

Short Abstract

Dynamics of Disconnection: Differences in Spells of Being Disconnected and Wellbeing by Gender

Laryssa Mykyta, U.S. Census Bureau

In the wake of welfare reform and the recent recession, there has been increased interest in identifying and assessing the well-being of disconnected families (those having no earnings and receiving no TANF or SSI). I use the 2001, 2004 and 2008 Survey of Income and Program Participation in order to examine disconnectedness by sex over the last decade. Specifically, I compare the characteristics of disconnected men and women, and estimate Cox models predicting the hazard of entering a spell of being disconnected for men and women. Preliminary findings suggest that women are more likely to be disconnected, but that the composition of the disconnected population differs by sex. This paper adds to the literature by examining disconnectedness among *both* working age women and men. To the extent that being disconnected varies by sex, different policy levers may be necessary in order to improve wellbeing.

Extended Abstract

Dynamics of Disconnection: Differences in Spells of Being Disconnected and Wellbeing by Gender

Laryssa Mykyta, U.S. Census Bureau

Introduction

In the wake of welfare reform and the recent recession, there has been increased interest in identifying the prevalence of and assessing the well-being of disconnected single mothers and their families. Although the definition of disconnectedness has varied somewhat across studies, in general, a person is considered disconnected if they have no earnings and if they are not receiving TANF or SSI (Loprest 2011; Loprest and Nichols 2011) .¹ Several studies have also examined the prevalence and well-being of disconnected youth, that is young adults who are not enrolled in school and who do not participate in the labor force. And although since the late-1990s there has been a spate of research interest in non-resident fathers, there has been little research on disconnectedness among men, with the notable exception of Holzer, Edelman and Offner's (2006) study of young, minority men.

In this paper, I use the Survey of Income and Program Participation 2001, 2004 and 2008 Panels to examine disconnectedness among men and women over the last decade. Specifically, I address the following research questions:

- (1) How many men and women ages 18-64 are disconnected from society, that is, are not working (have no earnings) or enrolled in school and are not receiving public assistance (including TANF or general assistance), unemployment benefits or disability payments? How has the percentage of disconnected men and women varied over the course of the business cycle?
- (2) What are the characteristics of disconnected men and women and how do they differ?
- (3) How do spells of disconnectedness differ among men and women?
- (4) Are the predictors of entering a spell of being disconnected the same for men and women?

The Survey of Income and Program Participation is well suited to address these questions. The Survey of Income and Program Participation (SIPP) is a panel survey based on a nationally representative sample of households. All adults in sampled households are interviewed once every four months for a period of twenty four to forty-eight months. As a result of its longitudinal design, the SIPP is particularly appropriate for studying transitions, including

¹ Some studies introduce more stringent criteria, excluding mothers residing in households with at least one worker from the definition or specifying a minimum number of months of not having earnings or receiving TANF or SSI.

transitions in employment and program participation that enable us to determine whether an individual is disconnected and for how long that individual remains disconnected.

This paper adds to the literature on disconnection and economic disadvantage by examining disconnectedness among *both* working age women and men. Thus far, there has been little research on disconnectedness among men. Further, this paper seeks to identify gender differences in well-being among men and women and, as such, has important policy implications. To the extent that the sources of disconnectedness vary for men and women, different policy levers may be necessary in order to prevent disconnection and to improve wellbeing for men and for women.

Data and Methods:

In this analysis, I use the 2001, 2004 and 2008 SIPP Panels to identify disconnected men and women ages 18 to 64 over the past decade. A working-age adult is considered disconnected if they have not been in the labor force or enrolled in school, and have not received cash assistance (including TANF or general assistance), disability payments (SSI) or unemployment insurance (UI or supplemental unemployment insurance) for 3 or more consecutive months. Thus, a spell of disconnectedness begins at t if an individual has no earnings, is not in the labor force or enrolled in school and does not receive cash assistance, disability payments or unemployment insurance in a given month and that individual either had earnings or received TANF, SSI or UI or was enrolled in school three months earlier at $t-3$.

For each SIPP panel, the analytic sample is limited to working-age adults for whom there is information in every survey wave. For the 2001 Panel, this constitutes the length of the panel from October 2000 through December 2002 (Waves 1 through 9). For the 2004 Panel, this constitutes the length of the panel from October 2003 through December 2007 (Waves 1 through 12); and for the 2008 SIPP Panel, this constitutes Waves 1 through 10 from May 2008 through November 2011. In order to be considered for the sample, an individual must be at least 18 years old at Wave 1 of either panel, less than 65 years old at the final wave and must have been observed throughout the Panel. The sample consists of 26,053 men and 27,939 women from the 2001 SIPP Panel, 26,639 men and 30,711 women from the 2004 SIPP Panel, and 21,138 men and 24,215 women from the 2008 Panel. We apply SIPP longitudinal replicate weights to account for the complex sample design of SIPP and for sample attrition.

In order to answer the research questions stated above, I first present descriptive results of the number and percentage of working-age men and women who were disconnected by calendar month for each panel. In doing so, I conduct significance tests to assess whether disconnectedness has increased over the course of the last decade for men and women.

In addition, for each panel, I report the percentage of men and women who were ever disconnected (i.e. who experienced at least one spell of being disconnected). Since men are not generally eligible for cash assistance through TANF and since men have historically had higher rates of labor force participation, I expect that the number and percentage of disconnected men will be lower than the number and percentage of disconnected women throughout the panel.² I also compare the mean length of spell of being disconnected and the number of spells of disconnectedness for men and women and conduct significance tests to determine whether the spell duration and the number of spells differs for men and women.

Finally, the descriptive analysis concludes with a comparison of the characteristics of working age men and women who experienced a spell of disconnectedness at any point for each Panel. I examine individual characteristics including age, race, nativity, marital status, educational attainment, parity, disability status, and relation to householder. In addition, I explore household characteristics including tenure, metropolitan status, household and family poverty status, and receipt of cash and non-cash benefits. Well-being is also examined briefly by comparing personal and household income and poverty status of disconnected men and women. Again, I conduct significance tests to determine whether the composition and well-being of the disconnected population differs by sex. Further, this analysis will enable us to see whether the composition of the disconnected population has changed over time (across Panels).

In addition, I estimate Cox regression model to determine the hazard of entering a spell of disconnectedness with exposure time measured in months. I estimate a set of nested models as follows: Model 1 includes only a dichotomous variable reflecting the sex of the respondent; Model 2 adds measures of macroeconomic conditions, including monthly state unemployment rates, and Model 3 incorporates the number of previous spells as well as a set of socio-demographic and household characteristics, including age, race/ethnicity, nativity, marital status, parity, educational attainment, disability status, relation to householder, housing tenure, metropolitan status, family poverty status and household cash and noncash benefit receipt and a dichotomous variable indicating whether the individual had experienced an earlier spell of being disconnected; Model 4 adds interaction terms between the macroeconomic measures and individual characteristics with sex; finally, unobserved heterogeneity is considered by accounting for shared frailty in Model 5. All models also include a dichotomous variable indicating whether or not it is the first reference month of any wave to account for seam effects in reporting. Time varying characteristics such as employment status, educational attainment, disability status, marital status and the number of own children under 18 years are lagged to account for time dependence. As nearly five percent of working-age men and eight percent of working-age women experienced more than one spell of disconnectedness, the Cox models will account for multiple failures.

² Note that although they are less likely to be eligible for TANF, men may receive assistance through state general assistance programs for childless adults.

Preliminary Results:

Figure 1 shows the percent of working-age men and women who reported being disconnected in any given month in the 2001, 2004 and 2008 SIPP Panel. This figure (although it is not restricted to the analytic sample) reveals important differences in disconnectedness for men and women across the last decade. First, women are more likely to be disconnected than men. Moreover, the percentage of disconnected women increased somewhat over each Panel. In contrast, the percentage of disconnected men remained relatively flat over the 2001 and 2004 Panels, but increased slightly over the course of the 2008 Panel.

Preliminary descriptive findings reported here are based on 2008 Panel. Between August 2008 and August 2011, the percent of men who reported being disconnected at least three consecutive months increased from 7.1 percent to 7.8 percent, peaking at 8.1 percent in April 2011. The percent of women who reported being disconnected increased 16.4 to 18.0 percent over this time period. (See Figure 2).

Women were more likely to experience a spell of being disconnected than men. Nearly one in five working age males (19.7 percent) had *ever* been disconnected for three or more months compared to 29.6 percent of women.³ About three-fourths of men (76.5 percent) and women (75.1 percent) who were ever disconnected had only one spell. On average, women experienced longer spells than men -- the mean length of spell was 11.2 months for men compared to 15.3 months for women.

Table 1 reports characteristics of those who experienced at least one spell of being disconnected by sex.⁴ On average, a higher proportion of disconnected males were under age 25 compared to disconnected females. About 18 percent of males who reported being disconnected at some point during the panel were the child of a householder at the time of the first survey wave; in contrast, 8.4 percent of disconnected women reported living in their parent(s)' household. Disconnected males were more likely to be black than disconnected females, but were less likely to be Hispanic or foreign born. Disconnected males were also less likely to be married or to report having children than females reporting at least one spell of being disconnected. About two in five (40 percent) of ever disconnected men reported a work limiting disability, compared to just 23.5 percent of women. Although there was no significant difference in household non-cash benefit receipt among ever disconnected men and women, 12.1 percent of disconnected men reported living in a household that received cash benefits compared to 9.6 percent of women.

³ These figures include persons who reported being disconnected in the first reference month they were surveyed. The high percentage of disconnectedness among women includes married women who are not themselves in the labor force but whose spouses have earnings from employment or self-employment. As such, I intend to further exclude persons with spousal earnings from the definition of disconnectedness.

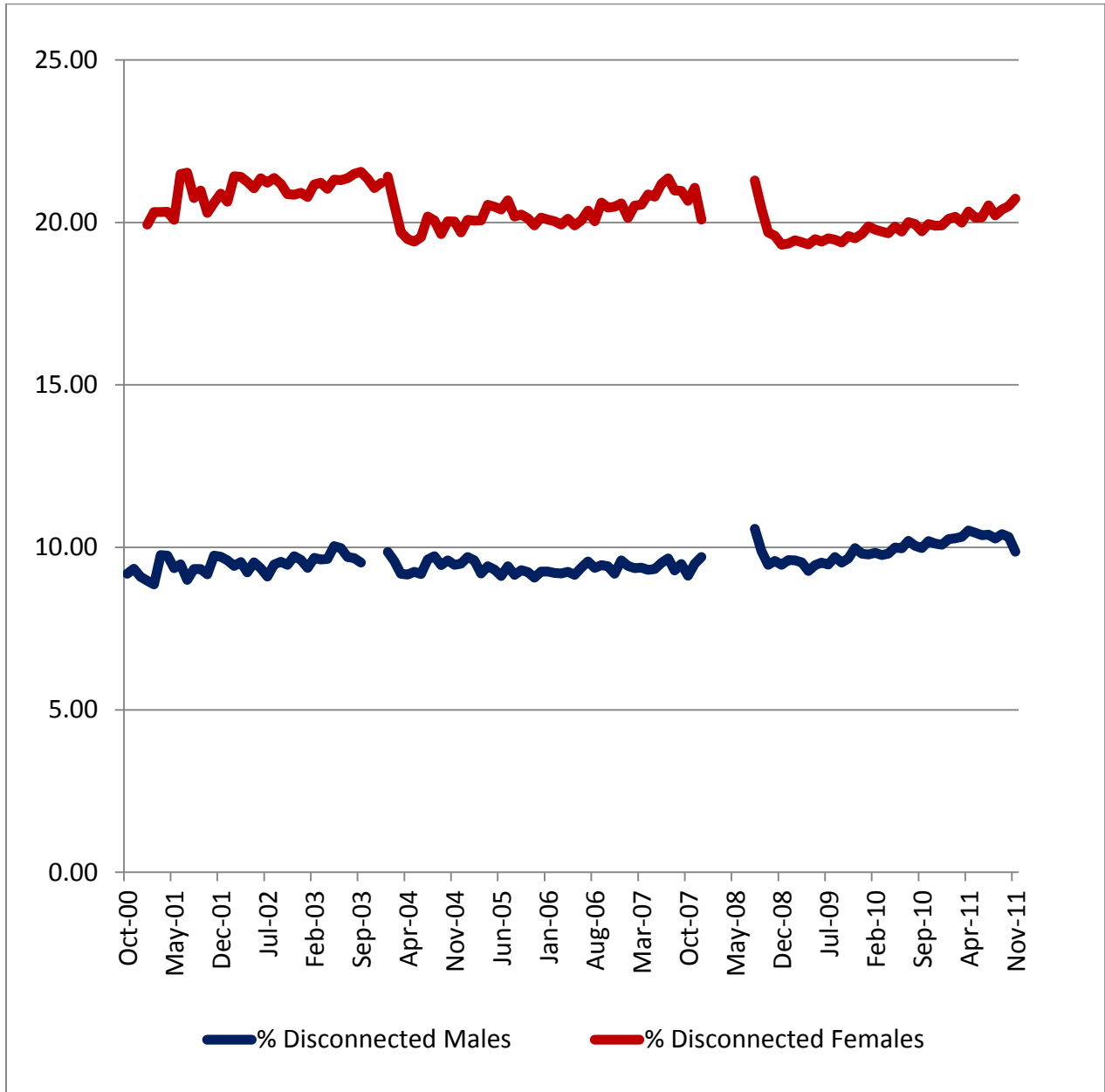
⁴ Characteristics of the ever disconnected were measured at the time of the Wave 1 survey.

Discussion:

There are several limitations to this preliminary analysis. First, the higher proportion of ever disconnected women includes many married women who may have a spouse with earnings. I intend to control for the presence of a worker in the household in my models and will also provide a robustness check which excludes persons with spousal earnings from being defined as disconnected. Second, difficulties following disadvantaged men and nonresident fathers in household surveys have been recognized. As a result, this analysis likely underreports disconnected men. In addition, my analytic sample consists of only those who are followed through each SIPP panel. Although this longitudinal weights account for attrition and result in a nationally representative sample, it is possible and indeed likely that adults who are disconnected are more likely to leave the panel through attrition.

Despite these limitations, preliminary descriptive results using the 2008 panel suggest that women are more likely to be disconnected than men. In addition, although there is no significant difference in the number of spells, women are disconnected for longer periods. The descriptive results also suggest differences in the composition of disconnected men and women.

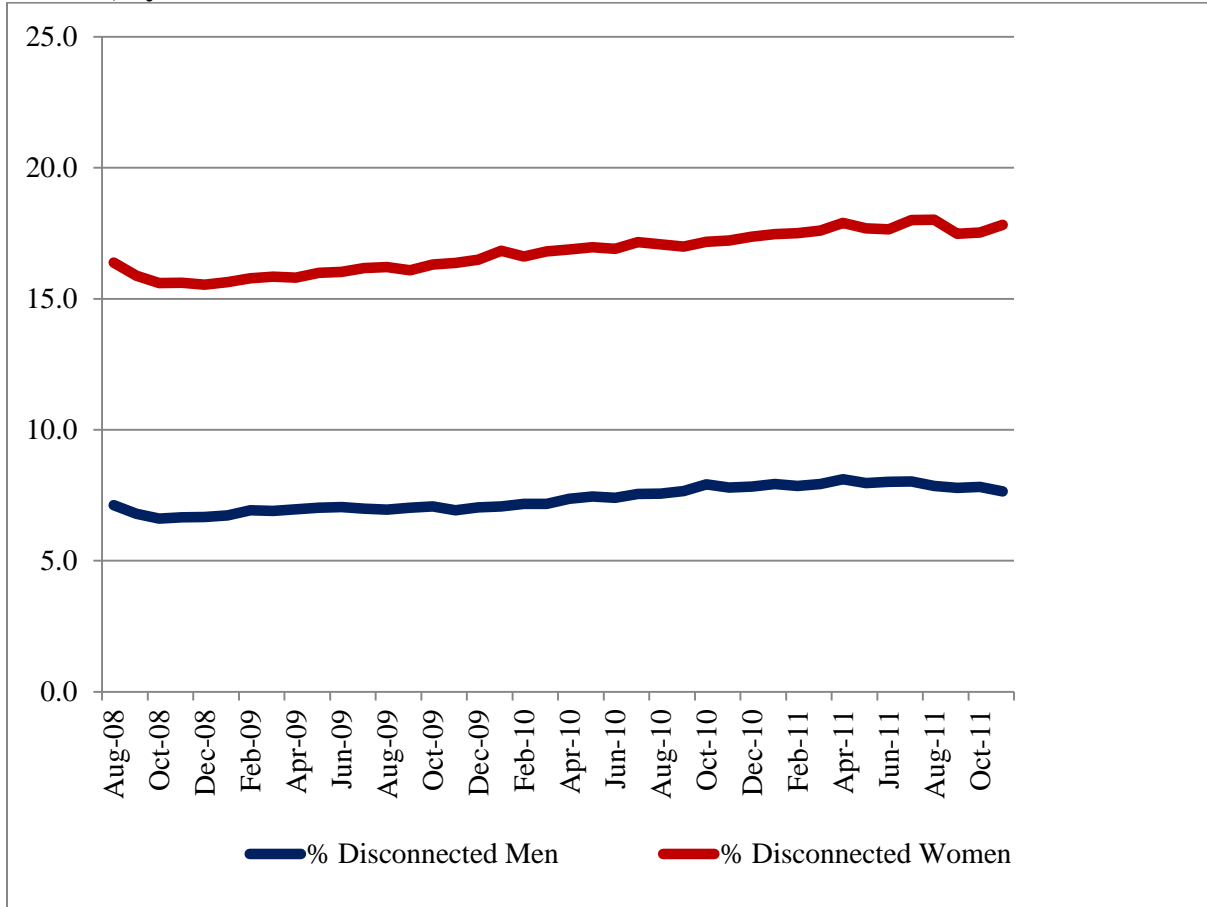
Figure 1: Percentage of Adults Aged 18 to 64 Years Reporting Being Disconnected, by Sex and Month



Note: Disconnected adults are aged 18-64 years, not enrolled in school, have no earnings, and did not receive TANF or general assistance, UI or supplemental unemployment insurance or SSI in a given month

Source: 2001 SIPP Panel (Waves 1-9); 2004 SIPP Panel (Waves 1-12); 2008 SIPP Panel (Waves 1-10)

Figure 2: Percentage of Adults Aged 18 to 64 Years and Disconnected At Least Three Months, by Sex and Month



Note: Disconnected adults are aged 18-64 years, not enrolled in school have no earnings, and did not receive TANF or general assistance, UI or supplemental unemployment insurance or SSI in the previous three months

Source: 2008 SIPP Panel (Waves 1-10)

Table 1: Selected Characteristics of Working-Age Adults Experiencing at Least One Spell of Being Disconnected, by Sex

	Male		Female	
	%	SE	%	SE
Age				
18 to 24 years	18.9	0.6	14.5	0.4
25 to 34 years	17.9	0.6	23.5	0.5
35 to 64 years	63.2	0.7	62.0	0.5
Race				
White	76.5	0.7	78.2	0.5
Black	16.0	0.6	13.5	0.4
Asian	3.6	0.3	4.1	0.2
Other	4.0	0.4	3.3	0.2
Hispanic origin (any race)	16.1	0.6	19.1	0.5
Foreign-born	15.6	0.6	20.7	0.5
Marital status				
Married	44.3	0.8	61.5	0.6
Widowed/Separated/Divorced	15.7	0.6	15.0	0.5
Never Married	40.0	0.8	23.5	0.6
Had work limiting disability	30.3	0.9	20.8	0.6
Ever in the Armed Forces	15.9	0.6	1.3	0.2
Educational attainment				
Less than high school	18.5	0.7	17.0	0.6
High school graduate/GED	32.0	0.9	26.9	0.6
GED	6.6	0.4	5.1	0.3
Some college	32.6	0.9	33.1	0.7
4 years college or more	16.9	0.6	23.0	0.6
Relationship to householder				
Householder	43.1	0.7	45.7	0.6
Spouse of householder	18.4	0.7	32.4	0.6
Cohabiting partner of householder	5.4	0.5	3.8	0.3
Additional adult	27.4	0.8	14.3	0.5
Child of householder	18.3	0.7	8.4	0.4
In school	5.7	0.4	3.7	0.3
Own child(ren) less than 18				
No own child(ren)	74.0	0.8	55.7	0.7
One child	12.6	0.6	17.1	0.6
Two children	8.0	0.5	15.8	0.5
Three or more children	5.4	0.4	11.4	0.4
Housing tenure				
Owned	66.0	0.9	64.2	0.7
Rented	31.9	0.9	33.7	0.7
Not owned, no rent paid	2.1	0.3	2.1	0.2
Metropolitan status				
In metropolitan area	96.5	1.2	96.4	1.2
In principal city	81.2	1.2	80.4	1.2
Not in principal city	15.3	1.2	16.0	1.2
Not in metropolitan area	3.4	0.3	3.6	0.3
Household income below household poverty threshold	19.2	0.7	20.1	0.6
Family income below poverty	22.1	0.7	23.7	0.6
Household received any noncash benefits	36.7	0.9	40.3	0.8
Household received cash benefits	12.1	0.6	9.6	0.4