

# The FES News

The Family Economics Study  
Institute for Social Research •  
University of Michigan

Dear FES Family,

*Happy New Year! We're happy to be sending you the 2006 FES Newsletter. At our last data collection in 2005, we talked with 8,014 families with almost 700 of them doing their first FES interview. It is amazing to realize that we now have participation from several generations of FES family members. "Carrying on the family tradition" takes on new meaning with the FES! We cannot emphasize enough how much we appreciate the time and effort you give us in doing the interviews.*

*Sincerely,  
Frank Stafford, Program Director*

## 2005 Interviews

In March, we will begin calling for our 2005 interviews. We are very excited that this is our 34<sup>th</sup> data collection with the FES families. Your faithful cooperation has made the FES the world's longest running panel study, and one of the most important sci-

entific archives. Hats off to you for your contributions!



*We'll begin interviewing in March!*

We are pleased to be able to increase the amount of the check you will receive after your completed interview in 2005 to \$60. This is in addition to the \$10 for returning the address postcard that we sent you in September.

## New Study: Transitions into Young Adulthood

Just 50, 40, even 30 years ago, young adults in their 20s were expected to be finishing school, getting their careers off the ground, and setting up their own households. If you are a

20-something today (or have one in your family), you know that things may not be the same as they used to be. The traditional milestones that have defined adulthood, such as marriage and

parenthood no longer play out in the same way for young persons today as they did for their parents. Many young people are living at home longer, delaying marriage,

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## Winter 2005

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*Young adulthood can be a time of change and new possibilities in many aspects of life.*

*Many young people today are living at home longer, delaying marriage, spending more time in school, and starting families well into their thirties.*

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spending more time in school, and starting families well into their thirties. In 2001, for example, more than one-half of FES respondents in their early twenties (20-23) were living at home with their parents (or caregivers).

The years right after high school when numerous changes take place in the way young people spend their time and plan for the future is the very topic of a new FES study called “Transitions into Young Adulthood”. Researchers have described this time as an important developmental stage. There is great interest in better understanding the new challenges facing young people as they make the transition to become self-sufficient adults in the 21<sup>st</sup> century. Little is known about how experiences during childhood affect young people as they move into adulthood, what becoming an adult means today, and what influences young people's decisions and activities related to education, training, employment, and leaving home.

To help shed light on

this topic, FES is planning to follow up with individuals aged 18-25 who participated in the Child Development Supplement (CDS) in the past. It's hard to believe that so many (over 900)

so on.

The 30-minute interview will be conducted by telephone during the fall of 2005. Participants will receive \$30 for their time.

FES Respondents in their Early 20s:  
Where Do They Live?

Age in Years	Living on Their Own	Living with Their Parents	Total
20	16%	84%	100%
21	28%	72%	100%
22	31%	69%	100%
23	44%	56%	100%
24	57%	43%	100%
25	63%	37%	100%

of these CDS “children” are now moving from teenagers to adults!

In the interview, we will ask questions about schooling and job training, work, and family, but just as importantly, we want to know about goals and dreams for the future, values that may guide life decisions, ways in which leisure time is used, and involvement in the broader community – whether that community is a neighborhood, school, professional network, and

As always, we code all responses into numbers, and no names, addresses, or other individually identifying information is ever given out. We are committed to protecting your privacy. Participation in the study is voluntary, and participants can refuse to answer any or all of the questions.

## By the Numbers

*This section provides some information on how your responses are used by researchers.*



*Many people help out in their communities or do other volunteer work.*

*FES families participated in volunteer activity at rates equal to the national average.*

### Helping Others

For the first time in 2001, you provided information about your charitable giving and volunteer time. This information showed that FES families participated in volunteer activity at rates equal to the national average. For all age groups, being in good health was a strong predictor of volunteering. And being in good health was an especially important factor in being

able to volunteer for those who were age 65 and older. About 30 percent of all families headed by persons age 65 and older participated in volunteer activities. But the participation rate ranged all the way from 44 percent for those in excellent health to only 11 percent for those in poor health. Of the population aged 80 and above, rates of participation in volunteer activity were only somewhat lower for those with some

limit on their activities of daily living. What is very interesting is the *level* of volunteer work of those aged 65 and older. The average hours of participation for this group was about twice the hours per year of those under age 65.

#### Percentage Volunteering During 2000 by Age and Self-Reported Health

	Entire Sample	Excellent Health	Very Good Health	Good Health	Fair Health	Poor Health	Total Hours among Volunteers
<b>Age group: &lt;=49</b>	26%	32%	26%	25%	19%	12%	101 hrs
<b>Age group: 50-64</b>	28%	38%	31%	25%	17%	17%	154 hrs
<b>Age group: 65-79</b>	30%	44%	35%	30%	23%	11%	229 hrs
<b>Age group: 80+</b>	21%	27%	27%	24%	10%	11%	252 hrs



*Many people experience good and bad states of well-being from time-to-time.*

## By the Numbers cont.

### States of Well-Being, Good and Bad

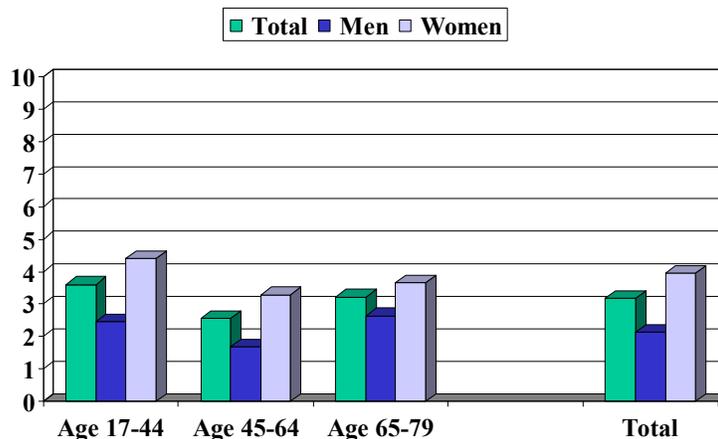
The emotional well-being of FES families can be captured by a 6-item 30-day distress measure called the K-6. 2001 was the first year we asked you to tell us how frequently in the past 30 days you felt sad, nervous, restless, hopeless, and worthless on a scale from none of the time (0) to all of the time (4). The

K-6 measure is constructed by simply summing the values obtained (from 1-4) on each of the six feelings, yielding a score ranging from 0-24. Researchers have used scores from the K-6 at 13 and above as a marker of high emotional distress. Looking at the scores of K-6 among those in the FES show the same well-known patterns of higher levels of emotional distress by age and gender. Women are about twice as likely as men to report

high levels of distress within all age groups. Distress is highest among the youngest age group (17-44), decreases among 45-64 year olds, and increases slightly at older ages (65-79), especially among men. Only about 3% of the entire population experienced high levels of distress in a given month during 2001.

*Women are about twice as likely as men to report high levels of distress.*

Percentage Experiencing High Emotional Distress During the Past 30 Days By Age and Sex



## Recent Research

### Women's Earnings and Work Patterns



*It is well known that men, on average, earn more than women.*

Despite extensive research on the progress that women have made toward equal pay and career advancement opportunities over the past several decades, it is well known that men, on average, earn more than women. But, there is no agreement about the size of this earnings difference and why differences may exist. According to data from the U. S. Department of Labor's Current Population Survey (CPS), women have typically earned less than men. Specifically, in 2001, the CPS data showed that for full-time wage and salary workers, women's weekly earnings were about three-fourths that of men's.

However, this difference does not reflect key factors, such as work experience and education, that may affect the level of earnings individuals receive. Studies that attempt to account for key factors have provided a better estimate of the earnings difference. Yet, information is still lacking be-

cause many studies on earnings differences relied on old data – in some cases data from a decade ago.

And even when accounting for these key factors, questions remained about the size of and reasons for any earnings difference.

To provide insight into these issues, researchers turned to the FES data. The high quality aspects of the FES data combined with information collected on work activities and earnings of men and women over long periods of time make the FES a great resource for looking at reasons why women earn less than men.

Looking at the work and life histories of individuals who were between ages 25 and 65 at some point between 1983 and 2000, researchers tried to estimate how earnings differed between men and women after taking into account factors that can influence an individual's earnings.

Of the many factors that explain differences in earnings between men

and women, work patterns are key. Specifically, women have fewer years of work experience, work fewer hours per year, are less likely to work a full-time schedule, and tend to leave the labor force for longer periods of time than men.

Other factors that account for earnings differences include industry, occupation, race, marital status, and job tenure. When the differences in work patterns between men and women are taken into account, it has been found that women earned, on average, 80 percent of what men earned in 2000.

Even after taking into account key factors that affect earnings, such as work pattern differences between men and women, the researchers still could not explain all of the difference in earnings between men and women. Additional research is needed to figure out whether this remaining difference is due to discrimination or other factors that may affect earnings. For example, some experts said that some

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## Recent Research cont.

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women trade off career advancement or higher earnings for a job that offers flexibility to manage work and family responsibilities.

### Poverty or Prosperity?

What are the odds that an average American will experience poverty in his or her lifetime? How about affluence? Mark Rank and Thomas Hirschl recently explored these questions using the FES data. They looked at total family income over a 25-year period from a wide range of sources, such as income from work for all family members, pensions, interest from investments, and more.

They defined poverty and prosperity by the Census Bureau's ratio of family income to needs. The Census Bureau sets thresholds in dollar amounts to reflect family needs. These thresholds vary by size of family and age of the family members. They are used by researchers as a yardstick for measuring where families stand in terms of how

far their income stretches against what they need to live. If total family income is less than the threshold appropriate for that family, the family is in poverty. If total family income equals or is greater than the threshold, the family is not in poverty.

To give you a sense of what this means in dollars, Rank and Hirschl described that a family of two with an income under \$10,869 in 1999 would be considered poor; a family of four in 1999 with an income below \$17,029 would be considered poor. There are several ways to measure affluence, for example, as a set dollar limit or as multiplier of the poverty threshold. These researchers defined affluence as a total family income of 10 times the poverty threshold. They give this example: a family of two in 1999 with \$108,690 would be considered affluent by their definition.

So what did Rank and Hirschl find? Americans have a pretty good chance of experiencing either poverty or prosperity in their lifetime. About 50%

of Americans by the age of 75 had a bout of poverty at least once in their lifetime and about 50% experienced affluence at least one in their lifetime.

- By age 40, 25% of adults will have spent a year in poverty;
- By age 55, slightly over one-third of the population will have experienced poverty; and
- By age 75, almost one-half will have lived at least one year in poverty.

Similarly, the likelihood of experiencing affluence during adult life increases by age:

- By age 40, 20% of the population will have experienced at least one year of affluence;
- By age 55, 40 percent will have experienced at least one year of affluence; and
- By age 75, 51% will have lived at least one year in affluence.



*Americans have a pretty good chance of experiencing either poverty or prosperity in their lifetime.*



Children's time use can be examined with the CDS data

*Watching television topped the list of leisure activities in 2002... CDS children and teens spent over 14 hours a week, on average, watching television.*

## Recent Research from the CDS

About two years ago, we visited the homes of 2,000 FES families to interview parents and their children for the second wave of the Child Development Supplement (CDS). Data are now available to researchers worldwide. Here is a summary of two recent studies.

### What are kids up to these days?

One of the most unique and "cutting edge" aspects of the CDS is the time use data. As part of the CDS, we gathered detailed information about how children and teens spend their time. For those of you who participated in CDS, you may remember the time use diaries. On their own, or with the help of their parents, the CDS youth wrote down their activities – minute-by-minute in a diary that accounted for a 24-hour period during the week and another one for a similar 24-hour period on the weekend.

You can imagine that many researchers are already taking a look at how FES youth spend their time in both structured and unstructured activities.

Watching television topped the list of leisure activities in 2002: Economists Thomas Juster and Frank Stafford and sociologist Hiromi Ono found that CDS children and teens spent over 14 hours a week, on average, watching television. In the time use data from the first Child Development Supplement in 1997, researcher Sandra Hofferth found that children similarly spent a large portion of time watching television - 12 hours a week. Other highlights from 2002 include:

- Children and youth spent 1.3 hours per week reading;
- Children and youth spent 3.58 hours per week studying and 32.5 hours per week in school;
- About three-quarters of children had home access to computers and the Internet. Computer time at home averaged about five hours a week for those aged 12-17. Children in families with home computers and Internet access spent much less time watching television—about 7 hours a

week less for teens aged 15-17.

**Gender Differences:** Girls between the ages of 6 and 17 spent an average of 6 hours a week playing, compared to 10 hours a week for boys. Girls also spent less time than boys participating in sports. They spent almost two hours a week more than boys engaged in household work and in personal care, and nearly an hour more a week studying. Boys spent an hour more than girls each week watching television.

**Sedentary vs. Physical Activity:** Children and teens spent almost four hours per week on average in sports and outdoor activities, less than they spent on sedentary activities such as television, home computers, reading and just doing nothing.

**Age Differences in Time Use:** Comparing children in early grade school to junior and senior high, the researchers saw a progressive increase in time spent on computer activities, a steady reduction in time spent sleeping and a strong increase in time spent visiting and socializing and in studying out of school.

ADDRESS SERVICE REQUESTED



*Researchers are showing that parents who get involved with their children's lives help them excel in school.*

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## **Children's School Achievements**

Most parents want their children to excel in school. Research on parenting has noted that parents' own education is important to predicting their own children's scholastic achievements. But recently, researchers are learning that parents' beliefs and parenting behaviors towards their children—beyond the effects of the parents' education alone, may have a profound impact on what children can achieve.

In a new study using the FES Child Development

data, researcher Pamela Davis-Kean looked at the link between children's reading and math skills and a host of parenting beliefs and behaviors such as: how much schooling parents wanted and expected their children to complete, parents' encouragement of reading at home, play activities the parents do with their kids, and the warmth they expressed to the children. She speculated that achievement would be linked to the parents' educational expectations, reading, play, and warmth above and beyond parents' own education.

It turns out that her hypothesis was supported:

although parents' education did influence child achievement, so did parents' beliefs about how much their child could achieve and stimulating home behaviors related to play, encouragement of reading, and warmth expressed to the child.

The results suggest that how parents structure their home environment as well as how they interact with their children may affect their children's academic achievement in positive ways. Undoubtedly, this study is just the first of many that will continue to investigate the relationship of family processes and children's academic achievement.