women, single parents, English speakers, American citizens, low-educated individuals, and the young are more likely to participate in state programs than individuals with other demographic characteristics (Caputo, 2006; Algert et al., 2006; Burstein et al., 2009; Coe, 1983; Farrell et al., 2003; George et al., Ponza et al., 1999; Bartlett et al., 2004). However, many of these associations disappear when controlling for other characteristics such as household income, perceptions of stigma, and neighborhood characteristics, suggesting that income and community characteristics—rather than a wider range of demographic characteristics—drive patterns of program access (Blank & Ruggles, 1996; Burstein et al., 2009; Caputo, 2006; Cody et al., 2008; Coe, 1983; Ponza et al., 1999; Scholz, 1994; Zedlewski, 2002).

Finally, a third line of inquiry focuses on the relationship between the state and the claimant. This work focuses on interactions between claimants and “street-level bureaucrats.” The foundational work in this field is Lipsky’s (1980) Street Level Bureaucracy: The Dilemmas of the Individual in Public Service, which makes the case that low-level bureaucrats such as case managers and administrative assistants exert considerable discretion over the lives of claimants in their seemingly mundane work as agents of the state. Gilliom’s (2001) Overseers of the Poor and Watkins-Hayes’ (2009) The New Welfare Bureaucrats show, respectively, the control that the state exerts over claimants through surveillance and the way that street-level bureaucrats’ individual identities affect the way they interact with claimants of varying identity groups.

These three lines of inquiry hold important lessons for understanding low rates of UI take-up and difference in take-up rates by earning level. This body of research demonstrates that benefit size, transaction costs, household context, and frontline worker practices all affect who accesses these benefits and how. This paper argues, however that in the case of Unemployment Insurance we should broaden our focus—not limiting our examination to simply the claimant and the state, but considering other actors—to fully understand puzzles related to benefit take-up.
Though countercyclical, rates of UI benefit receipt trended downward in the 1980s (Blank and Card 1991) and remained depressed until the onset of the Great Recession (Valetta and Kluang 2010). On the eve of this massive downturn, from 2007-2009, only fifty percent of eligible individuals claimed UI benefits (Fuller et al 2012). Explanations for low levels of UI take-up have examined transaction costs (Ebenstein and Stange 2010), the shifting demographic composition and regional distribution of the unemployed (Michaeledes and Mueser 2012, Blank and Card 1991), and benefit level (Anderson and Meyer 1997). While benefit level and the regional distribution of unemployment have been found to be associated with take-up rates, much of the failure to take-up unemployment benefits remains unexplained.

Further, low-earning workers are less likely to successfully claim unemployment benefits than their higher-earning counterparts (Government Accountability Office, 2006). Several factors have been hypothesized to contribute to the disparity in levels of benefit access between low- and high-earning workers, most of which focus on the eligibility status of low-earning workers. Policy analysts have proposed that their lower wages make it more difficult for low-earning workers to satisfy monetary eligibility criteria (Stettner et al 2005), and the federal government’s main intervention intended to ameliorate disparities in rates of program participation targeted monetary eligibility. Other scholars have suggested that non-monetary requirements are more likely to cause low rates of eligibility, pointing to the fact that low-earning workers are disproportionately clustered in industries that avoid formal lay-offs, are more likely to be fired for cause (and perhaps for misconduct), and are more likely to quit work for family-related reasons (Holzer, 2000; O’Leary & Kline, 2008; Rangarajan, Razafindrakoto, & Corson, 2002; Shaefer, 2010; Shaefer & Wu, 2011; Fishman et al 2003).

Though the majority of the literature on UI take-up focuses on ineligibility as a potential cause of the low rates of take-up among low-earning workers, a smaller body of literature argues that low-earning workers are less likely to apply for unemployment benefits than their higher-earning counterparts, and application behavior—indeed, of eligibility—may drive the gap in rates of UI access between low- and high-earning workers. This literature shows that the lower rate of application among low-earning
workers results from lack of program knowledge and perceived ineligibility, though the accuracy of these perceptions is difficult to measure (Vroman 2008, Shaefer 2010, Gould-Werth and Shaefer 2012) and Vroman (1991) suggests that a substantial proportion of workers who perceive themselves to be ineligible are in fact eligible.

As is the case for means tested government benefits, scholars of unemployment benefit take-up have looked to a dyadic relationship between claimant and state in identifying potential factors affecting benefit take-up. The existing literature has focused on characteristics of the claimant (demographic characteristics and geographic context) and characteristics of the state program (transaction cost, benefit level). This scope of inquiry is logical, as 1) given program goals (stabilizing the economy and protecting citizens), state interests are tied to program participation as well as the need to control program costs; and 2) claimant interest in consumption smoothing is directly tied to program participation. The funding structure of UI, however, introduces a third party whose interest is tied to program participation. Because employers face higher taxes when more of their former employees claim benefits, they, too, may be invested in the claiming behavior of their former employees. Employer characteristics and behaviors may thus affect benefit take-up.

The analysis presented below makes the case that employers are *mediating actors* between the state and former employees who may claim unemployment benefits. The term *mediating* is not meant in the statistical sense. Rather, referring to employers as mediating actors serves to connote that employers take actions that frame and influence the relationship between the individual and the state: their actions can create a variety of contexts influencing individual perceptions of benefit claiming and benefit receipt. Some employer actions result in contexts in which benefit claiming is perceived as more advantageous and receipt is perceived as being more possible; other actions create contexts in which claims seem less beneficial and receipt less possible. In other words, the behavior of employers who facilitate claims, who ignore claims, who fight claims, and who alter the structure of work arrangements in such a manner that their employees perceive themselves to be ineligible for claims affect benefit take-up in differing ways. Further, if low-earning workers are 1) clustered among employers that discourage benefit claims; 2) have less information about benefits in the absence of employer-provided
information; or 3) have fewer resources to pursue claims in the face of employer contestation, then the employer role in UI claims may serve as a mechanism contributing to the difference in rates of UI access between low- and high-earning individuals who lose jobs.

METHODS

The metro-Detroit area provides a useful case for examining diverse individuals’ experiences of unemployment during the Great Recession. Home of the auto-industry, Detroit was hard hit by the economic contraction of 2008, and while no single geographic area can stand in for the U.S. as a whole, Detroit is a case that illustrates the experiences of many Americans in de-industrialized metropolitan areas. The metro area is home to individuals of varying income levels: according to the American Community Survey, between 2008 and 2012, the median household income in Detroit was $26,995 while in the nearby suburb Farmington Hills, it was two and a half times as much.

To identify respondents, I used a subsample from the Michigan Recession and Recovery Study (MRRS), a stratified random sample panel survey, representative of the population of working age adults in the Detroit Metropolitan Area. MRRS completed three waves of hour-long, in-person interviews with adults aged 19-64 at baseline. Wave 1 took place between October 2009 and April 2010 with 914 adults and had a response rate of 82.8%. The next wave, in 2011, had a respondent retention rate of 93.9%, and was followed by a third wave of data collection in 2013 with a respondent retention rate of 90.8%. The survey gathered information about household demographics, income, education, physical/mental health, benefit receipt, and an employment calendar tracking respondents’ monthly employment situations from 2007 through 2013.

My sample consisted of respondents whose employment calendars showed steady work (at least 3 continuous months of employment) followed by unemployment in 2008, 2009, 2010 or 2011. Respondents were pre-screened to ensure that they were members of the target population that UI aims to assist: individuals who have separated from work due to circumstances outside of their control and who want to work following their job loss. In order to ensure diversity of earnings history in my sample, I stratified the population of MRRS respondents into three categories by education level and sampled randomly within these categories. My final sample included 13 individuals without high
school diplomas, 14 with a high school diploma but without a bachelor’s degree, and 18 people with bachelor’s degrees or higher. In this sampling strategy, education level serves as the best available measure of earning history—though MRRS contains respondent earning history data, sorting respondents into discrete groups based upon actual earnings is challenging when earning trajectories are disrupted by spells of unemployment. Though the sample contained some low-educated respondents with high levels of earnings and some high-educated respondents with low earnings levels, the strategy was successful in generating a wide range of earning histories. The random sampling strategy generated a sample diverse in age, gender, race, marital status and other demographic characteristics of interest for benefit take-up behavior.

I interviewed 45 respondents between summer 2013 and summer 2014, two to six years after the unemployment documented in the survey’s Wave 2. Respondents recounted experiences of job separation with multiple employers, so while this analysis is drawn from the narratives of 45 individuals, these narratives described a total of approximately 75 job separations, each of which was analyzed separately. Because respondents shared stories of job losses both earlier and more recent that the unemployment documented in Wave 2, the data include narratives of job losses that occurred between 10 months and 11 years prior to interview. At interview, all respondents retained salient memories of their experiences of job loss and benefit claims, recounting specific details such as: the order of events on the day they lost their job; conversations with former employers and loved ones; specific dates and circumstances surrounding their termination, search for re-employment, and the lapse of unemployment benefits.

Respondents were compensated with 80 dollars, and the modal interview lasted for two hours, though some were as short as 1.5 hours and others lasted over three hours. The majority of the interviews took place in respondents’ homes, though eleven respondents preferred to meet in public places like libraries and restaurants, and one in the waiting room of a health clinic. Two interviews were conducted over the phone because respondents had relocated out of state following their job losses. The interviews elicited respondents’ own narratives in three areas: the job loss itself; financial and emotional coping; interaction with government programs. Several respondents
experienced multiple job losses, so I asked respondents to discuss all job losses, or if one felt more prominent to them, to focus on it and contrast experiences related to this job loss with other reported job losses. Interviews were audio-recorded and transcribed verbatim by professional transcriptionists.

The majority of the analysis presented here is drawn from narratives elicited in the third section of the interview, the portion designed to evoke descriptions of respondents’ experiences with benefit claims. Data were analyzed using thematic coding, Dedoose software, and an iterative approach. While some hypotheses and research questions pre-dated the analysis phase, analysis also incorporated elements of a grounded theory approach (Corbin and Strauss 1998) and theory was generated inductively by paying close attention to: (1) respondents’ relationships with former employers, (2) respondents’ experiences with the Unemployment Insurance system, and (3) respondents’ answers to the questions “did your employer ever mention unemployment benefits to you?” and “do you think your employer cared whether or not you claimed unemployment benefits?”

In many cases eligibility for benefits is complex, and at times is contested under Michigan state law. To understand the likely benefit-eligibility of each respondent, I consulted with two attorneys: one is a national expert in UI benefits, and the other has state-level expertise and has represented hundreds of workers pursuing legal cases related to unemployment benefit claims in the jurisdiction where I conducted interviews. Using the facts shared by respondents, these experts were able to share whether the case was a clear case of eligibility or ineligibility according to the law. In more legally ambiguous cases, the Michigan-based lawyer was able to share what percentage of his clients in similar cases were able to successfully claim benefits, and even which judges in the area were likely to approve or deny these types of cases. It is likely that in some cases my respondents were not able or willing to share all the relevant information for determining benefit eligibility, but the level of certainty about likelihood of benefit eligibility determined through this method is greater than the level of certainty garnered through the methods used in most extant research, which tend to rely on crude survey measures.
RESULTS

In describing their separations from employment, respondents relayed their perceptions of their employers’ actions in relation to unemployment benefits in distinct, and often complex, ways. I classified these subjective perceptions of employer behavior into four categories. Employers who shared information and encouraged benefit application are labeled “facilitators.” Employers who did not share information about benefits either way are labeled “ignorers.” Employers who actively discouraged benefit receipt are labeled “fighters.” Finally, in some cases employers structured work arrangements in such a manner that respondents were not eligible for benefits, or perceived themselves to be ineligible. These employers are labeled “architects.”

Each type of employer behavior affects the benefit claimsmaking behavior of the former employee in a distinct manner, supporting the idea that employer behavior affects benefit claims. Further, within some groups of respondents who describe employer actions similarly, there exists diversity in how respondents react to employer behavior: it is this interaction between employer behavior and former employee characteristics that ultimately affects whether a claim to unemployment benefits is levied and the success of that claim. While many examples of employer type and employee-employer interaction exist within each category, and while some employers display behaviors characteristic of multiple categories, I describe one to two cases that are clearly representative in each category below.

The Facilitator

Linda Bruno, a 51-year-old who had a high school diploma at the time of her job loss4, liked her office job, “it was in a nice place and the people were really nice and I liked everybody I worked with; and I worked there for a long time.” When she was laid off in 2009, she felt betrayed. She described the process of meeting with employers and packing up the cubicle she had occupied for ten years, a common trope in the narratives of other respondents whose employers facilitated their benefit access:

*I got down to this big conference room there was probably about 18 other employees in there with me and we all knew. We all had a feeling. What a horrible feeling.... and so then they just like kind of came right out and told us.... I felt really rejected. I mean I literally, some, I cried.... I just felt*

4all names are pseudonyms and identifying details not central to the analysis have been anonymized
so hurt by it like you know because I had been a loyal employee for all these years and stuff....
And then after they got done in the meeting they [had] a person from personnel go to each
person’s desk and make us pack our desk right in front of them, as if we were like gonna steal
their stuff or something you know. It was horrible. It was a really bad day in my life. You want to
know something; I don’t think I ever unpacked that box. I never unpacked that box because it hurt.
It was very hard. I can’t imagine... you know and I had been there, you know I had been there like
almost ten years.

Like many respondents, Ms. Bruno had a complex relationship with her employer.
Though she felt betrayed, rejected, and hurt—“I remember thinking it’s hard to believe
it’s not personal”—she also recognized that on some level, her employer cared about her,

We were like a family there. There were a lot of really good workers there that you know stayed
there for years. They were very committed. So um, I think so. I think it was, I think it was difficult
for them to do it. I mean I really do. I think it was hard on them to have to lay off people, but they
had to.

Because of this perceived caring, Ms. Bruno believed that her employer wanted her and
her fellow employees to receive UI benefits. In fact,

When they actually laid us off, at that meeting, they kind of gave us a little like heads up on what
to do. So they kind of gave us a little; you know, who we needed to call and what we needed to do.
And so then I don’t remember the specifics about what I needed to do, but I had my little
unemployment folder with my letter that I was laid off and everything that I needed to, you know
fill out, calling them um, and so I just kind of followed whatever they told us to do and you know it
was very organized.

With clear instructions from her employer—“whatever they told me to do, I did”—Ms.
Bruno was able to successfully navigate the Unemployment Insurance application
process and claim benefits. After four months of unemployment, Ms. Bruno entered
college for nursing—which she had long planned to do—and continued to claim her
benefits. These benefits came in handy when her husband, too, lost his job a year later.
The couple cut back on spending, put some expenses on credit cards, and managed to
make their mortgage payments—though late. At the time of interview, Ms. Bruno had
secured a good job that paid more than the one she’d lost, though her husband was still
underemployed. The family was rebuilding their credit, returning to their old
consumption habits, and Ms. Bruno remarked that she now appreciates, “how much it means to have a job.”

While each respondent’s relationship with their employer is unique, Ms. Bruno’s experience unfolded similarly to the other ten work separations from employers who were labeled “facilitators.” In each case, a representative of the employer met with the employee and explained where and how to claim benefits. In many cases, respondents were given documentation explaining the nature of their job loss to share with the Unemployment Insurance Agency, and were informed that their employers would not contest their right to benefits. In some cases, employers paid severance and brought in outside firms to facilitate the job search and re-hiring process for former employees. Of the ten respondents who described their employers facilitating benefit claims, eight successfully claimed benefits. Of the two who did not successfully claim benefits, one chose an early retirement package rather than an unemployment package, and the other was informed by the Unemployment Insurance Agency that he was not eligible for benefits, as he had only been working for four months. Respondents with employers who were facilitators were on average higher income than the rest of the sample, though several respondents who worked the line at factories had their claiming process facilitated by their employers. While, overall, respondents who experienced employers facilitating benefit claims had fairly similar outcomes, the experiences of respondents who described their employers as ignorers were quite divergent, as I describe next.

The Ignorer

Respondents most often perceived their employers as ignorers—people who neither fought nor facilitated benefit claims. Twenty separations occurred where employers were described as ignoring UI benefits, and of those 11 resulted in successful benefit claims.

Like Linda Bruno, Barbara Silverman felt betrayed when she lost her job. Ms. Silverman, a 55-year-old woman, had originally been trained in education—she’d received a bachelor’s degree in the subject. But, for ten years prior to her job loss she had worked as the administrative assistant in a small construction company. In 2007 a new owner came to the company and Ms. Silverman served as his guide,
He had come in as the owner of this company not knowing a lot about it. I mean he knew some but not much and I really helped him tremendously…. He was kind of a young… well, he was kind of weird. He had his own, his little, his small little own brick cleaning company, a real small one, but he didn’t know anything about how to run a union one because there’s different things you have to do for the union and the other one he just ran out of his house.

Though Ms. Silverman tried to deploy her ten years of experience at the company to assist the owner, “I was really trying to help him out and I told him I would come in on a Saturday to help get him caught up on different thing,” she felt betrayed when, “he called me after work on a Friday… He goes I’m not going to need you anymore…So I was, you know, really stunned and said okay. And then he said to me, but I hope you can come in and help me out with a few things and I’ll pay you really good.” Ms. Silverman went in, was paid $100 to help straighten things up before her departure, and never heard from the owner again. Reflecting on her service to the company and the help she’d provided the employer, Ms. Silverman remarked, “for him to go do this me; it almost felt like a stab in the back, I took it real personal.”

Though she was shocked by her job loss, and though her employer did not mention unemployment benefits to her, Ms. Silverman knew about these benefits, “I knew a little bit about it from some of the guys that had worked [in construction at her job], because they would have to go on unemployment when the weather was bad and they weren’t able to work.” Ms. Silverman contacted the Unemployment Insurance Agency and went to the state’s One Stop Workforce center to apply for benefits. She was not happy to be there, “it’s just like, you know, real depressing when you see all of these people and you think; oh my God, all of these people are out of work and all of these people are trying to find a job and it’s like, you know, I shouldn’t be here. I should be, there was no reason, there was nothing I did wrong, you know I shouldn’t have to be going through this.” Yet, she successfully navigated the bureaucracy, and began receiving benefits.

When I asked Ms. Silverman if she thought her employer wanted her to get benefits, she replied, “I think he probably wanted me to, you know, yeah, I mean he didn’t, you know, he didn’t fight it at all, there would have been no reason to.” Though Ms. Silverman’s employer did not mention benefits to her or facilitate her benefit access,
she took his lack of resistance to her benefit access as an implicit condoning of her benefit receipt. Ms. Silverman and her husband applied these benefit payments to their regular spending while Ms. Silverman searched for work and cobbled babysitting jobs together for extra income. She and her husband managed to meet their expenses without pulling money from their retirement savings, and eventually Ms. Silverman was re-employed as a pre-school teacher. Things are back to normal in the Silverman household, though Ms. Silverman still holds a modicum of bitterness toward her former employer, who ran the business into the ground in the years after Ms. Silverman’s departure.

While Ms. Silverman—and several other similar respondents—took her employer’s silence as a tacit acceptance of her benefit claiming, for Cecelia Doyle, the absence of information about UI benefits from her employer meant that she did not know that benefits were available for her to claim. Though young—twenty-six at the time of the interview—Ms. Doyle had worked a variety of low-wage jobs (“I worked at a clothing factory, I worked at a Toy Store and I had a couple of restaurant jobs”) and taken a break from the labor force for health reasons before landing at a steady job at an adult foster care center. Ms. Doyle liked her co-workers and built strong relationships with clients. She had been at the foster care center for three years when, near the end of the workday, her employer called her into her office and let her know that because the number of clients had decreased, she had to be laid off. As had been the case with her previous employers, at the time of termination her employer made no mention of the Unemployment Insurance program. Feeling “a little surprised and hurt,” Ms. Doyle went home to tell her family of four—for whom she was the sole source of income—that she had lost her job.

When I asked Ms. Doyle if she had considered applying for unemployment benefits after losing her job, she responded, “I sure didn’t. I went right and applied for cash assistance at the Department of Human Services.” She elaborated on this choice saying,

I don’t think back then I knew as much about unemployment as the little bit that I do know now....I didn’t apply for unemployment cause... I would say back at that time, I didn’t know as much about unemployment and I was under the impression that you had to work like a year or something like that. I didn’t... I knew bits and pieces, but I didn’t know the specifics and it was my negligence and
me not going out on my own to find out more information about unemployment. I just went straight to the Department of Human Services you know that’s where my family told me to go apply, so I didn’t even think about, really think about the unemployment, so.

In the absence of information about Unemployment Insurance program, like two other respondents, Ms. Doyle turned to the more familiar cash assistance program (also called Temporary Assistance for Needy Families, the Family Independence Program, or colloquially “welfare”). In Ms. Doyle’s case, this action proved costly: her cash benefits were time-limited and, as she had claimed benefits earlier in her children’s lives, after two years of collecting these benefits post-job loss, she hit her time limit. Though Ms. Doyle reported searching diligently for work, employment was hard to come by in her urban neighborhood. Though she received an offer, it was in an outlying suburb and the cost the cost of transportation and the need to care for her young children made taking this job an untenable option. With only benefits from the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps) to aid them, Ms. Doyle, her partner, and their two young children left their home and moved in with Ms. Doyle’s father, where they continued to live at the time of interview.

Ms. Silverman and Ms. Doyle perceived their employers in a similar manner: like 20 other respondents, they reported their employers making no mention of—and taking no action regarding—unemployment benefits. Yet Ms. Silverman and ten other respondents employed by ignorerers successfully claimed benefits. These individuals had previously been employed by facilitators, or were enmeshed in social networks that were aware of these benefits: in the face of employer inaction, they relied on their personal information. In contrast, Ms. Doyle and eight other respondents—largely service-sector and other low-wage workers—lacked the necessary information in order to make a claim, though many appeared to be eligible for benefits. Finally, it is important to note that while all respondents in this category perceived their employers as ignorerers, had the nine respondents who didn’t apply for benefits pursued them, they may have found their employers to be fighters, the type of employer described in the next section.
The circumstances surrounding Jacques Beauchamp’s termination were dramatic. Accused of a crime, he was escorted away from his job as a security guard by policemen bearing a warrant for his arrest. When the dust settled, it was clear that Mr. Beauchamp—a 25-year-old without a high school diploma—was innocent. He had a clear alibi: he had been at work at the time the crime was committed. Though his name was cleared, and though they had witnessed Mr. Beauchamp at their workplace at the time the crime was committed, Mr. Beauchamp’s employers didn’t want him at work anymore: “I got called into the main place for where they dispatch you at and that’s where they let me go… one boss said I can have the job back, but when I heard from the main boss, they denied.”

When I asked Mr. Beauchamp how he responded, he replied, “Oh, I threatened them with a lawsuit [and then] I just left because I got tired of all of the BS and I went job searching somewhere else um, because there was no way I was getting that job back.”

Though Mr. Beauchamp never actually sued his former employer over his termination, their battle played out over different ground: Mr. Beauchamp’s unemployment benefits. Mr. Beauchamp’s aunt, who worked for the state, informed him that he was entitled to benefits, and he was surprised, “because I like never collected unemployment in my life. Usually you get fired [and that’s it: you] get fired.” Mr. Beauchamp’s aunt helped him to navigate the application process, but he then received a letter in the mail saying that his employer was contesting his right to benefits and that he needed to appear in court. When I asked Mr. Beauchamp if it was easy to understand the letter he responded, “Oh it was easy to understand is you ain’t getting nothing, (laughter) you’re screwed basically.” But Mr. Beauchamp wasn’t screwed—with the help of his aunt and a family friend who was a lawyer, Mr. Beauchamp gathered evidence to show that he had not harmed the interest of his employer prior to work separation, and appeared in court. Though Mr. Beauchamp’s former employer tried to make a case against him,

*everything she tried to put against me and it wasn’t working in her behalf. She’d say I didn’t try to get my job back, which I had telephone proof from the phone bills and talked, brought another guy in saying that I talked to him, that I did try to get my job back. and all that stuff. Still no matter what she tried to salvage, what she tried to word it, it just wasn’t fitting right.*
In the end, Mr. Beauchamp triumphed: “the judge flat out told them that I was more than eligible for unemployment.”

The unemployment benefits came in handy as Mr. Beauchamp’s spell of unemployment stretched on and on, punctuated only by odd jobs and a few sporadic days of work through a temp agency. When his unemployment benefits ended, Mr. Beauchamp, who shared a mobile home with his mother, struggled to pay bills and eat an adequate amount. After another year of hardship, in a moment of apparent serendipity, Mr. Beauchamp passed a mechanic’s shop with a help wanted sign, “And I walked in there and they hired me right on the spot…. I just asked are you hiring, and he asked if I was certified in certain things. I said yes. And he said you got tools? I said yes. And he said how long could you be here, I said an hour, and I was back and I’ve been working ever since…. It felt good when I, I mean you know I could stand back on my own two feet again.” At the time of interview, Mr. Beauchamp had been employed as a mechanic for seven months.

Out of the ten separations for which employers were classified as “fighters,” five followed similar trajectories to Mr. Beauchamp’s story: respondents pursued claims and received benefits. Interestingly, I did not interview any respondents who pursued a claim against an employer’s wishes and failed to receive benefits. However, five respondents who applied for benefits but then found their employers to be “fighters” chose simply not to pursue their claims.

One such worker was Gregg Williams, a forty-five-year-old father without a high school diploma. Mr. Williams had worked in a variety of low-wage jobs—operating a forklift, working in drycleaning, picking up temp work here and there—and had landed steady work in a grocery store in his neighborhood, “stock[ing], setting ads, um rotating, sometimes I set displays that was on the sales, unloaded the trucks, you know the delivery trucks.” Though Mr. Williams described the grocery store owner as “kind of shady,” his manager, “was like, he was to me one of the best managers I ever had you know because he took care of business and actually he ran the business. But you know as far as the owner, the owner would— to me he seemed like he was always trying to be up on the next person. You know what I’m saying, trying to make sure he got a little extra than what he should have gotten.”
When the owner decided to close the store location in the city of Detroit and open a new store nearer to his home in the suburbs, he offered Mr. Williams a job in the new suburban location. But without a driver’s license or adequate public transit, Mr. Williams was unable to commute to the new location, and,

*my first thing was to make sure I had my W-2 forms and what not so I could file for my unemployment because when he offered me the job, I, you know, explained it to him where I lived, it would probably take me some time you know to get up the money to get my license back and to be able to come out there. .... So that kind of made me say, well I might as well just try to you know file this paperwork for my unemployment at least until I can, you know get back on my feet and get find me something else. I said so at least I have some money coming in.*

The process of claiming the benefit, however, did not go smoothly for Mr. Williams. He explains the process saying that the Unemployment Insurance Agency,  

*sent me the papers because you know your employers have to sign your papers for you to receive it....first he gotta sign it then it has to be determined how much you know you be getting paid and he had to okay that. So if he don’t sign it to say he’s okay with you drawing unemployment, you have to go back and start it over again.*

When Mr. Williams was initially denied his benefits he was “kind of discouraged,” but he sent in the paperwork to continue to pursue the claim, hopeful that he would be successful:

*I figured like you knows, he know how I am and he know how I work you know even if I was to get it, it wouldn’t be for long you know. It would just be until I find another job and if I find another job before I start getting it I wouldn’t pursue it, I wouldn’t call you know I would leave it alone. So I figured okay he shouldn’t have no problem with that.*

But again at the second stage of the contestation process, the claim was denied. Mr. Williams chose not to pursue benefits any further. “I never tried again after that,” he remarked, “I could have re-applied [continued the process of contestation], but I just said I’d rather just spend my time and energy on trying to find me work and keep some kind of constant work you know to keep [my family] afloat.” Unfortunately, without a driver’s license constant work proved difficult to find. At the time of interview, Mr. Williams was piecing together from informal work repairing cars and working on houses for neighbors,
family and friends. When I asked Mr. Williams how he would describe the unemployment system to someone who had never heard of the program, he had a piece of advice to add for the neophyte,

> Don’t get on your employer’s bad side. (Laughter). Because they will deny you. See a lot of times if you’re working for somebody, if that person don’t like you they can and not saying that you won’t get it, but they can deny it, withhold it, where the process will take a lot longer.... They can distract you and keep you going back and forth to court till you just give up and say; well okay, I’m gonna leave it alone. So the best thing is to make sure you [have a good relationship with your employer]. And not just think that you have a good relationship but make sure you know, you know even if you don’t like the person if you just talk to them to find out you know where they’re at.

When pugnacious Jacques Beauchamp was confronted with an employer who contested his benefits, he marshaled his resources and fought back—until he won. But for Gregg Williams and four other respondents, the solution to the problem was not to fight, but to walk away—and to take with them the message that next time, it was their job to change their behavior, so that next time their next employer might be more magnanimous.

Though Mr. Beauchamp and Mr. Williams described nearly identical behavior on the part of their employers, Mr. Beauchamp marshaled resources (his knowledgeable aunt, his pro bono lawyer) to which Mr. Williams lacked access. Using these resources Mr. Beauchamp took actions, forgone by Mr. Williams, that resulted in a successful claim for Mr. Beauchamp.

**The Architect**

The descriptions above use the stories of former employees to piece together how employers mediate benefit claims by sharing or withholding information, and taking or refraining from action. Each narrative emphasizes how micro-level processes—single conversations, appearances in court, individual meetings—affect benefit-claiming behavior. Yet, employers have wider ranging control than is evidenced by these micro-interactions: they determine the very structure of the environment in which their employees labor. Employers who shape work environments—by offering limited hours, subcontracting, or moving temporary employees from firm to firm—are architects. The work structures they build are environments in which their employees are either ineligible
for benefits, or incorrectly perceive themselves to be ineligible for benefits. Out of the 13
work separations from employers who were architects, only three resulted in successful
benefit claims.

At the time of interview, Kayla Hutchins—a thirty-year-old woman with a
master’s degree who struggled to find work in her field—had been employed at the same
temp firm for six years. Her work history was a pastiche composed of stretches of
unemployment between jobs sorting mail, entering data, and answering phones. Despite
her frequent unemployment, Ms. Hutchins had never claimed UI. She explains,

*I don’t think I’ve ever been able [to claim UI] ‘cause I think you have to work [for a long stretch
of time] …and see by me working for agencies … You know, you have to work so long [to be
eligible] and usually I have…either the assignment ends before six months, or before I would be
eligible, so I’d never even try to get [the benefit].*

Like other respondents, Ms. Hutchins believes that a certain amount of consecutive
employment with a single employer is a condition for UI eligibility. While Ms. Hutchins
cites six months as the requirement, other respondents believe that sixty days are
required. These respondents are correct in their assertion that one must demonstrate labor
force attachment to qualify for UI benefits, but this attachment is measured by dollars
earned rather than by months or days worked. In Michigan at the time most interviews
were conducted, respondents were required to have earned $4,307 over four quarters,
with at least $2,807 in one quarter to achieve monetary eligibility. With wages averaging
$1,000 monthly, Ms. Hutchins likely qualified for UI during some of her many work
separations, yet she believes herself to be consistently ineligible. This belief of
ineligibility was shared by many workers employed in non-standard work arrangements.

As was the case with other respondents who did not have a high level of
information about unemployment benefits, Ms. Hutchins thought more about the benefits
as she responded to my series of questions about UI than she ever had previously. As she
thought it over, she concluded that perhaps she could have applied for these benefits—
“you would think I would be able to,” she remarked—but she remained adamant that
even had she been mistaken about her eligibility, benefits weren’t necessary in her case:
But now it’s like I said, things are better. But even when things weren’t, you know when I was getting less and less jobs or when I wasn’t getting that many jobs, I just relied on my grandmother to help me until I either got my school loans refund or you know got a job you know...you know I never really thought about it you know because I think early on, I didn’t think I was able to get it anyway you know⁵. But yeah.

For Ms. Hutchins, the combination of her low level of awareness of the UI program, belief in her own ineligibility, and support from her grandmother—with whom she lived—led her not to apply for UI, nor to regret not doing so. Though Ms. Hutchins wished that she contributed more to the household during tough times, given that her grandmother provided for many relatives—“it may… makes things harder when it’s one person carrying the load”—she also saw it as “okay because that’s just life so I don’t get stressed out about that.” Ms. Hutchins saw her period of underemployment as a waystation in her career path during which, “it’s natural to work…you know work jobs for a certain amount of time and then be without one,” and without unemployment benefits. Were she to “work permanent jobs and lose them that would be different. It would be a whole different ballgame.”

In contrast, Reggie Greene saw both the permanent and temporary work in his employment history as similar—just part of his “shuffle” to make ends meet. Of the three successful claims among employees of architects, two belonged to Mr. Greene, a 32-year-old African American man without a high school diploma who was savvier to the strategies of architects than most other respondents. Yet, even he was sometimes tricked by the structure of his workplace. Mr. Greene, whose attachment to the labor force “fluctuates, it’s nothing consistent [available].” describes how he goes about claiming unemployment benefits when he gets laid off from landscaping work:

> It’s a process where you call your unemployment agency. You give them your job information and everything and you see if your job is in a certain bracket and if you are eligible to get unemployment from that job. A lot of jobs purposely stay out of that bracket, you know so it depends on the job.

⁵ Ms. Hutchin’s belief “early on” of her ineligibility stems from a direct message from her employer: “I think I asked my agency one time uh, but they told me that you have to have worked for so many hours and I didn’t have those hours at the time. So that was one reason why I didn’t [apply]. “
When I follow up asking, “have you had jobs that were both in the bracket and out of the bracket?” Mr. Green responds affirmatively: “Uh huh. Uh huh.” Mr. Greene describes a complex set of mechanisms through which even employers “in the bracket” work in the “gray areas” of the law to avoid having their employees collect benefits:

Like, [the landscaping company I worked for], doing their seasonal work, um if you’re working consistently through the spring, summer and fall and their down time is the winter then you can get unemployment benefits unless they’re planning on getting rid of you or eliminating a shift or you know. Some of them may, I done seen them do this: hire you and then before you get your 90 days to be able to receive unemployment at least a partial piece of unemployment, release [lay-off the employee]…. release. Cause somebody is always in need of a job so they constantly can do that all the time. So you can imagine how much money they’re saving.

He describes how when employers discover that their former employees are collecting benefits, “they may call you to work one or two days or three days once they figure that out. Like oh-oh we’ll come out cheaper if we just let him work instead of getting unemployment. If we let him work three or four days we’ll come out cheaper.” He also observes that employers slowly decrease the hours given to an employee so that when employees are finally laid off from their jobs, they will not have the earnings record necessary to qualify for benefits, “slowly tapered off, downsized. They know how to manipulate. That’s every business owner. I mean that’s their job to try to make as much money and keep as much money in their pocket as possible so.”

While Mr. Greene is unusual in the fact that he ever claims benefits from “architect” employers, he does not try to claim unemployment every time he is laid off. When he anticipates going back to work quickly or believes that his employer falls outside of the “bracket” of covered employers, Mr. Greene does not claim benefits. Mr. Greene believes that

most private entities you know anything like if you work for like one owner who just got one store you know and it’s not, you know it’s just, you know it’s just not making it and it’s not corporated or anything like that. Nine times out of ten they don’t have unemployment. You’re one step from being paid under the table.

Yet, the State of Michigan Unemployment Insurance handbook reads, “all employing units that are determined to be employers and therefore liable under the Michigan
Employment Security Act, are responsible for paying state unemployment taxes to the Unemployment Insurance Agency. In the case of small employers, Mr. Greene has out-architected himself. Ensconced in a system where employees can no longer assume that they are entitled to unemployment benefits when they are laid off (as was largely the case between 1935 and 1970), Mr. Greene misses the fact that he is eligible for benefits: firm size is not related to benefit eligibility.

Echoing a sentiment repeated by several respondents, Mr. Greene remarks, “your employer never wants you to get unemployment, ever. So he manipulates you and the unemployment center to save him some money, so. The smart guy on top.” Mr. Greene, a young, low-educated Black man who came of age in Detroit during the age of de-unionization, has never known an employer who was a facilitator. Like Mr. Greene, many respondents whose employers were architects were low-educated Black men.

A Two-way Street: Employee Perceptions

This analysis has focused on the role employer action plays in affecting benefit claiming behavior of former employees. When employers take positive action (facilitating claims) the results are nearly uniform. But when they take neutral (ignoring) or negative (fighting) action toward benefit claiming, I have shown variation in outcome dependent on the information and resources available to an individual. When employers ignore, individuals must have information about benefits to claim them. When employers fight, individuals are more successful when they have the resources to contest. Individual attitudes toward employers, too, interact with employer behavior to affect claims and, ultimately, it is the nature of this interaction that affects whether a claim is levied and the success of that claim. To illustrate the agency individuals take in the construction of their belief systems and courses of action around employer interaction, I show how Danielle Darby and Ben Adler construct their employment relationships as personal rather than solely professional.

Danielle Darby is a personable woman: over the course of our interview, she made me feel at home in her home, and described the nuances of the relationships in her life—with her son’s teachers, other tenants in her building, in her social circle. As Ms. Darby, a 30-year-old with a high school diploma, launched into a description of her experiences with the six different employers she had worked for in the past ten years, it
was clear that her sociability extended into her work life: she paid close attention to the social dynamics in each workplace. Ms. Darby’s first work separation was particularly personal: she had worked for her father’s company as an assistant in the Human Resources department. When her father’s business slowed during the 2008 economic contraction, Ms. Darby knew the business was suffering, and that her father didn’t want her to lose her job. Unwilling to let her father damage his business by continuing to pay her wages, Ms. Darby told her father she wanted to leave the company and search for other works so that her resume would demonstrate that she could work for someone who was not a family member. I asked Ms. Darby if she claimed unemployment benefits when she became unemployed. Both attuned to her father’s needs and the experience-rated nature of SUTA taxes, Ms. Darby responded:

> No, my dad’s company, I didn’t even apply. ....because of his company not doing so well. Again, they paid part of that...well paid well most of it. And I didn’t want to do that to him because I knew that financially he was struggling and that was my reason for leaving in the first place, so why would I leave and then go get him for... (laughs) I mean if that was the case I would have just stayed so.

Protective of her father, and her relationship with him, Ms. Darby forgoes benefits.

Personal relationships shape her benefit claiming in other ways with other employers. When she is separated from her work as a waitress because of a conflict with a co-worker who harassed her, Ms. Darby both chose not to apply because she was unsure she’d be eligible and because,

> I didn’t want anything else to do with that restaurant other than just eating there occasionally with my family, (laughter) so I didn’t want any more bad blood or any more fighting with them through you know the unemployment agency and everything so, yeah.

When her friendship with the restaurant ended badly over her harassment, Ms. Darby wanted to sever the relationship totally—she didn’t want a benefit claim to link her back to the toxic work environment.

The most recent job Ms. Darby had held before our interview was seasonal work for a department store. To maximize the likelihood of being hired on permanently, Ms. Darby worked hard at the job,
I really busted my butt more than a lot of people there just doing little things, trying to get the shelves all cleaned up at the end of the night, staying an extra 45 minutes and unpaid just to make sure [the department looked good the next day] So I wanted someone finally to leave the mall and say; wow they’ve really cleaned up that department. So my hope was that at the end of all it they would hire me, but unfortunately it didn’t work out that way.

But even after she no longer worked for her employer, Ms. Darby hoped to maintain her positive relationship with the store. She chose not to apply for unemployment benefits because she

just didn’t want to cause the issues with them or if I ever wanted to go back to Department Store for the holidays I didn’t want them to remember me as somebody (short laugh) the put for unemployment afterwards you know because it was a seasonal job, so. Yeah, unfortunately it just didn’t seem like a very wise thing to do. I wanted both places to still be a good... if I had another job interview I was going to, a good reference for me and so.

In each of these three cases, Ms. Darby does not pursue unemployment benefits, not because she feels that she does not need or deserve them, but because she believes that a benefit claim would disrupt her carefully constructed relationships with each employer.

Like Ms. Darby, Ben Adler—a 43-year-old graphic designer—had personal relationships with multiple employers. He says of one employer, “my relationship with Martha is complicated cause I've known her for 20 years so there's a certain level where they're kind of why if we lived in a different world we might be friends, if she was capable of having friends we could maybe be friends.” After a contentious work separation several months prior to our interview, Mr. Adler reported talking with his former employer again: “we're friends. She's talking, she's made overtures in the last month or two about trying to get me back in there to work with her again.”

When I asked Mr. Adler if his employer wanted him to get unemployment benefits after his work separation, he laughed. He described Martha “screaming at people and throwing staplers at our heads,” and reported that she would complain to him when his ex-co-workers claimed benefits. He described a conversation between Martha and himself:

“remember Angie?” [she asked] “yeah the one you threw out the door the other day?” [I responded. And then she said back.] “yeah, she filed for unemployment, bitch.”
I asked Mr. Adler, who successfully claimed unemployment benefits, if he thought about these remarks when he filed for benefits. He responded, “Yeah, I think about everything. I mean, I don't care that, that's not my problem though, I mean if today I am the new bad guy, I accept it, tomorrow there'll be another new bad guy.”

Mr. Adler has a lot in common with Ms. Darby: he had personal relationships with his employers, he hopes to maintain a professional relationship with his employer after work separation, and he believes that his employer will not look favorably on a benefit claim. Yet, Mr. Adler files for unemployment benefits and Ms. Darby does not. That Mr. Adler anticipates receiving a larger benefit payment than Ms. Darby probably helps to explain their divergent behavior. However, their respective skill levels and class positions also likely play roles. Mr. Adler views himself as an equal to his employer, while Ms. Darby sees herself as subordinate. As an equal, Mr. Adler is less afraid to defy his employer’s expectations, and is willing to accept his role as “the new bad guy,” confident that he will fall back into his employer’s good graces. This tendency is not unique to Mr. Adler’s relationship with Martha, an employer he views as particularly mercurial: Mr. Adler reports filing for benefits after separating from two other employers, each time believing that his employer would dislike his choice, and each time unafraid of the professional ramifications of that choice.

**DISCUSSION AND CONCLUSION**

Linda Bruno, Barbara Silverman, Cecelia Doyle, Jacques Beauchamp, Gregg Williamson, Kayla Hutchins, Reggie Greene, Danielle Darby and Ben Adler all lost jobs through no fault of their own, and all pursued re-employment following their separation from work. Yet, some of these individuals received unemployment benefits, and others did not. Existing work points to a variety of factors—the size of benefit they anticipated receiving, the transaction costs that they faced during application—that likely affected their take-up behavior. This analysis, however, makes an important theoretical advance in our understanding of how individuals levy claims on the state, asking us to broaden the scope of analysis when considering why some of these individuals took up benefits while

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6 Likely, gender too plays a role in their divergent behavior. However, analysis of gendered differences in claiming behavior falls outside the scope of this analysis.
others did not. Routinely theorized as a dyadic relationship between the individual and the state, this paper shows that in fact employers play a mediating role: what was once thought of as an individual-state dyad is actually a triad between the individual, their former employer and the state. The behavior of employers—facilitating, ignoring, fighting, structuring work arrangements—interacts with the situation of former employees—their information, resources, and attitudes toward the working relationship—to influence the employee’s benefit claiming behavior. By broadening the scope of analysis to consider employer behavior, we improve our ability to understand why an individual does or does not access unemployment benefits.

In addition to improving our understanding of whether and why a given individual will access unemployment benefits, considering the employer role in benefit access may shed light on the gap in rates of benefit access between high- and low-earning workers. Low-earning workers may be clustered among employers who fight or ignore claims, and are disproportionately represented in non-standard work arrangements (Kalleberg et al 2000). Further, earning level is highly correlated with socioeconomic status, which is connected to the information and resources available to an individual, as well as to attitudes toward figures of authority (Lareau 2011; Calarco 2011; Khan 2011; Streib 2015).

The results presented above suggest that two workers who are equally qualified to receive unemployment benefits will be unequally likely to receive benefits depending on which type of employer they have. However, this study has several major limitations that leave this idea, as well as the idea that employer involvement in UI claims explains a portion of the gap in rates of UI access, an implication and not a conclusion. First, the data allow for an examination of job losers’ perceptions of their former employers’ behavior and intents. This is a powerful tool for examining how subjective perception affects claiming behavior, but for a fuller picture of how program structure, employer behavior, and employee perceptions interact, an examination of the employer side of the equation is necessary. To more conclusively link employer behavior to claimant outcomes and demographic variation therein, further mixed methods research is called for. Ethnographic work should examine the behavior of both employers and employees in the time period immediately preceding and immediately following termination. This
ethnography should be paired with interviews investigating the decision-making process employers use when decide to contest, ignore, or facilitate benefits claims. An aim of this work should be to determine whether and to what extent the experience rated nature of SUTA taxes drive employer behavior regarding benefit claims.

Another limitation of the present study is that the sample size is small and constrained to one geographic location. Quantitative work using causal inference techniques and survey or administrative data should be used to determine to more fully elucidate the magnitude of experience rating’s effect on the disparity in rates of UI access. This paper offers a strong suggestion that the structure of the financing of the UI program creates a perverse incentive for employers to discourage benefit claims among their former employees—an incentive with disproportionate consequences for lower-earning individuals. Further work should test the validity of this strong suggestion. Quantitative work using employer fixed-effects could further examine whether employer behavior is consistent across employees, or whether an employer acts as a facilitator to some employees, but a fighter toward others.

The federal government has been concerned with the low levels of UI benefit take-up documented among low-earning workers, and in 2009 incentivized a suite of state-level changes to UI eligibility with $7 billion of recovery act financing. The central reform in this suite, the Alternative Base Period targeting levels of monetary eligibility, has been found to only be mildly effective (Gould-Werth and Shaefer 2013). Perhaps by broadening the scope of examination to include application as well as eligibility, and the employer role in eligibility and application of former employees, more effective interventions can be designed. Considering the employer role from both theoretical and intervention-perspectives may be important for a range of programs broader than simply Unemployment Insurance These might include, for example, low-wage employers’ practices surrounding information sharing around public programs such as SNAP and Medicaid, the proposed expansion of experience rating into the realm of disability insurance, and women’s claims to contraceptives under the Affordable Care Act, among others. In the case or women’s access to contraceptives, advocates have pressed us to answer a normative, rather than technocratic question: when it comes to benefit claims,
should interactions be private interactions between the individual and the state, or are these claims “our boss’ business?”

Finally, this research suggests a connection between an arcane funding mechanism (experience rated taxes) to real consequences—access to benefits and concomitant necessities like food and shelter—for individuals and to broader social disparity. Too often our examinations of program financing and program take-up are siloed, studied by disparate groups of academics. This analysis calls into question these silos and suggests that by integrating our analyses of “the front end” and “the back end” of public programs, we may gain important perspectives on the role of these programs in the broader social context.

WORKS CITED


