

# Children's Economic Well-being in Married, Cohabiting, and Single Parent Families During the First Year of the Great Recession

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## INTRODUCTION AND OBJECTIVES

The current recession is the longest and deepest since the Great Depression. In the first year of the recession, child poverty and food insecurity have increased from their already high levels. Because job losses have been distributed unequally (higher for males, younger, less educated, Black and Hispanic workers), we expect the impact of the recession on child well-being to vary by family background and structure.

We use recent data from the Current Population Survey (CPS) on family income, parental employment, and food security to understand how children fared during the early stages of the current economic recession. Our goals are to:

1. Provide estimates of child well-being prior to the recession, focusing on cohabiting families (who are poorly measured in official statistics).
2. Provide estimates of child poverty, food insecurity, and parent employment status through the first year of the recession.
3. Test whether the impact of the recession varies by family structure, socioeconomic status, and race and ethnicity.

These data will provide an important benchmark from which to study the continuing impact of the current economic recession on child well-being.

## DATA AND METHODS

### DATA: Current Population Survey

Provides timely data on the economic status of American families. Since 2007, collects detailed cohabitation and parent-child relationship data.

### Annual Social and Economic Supplement (ASEC)

- Yearly data on *child poverty* (through 2008)
- *Parent employment* (through 3/2009)
- Sample: 50,000 children ages 0-14 yearly

### December Food Security Supplement

- Yearly food insecurity data (through 2008)
- Scale: 10 household and adult questions, 8 child-specific questions
- Household food insecure = 3+/18 items
- Sample: 17,000 children in 2007 and 22,000 children in 2008

### MEASURES

- Poverty status: adjusted for the presence of a cohabiting partner
- Food insecurity
- Parent employment: does the child have at least one resident parent working full-time

### METHODS

- Descriptive analysis of trends in well-being
- Logistic regression predicting well-being
  - » Interactions test whether impact of the recession varied with children's family structure, SES, and race and ethnicity
  - » Controls: Child and parent age, parent is/was employed in construction, parent is householder, metropolitan area, and geographic region
  - » Models employ survey weights and adjust for clustering of children in households.

## STUDY PERIOD

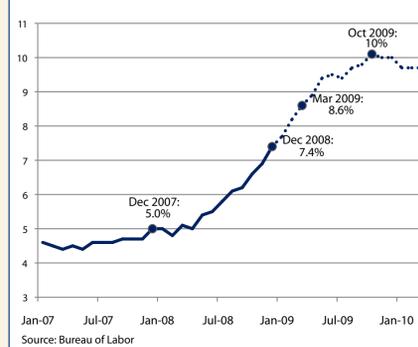
December 2007: Recession begins

Jan-Dec 2008: 1st year of recession, most recent poverty and food insecurity data

Mar 2009: latest ASEC unemployment data

Oct 2009: U.S. unemployment peaks (10.1%)

Figure 1. US Unemployment Rates



## OVERALL TRENDS

Figure 2. Parent Employment Status  
Percent of children ages 0-14

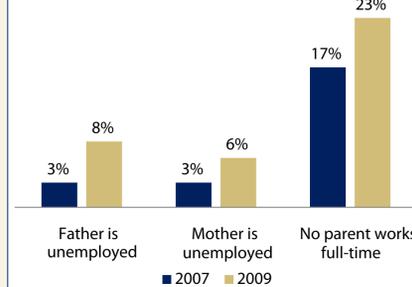
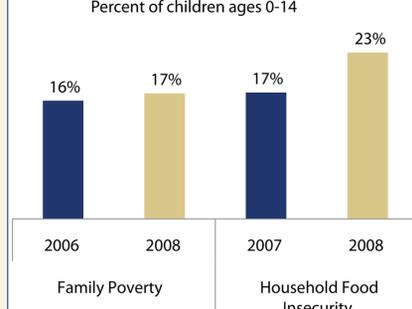
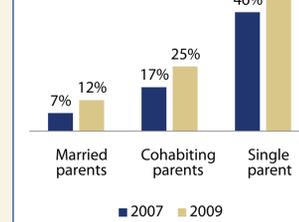


Figure 3. Poverty and Food Insecurity  
Percent of children ages 0-14



## FAMILY STRUCTURE DIFFERENCES

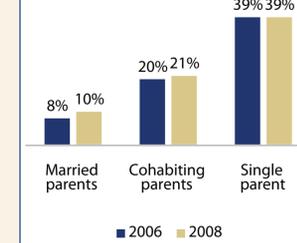
Figure 4. No parent works full-time (%)



### Descriptive findings

1. Large declines in full-time parent employment across family structure, including single mothers (see Figure 4).
2. Small increase in child poverty; significant only for married parent families (see Figure 5).
3. Large increase in household food insecurity across family structure (see Figure 6).

Figure 5. Family Poverty (%)



### Multivariate results

#### Employment and Poverty (Figure 7)

- No difference between married and cohabiting families.
- Children in single parent families experienced significantly smaller changes in parent employment and poverty than children with married parents.

#### Food insecurity

- No significant differences by family structure.

Figure 6. Food insecure households (%)

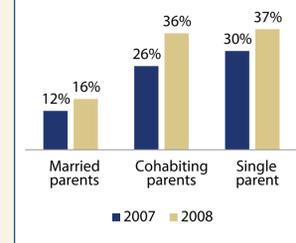
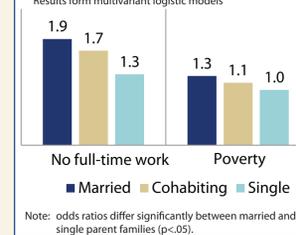


Figure 7. Odds of outcome during recession vs. pre-recession  
Results from multivariate logistic models



## PARENT EDUCATION

1. No parent works full-time
  - Increased significantly across education levels.
  - Increase was significantly smaller for college-grads compared to parents without HS degree (multivariate models).
2. Poverty
  - Increased only among least-educated (<HS).
  - Multivariate models show no disproportionate increase in poverty by education.
3. Food insecurity
  - Increased except among college-graduates.
  - Multivariate models show no disproportionate increase in food insecurity by education.

## RACE AND ETHNICITY

1. No parent works full-time
  - Large increases across race and ethnicity.
  - Multivariate results: increase significantly larger for Hispanics than non-Hispanics; no differences by race.
2. Poverty
  - Increased only among Whites and Hispanics.
  - Multivariate models show no disproportionate increase in poverty among Hispanics.
3. Food insecurity
  - Increased across race and ethnic groups (except American Indian).
  - No evidence of disproportionate impact in multivariate models.

## CONCLUSIONS

### Early recession's impact is large and widespread

- Parental unemployment and food insecurity increased across nearly every family structure, education, race, and ethnic group.

### Poverty appears to be a lagging indicator

- Poverty increases were small and limited to a small number of subgroups (married parents, less educated parents, Hispanic families).
- Poverty is based on annual income and may not be sensitive to the high rate of job loss in late 2008.

### Family structure differences in economic well-being

- Large differences persist between married and single parent families.
- Two-parent families appear to have been affected more than single-parents during the first year of the recession (likely the consequence of the gendered pattern of job loss).
- The well-being of single mother families will be further affected by job loss of non-resident parents.

## ACKNOWLEDGEMENTS

We gratefully acknowledge Frank Furstenberg for helpful comments on earlier versions of this research. Funding was provided by the Minnesota Population Center and by grants from the NSF (SES-0617560) and the NICHD (R01-HD-054643).