Doubling Up Among Low-Income Families Before and During the Recession

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Research Agenda

• Literature:
  • Household structure is important for child well-being (Waldfogel et al 2010, Manning and Brown 2006, Amato 2005, McClanahan and Sandefur 1994)
  • Instability matters for child wellbeing
    • Union formation or dissolution
• But in our MC work, we find:
  • Among households with children, nearly half (48%) of kids lived with an adult other than his/her parents during a six-year period (du Toit et al 2013)
  • Compared to two-parent-only households, children in our sample who live with other adults have significantly…
    • Less income per capita
    • More economic hardship
What is doubling up? Census definitions:
- **additional adult** - a person aged 18 or older who is (a) not enrolled in school and (b) neither the householder, the spouse, nor the cohabiting partner of the householder
- **shared household** – one which includes at least one additional adult

Significant increase in shared households between 2007 and 2010 (17% and 18.7%, respectively)
• Why double up?
  • “joint production advantages” (e.g. increased specialization, division of labor, and risk pooling) and “joint consumption advantages” (e.g. shared use of furniture, food, and other household goods)
  • childcare demands, emotional support
  • sign of distress or hardship
<table>
<thead>
<tr>
<th><strong>Table 1. Sources</strong></th>
<th><strong>Making Connections Survey</strong></th>
<th><strong>Survey of Consumer Finances</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Funding agency</strong></td>
<td>Annie E. Casey Foundation</td>
<td>Board of Governors of the Federal Reserve System</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>Longitudinal study of families in low-income neighborhoods in ten U.S. cities</td>
<td>Preeminent household finance survey in U.S.</td>
</tr>
<tr>
<td><strong>Access</strong></td>
<td>Restricted use within NORC's Data Enclave</td>
<td>Public use dataset</td>
</tr>
<tr>
<td><strong>Sample type</strong></td>
<td>AP and list of focal children</td>
<td>AP and list, with oversample of high-income Americans</td>
</tr>
<tr>
<td><strong>Key advantages</strong></td>
<td>Detailed household roster information and linked personal identifiers</td>
<td>Multiple techniques to provide detailed data on personal and business finances, including dollar probes, range cards, and multiple imputation of missing values</td>
</tr>
</tbody>
</table>
Analytic Samples

• Inclusion criteria:
  • Households with children
  • Same respondent (for panel cases)

• Reference periods:
  • Time 1: 2005-2007 (before the downturn)
  • Time 2: 2008-2011 (after the downturn)
Analytic Samples (cont’d.)

• Ns:
  • Panel data:
    • 966 MC households
    • 1,373 SCF households
  • Cross-sectional data:
    • 3,323 MC households at Time 1 (wave 2)
    • 1,940 MC households at Time 2 (wave 3)
    • 1,613 SCF households at Time 1 (2007)
    • 2,385 SCF households at Time 2 (2010)
Dependent Variables

• **Doubled up (dummy):** whether household contains one or more ‘additional adult’ - a person aged **20 or older** who is neither the householder, the spouse, nor the cohabiting partner of the **respondent**

• **Household income-to-poverty ratio (continuous):** Household's total income from all sources last year, in U.S. dollars, divided by the U.S. poverty threshold for the respective number of persons
Independent Variables

• Controls:
  • Site (MC only)
  • Respondent characteristics: race/ethnicity, age, highest level of education, married
  • Household characteristics: children aged 5 or younger in the household, residence is owned, respondent and spouse/partner employment, economic hardship, public assistance
Analysis

- Descriptive statistics
- Logistic regression models
- Weighted to represent:
  - SCF: U.S. households
Limitations

1. The 7 MC sites are not representative of poor urban communities nationwide

2. Different types of respondents:
   • MC = primary caretaker of a selected focal child
   • SCF = financial head of the household

3. Some noise in using 2007 SCF Panel data to represent pre-housing market crash (Time 1)
$R_1$: What are the rates of doubling up among residents of very poor neighborhoods (*Making Connections*) as compared to low-income Americans and the nation as a whole (SCF)?

$H_1$: Doubling up will be more common among *Making Connections* households than among all Americans (SCF).

**TRUE.**

Time 1: 27% of MC vs. 24% of SCF households
Time 2: 31% of MC vs. 27% of SCF households
**R₂** What are the demographic and family characteristics of households that double up?

**H₂** The following characteristics will be associated with an increased likelihood to double up: being African American or Hispanic, being unmarried, and having young children in the household.

**MIXED RESULTS.**
See following slide.
Table 2. Regression models predicting doubling up at Time 1 among MC and SCF Families with Children

<table>
<thead>
<tr>
<th></th>
<th>MC</th>
<th></th>
<th>SCF</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Estimate</td>
<td>Std Error</td>
<td>Estimate</td>
<td>Std Error</td>
</tr>
<tr>
<td>Intercept</td>
<td>-2.59***</td>
<td>0.68</td>
<td>-4.34***</td>
<td>0.04</td>
</tr>
<tr>
<td>Site</td>
<td>(no effect)</td>
<td></td>
<td>(no effect)</td>
<td></td>
</tr>
<tr>
<td>Respondent Characteristics</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Race/ethnicity</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black</td>
<td>0.30</td>
<td>0.31</td>
<td>0.31***</td>
<td>0.02</td>
</tr>
<tr>
<td>Hispanic</td>
<td>0.25</td>
<td>0.31</td>
<td>0.74***</td>
<td>0.02</td>
</tr>
<tr>
<td>Other</td>
<td>0.98*</td>
<td>0.40</td>
<td>-0.10***</td>
<td>0.01</td>
</tr>
<tr>
<td>Female</td>
<td>0.46</td>
<td>0.31</td>
<td>0.42***</td>
<td>0.02</td>
</tr>
<tr>
<td>Age</td>
<td>0.02</td>
<td>0.01</td>
<td>0.07***</td>
<td>0.00</td>
</tr>
<tr>
<td>Highest level of education</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Less than high school degree</td>
<td>0.17</td>
<td>0.21</td>
<td>0.44***</td>
<td>0.05</td>
</tr>
<tr>
<td>More than high school degree</td>
<td>0.05</td>
<td>0.21</td>
<td>-0.08***</td>
<td>0.01</td>
</tr>
<tr>
<td>Married</td>
<td>-0.72***</td>
<td>0.20</td>
<td>-0.37***</td>
<td>0.01</td>
</tr>
<tr>
<td>Household characteristics</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Young children in household</td>
<td>0.45*</td>
<td>0.19</td>
<td>-0.18***</td>
<td>0.02</td>
</tr>
<tr>
<td>Residence is owned</td>
<td>0.30</td>
<td>0.20</td>
<td>-0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Number of employed principals</td>
<td>0.10</td>
<td>0.16</td>
<td>0.06***</td>
<td>0.01</td>
</tr>
<tr>
<td>Household income-to-poverty ratio</td>
<td>-0.27*</td>
<td>0.11</td>
<td>-0.01***</td>
<td>0.00</td>
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<tr>
<td>Economic hardship</td>
<td>-0.01</td>
<td>0.07</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Public assistance</td>
<td>-0.16</td>
<td>0.08</td>
<td>-0.03***</td>
<td>0.01</td>
</tr>
</tbody>
</table>

*p<0.05, **p<0.01, ***p<0.001.
R₃ Is doubling up an *economic* strategy?

H₃ There is a statistically significant relationship between the household income-to-poverty ratio and the likelihood of doubling up.

TRUE, though relationship weakens when controlling for other factors.

B_{MC} = -0.27 (SE=0.11), B_{SCF} = -0.01 (SE=0.0)
Figure 1a. Percentage of Doubled Up Households among Families with Children (Cross-sectional samples), Weighted
Figure 1b. Percentage of Doubled Up Households among Families with Children (Cross-sectional samples) by Poverty Group, Weighted.
Discussion

• Many children live with adults who are not their parents – particularly in low-income communities
• All poverty groups became more likely to double up post-downturn, including the most vulnerable
• Doubling up is not a new economic strategy
• Welfare policies that anticipate presence of nonparent adults and changes in household composition will better serve families
Thank You!

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