

Tracy Roberts
University of Maryland

Employment and Marriage: Pathways Off of Welfare?

Short Abstract-
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Harris (1996) found that the route of exit from welfare did not affect the probability of recidivism. While Harris primarily focused on the events that enable women to exit welfare, this analysis examines all of the events that women experience on their pathways to either self-sufficiency or recidivism. Using a larger sample, drawn from the 1979 – 2000 National Longitudinal Surveys of Youth, I find that women who combine employment and marriage, in that order, have significantly lower risks of recidivism than other women. Women who marry but do not enter employment have higher recidivism rates than women who combine employment and marriage, but they are less likely to return to welfare than women who are only employed. The data suggest that the best strategy for promoting stable marriages and self-sufficiency after welfare is to encourage the growth of women's own resources through employment prior to marriage.

Long Abstract

One of the major policy questions in the debate over welfare is how to reduce long-term dependency on federal aid. The 1990s saw large financial outlays for job preparedness and work training programs. More recently, marriage promotion policies have become popular as a means to combat poverty. Examining recidivism outcomes for women exiting welfare, this paper assesses the efficacy of marriage and employment as pathways for maintaining self-sufficiency over time.

This analysis updates Kathleen Harris's 1996 work with the Panel Survey of Income Dynamics in which she found that the route off of welfare had no effect on the probability of return to the program. While Harris primarily focused on the events that enabled women to exit welfare, this analysis examines all of the events that women experience on their pathways to either self-sufficiency or recidivism. Using data drawn from the 1979-2000 National Longitudinal Surveys of Youth, my sample is larger than Harris', is not limited to one historical period, and represents the welfare, marital, and employment experiences of an actual cohort of women.

To assess the risk of returning to welfare after exit, I construct four mutually exclusive, sequential categories that capture the pathways that women travel after exiting welfare. The pathways begin with the events occurring at the time of a woman's welfare exit and capture the events occurring until a woman either returns to welfare or the sample period ends. The pathways include: marriage, employment, employment to marriage, and marriage to employment. Hazard models that control for a vector of covariates known to affect recidivism are used to evaluate the risk of recidivism for the four different

pathways. Life table techniques provide a graphic representation of the survival curves for these groups.

The data suggest that women who combine employment and welfare, in that order, are the least likely to return to welfare after exiting. The affect of combining employment and marriage appears to provide double protection against the risk of recidivism. Women who experience only marriage during the exit period have higher recidivism rates than women who combine employment and marriage, but they fare better than women who are only employed. The data suggest that marriage provides some protection against recidivism; however, the small sample size of women marrying to leave welfare also suggests that this is not a well traveled path. The larger number of women who marry after becoming employed may suggest that the process of becoming employed is important to the process of marriage.

Theories of assortative mating suggest that people select mates who have similar characteristics to their own. Applying this theory, women who marry at welfare exit will likely marry mates with similar educational and work experience. Increasing women's own human capital through employment and training may be the best policy decision; not only will women increase their own capabilities, but the data suggest that their risk of recidivism will decrease and the likelihood that they will marry will increase.