Notes and Brief Reports

Economic Status, Unemployment, and Family Growth [1]

The economic status of a family has an important bearing on how many children they have, want, and expect and on the timing of family growth—the age at marriage, whether or not the mother was premaritally pregnant, and on the time interval between marriage and successive births. This is one of the findings from a study, made by the Population Studies Center at the University of Michigan, of mothers in a metropolitan area during a 2-year period. The study findings are presented in a report prepared by Ronald Freedman, Director of the Population Studies Center. The study was supported in part by a grant from the Social Security Administration under the cooperative research and demonstration grant program.

Designed to examine important aspects of the relation of economic status to family growth, this study focuses on the patterns and dynamics of family composition and growth and how they are affected by both initial and shifting economic status.

The research is based on three sources of data:

(1) Intensive interviews in January–February 1962 with 1,304 white married women in the Detroit metropolitan area, at selected stages in the family life cycle. A random cross-section sample of women married in June 1961, or having a first, second, or fourth child in July 1961, was selected from the vital records. In all, 191 women of zero parity, 372 of first, 372 of second, and 369 fourth parity women were interviewed.[2] The interview material covers many phases of family life and history, information regarding the respondents' family expectations and preferences, their pregnancy histories, and a wide range of social and economic variables.

(2) Follow-up interviews—chiefly by telephone—with the same couples over a 2-year period to determine changes in family situation and plans. The first follow-up was done in October–December 1962, and the second in October–December 1963. A further reinterview of all women pregnant at the time of the third interview was taken to determine the outcome, so all pregnancy data could be based on complete pregnancies.

(3) Interviews with a separate sample of Negro women, using the same basic questionnaire as for the white sample.

In the initial interview the 1,304 completed questionnaires represented an overall response rate of 92 percent. In the second round, 98 percent of those initially interviewed and still eligible—that is, still married and living with spouse—were reinterviewed; in the third round, 99 percent. The use of telephone interviews for a longitudinal study concentrating on a limited number of follow-up subjects—one of the methodological points of interest in the study—was found to be very successful.[3] Analysis of the data centered on seven major topics of inquiry is discussed below.

STABILITY AND CHANGE IN EXPECTATIONS ABOUT FAMILY SIZE

Analysis of the family size expectations expressed by this panel of mothers in three separate interviews showed responses to be remarkably stable in the aggregate. Although there was complete stability of expectations for only a minority—albeit a large one—of the population, the compensating changes produced an aggregate result of no change for the expectations of all the women at each parity.

Only two factors examined—the discrepancy between preferred and expected number of children and the experience of a pregnancy—had an important influence both on change in expectations and on the direction of change. Changes tended to occur more often if there was a discrepancy between the number of children wanted and expected, and the change was in the direction of reducing the discrepancy. Those who became pregnant in the study period tended to change and on balance to change upwards. This is partly, but not entirely, a result of adjusting expectations upward in view of unexpected and unwanted pregnancies.

Catholics were more changeable in this respect

[1] Abstract of a mimeographed report on a study supported in part by Social Security Administration Grant No. 107. Some portions of the study have already appeared in professional journals, and publication of other portions is scheduled. Copies of the report may be obtained from Ronald Freedman, Director of the Population Studies Center, University of Michigan, Ann Arbor, Michigan.

[2] This initial interview was conducted under the auspices of the Detroit area study program of the University of Michigan's department of sociology, with the assistance of the Survey Research Center.

[3] A methodological article on this phase of the project appears in *The Public Opinion Quarterly*, vol. 28, Spring 1964.

than non-Catholics although there was no consistent difference in the direction of change. Various other social and economic characteristics were associated with the amount of change, although most had no consistent relation to the direction of change. Therefore, for most characteristics, the changes occurring even with specific subcategories had no net effect on mean expected family size.

The results of this analysis are interpreted as consistent with but not proof of the view that social norms about family size tend to control behavior of American couples (more precisely, couples in the Detroit area), so that changes in expectations tend to be small, overlapping, and compensating.[4]

ECONOMIC CONSIDERATIONS IN FAMILY GROWTH DECISIONS

This part of the analysis explores two hypotheses: (1) In a large American metropolis, income is more closely related to the timing of demographic events than to the number of children expected; (2) a family's evaluation of its economic position and the choices it makes about important family expenditures have a relation to fertility and timing apart from the effects of the family's objective current income level. The findings are summarized in the paragraphs that follow.

Current family income was not related to expected or preferred family size, but, as noted above, it was strongly related to the timing of certain demographic events—the age at marriage, whether premaritally pregnant, the time interval from marriage to the given parity, the fertility during a 2-year follow-up period.

Unemployment before the time of the study had no significant relation to the demographic events measured, but unemployment during the period of the study itself—especially short-term unemployment—was related to higher fertility during the 2-year follow-up period.

Attitudes toward current income levels were related to the demographic events apart from the level of income itself. Expectations of improved income and standard of living and perceptions of present income as adequate (regardless of income level) or as higher than peers, were positively correlated with family size expectations, although the latter factor showed the correlation only for women who had borne their fourth child.

Actual and desired expenditures for the children or for other purposes also were related to demographic events: (a) high aspirations to provide certain things for the children was related to expecting fewer additional children and to longer intervals between births; (b) plans to send children to college when backed by actual savings for this purpose were related to expecting fewer children, to lower premarital pregnancy rates, and to spacing the children more widely; (c) those who owned two or more cars expected and preferred fewer children than those who were one-car owners; they also built their families more slowly and had much lower birth rates in the 2-year follow-up period of the study.

The wife's participation in the labor force was strongly related to expecting and preferring fewer children and to longer birth intervals.

CHILDSPACING AND FAMILY ECONOMIC POSITION

The study examined the hypothesis that rapidity of family building has an impact on the level of family income, and further, that rapid spacing has a depressing influence on the assets a family accumulates, quite independent of the income level attained.

The timing of births after marriage had a rather strong and consistent relationship to the economic position of couples in this sample. Whether measured by current income or by the accumulation of several types of assets, the couple's economic position was substantially better the longer the interval from the start of the marriage to the first birth or to the last birth. Those wives already pregnant with their first child at the time of marriage were particularly disadvantaged economically. This was true even when the couple had been married long enough to have four children. While income and asset position were clearly related, the correlation of longer spacing and absence of premarital pregnancy with greater asset accumulation remained when income level was taken into account in multivariate analysis.

[4] A full exposition of these findings has been published in *Demography*, vol. 2, 1965.

Whether early and rapid family growth causes the relatively-low income status with which it is associated cannot be definitely determined from the data in this analysis. The question is whether some other factor accounts both for the timing of the demographic events and the economic history of the family. Controlling for such variables as husband's education, duration of marriage, and wife's age at marriage did not reverse the relationships found.

These various relationships were especially striking and consistent for the extreme example of short childspacing—those already pregnant at marriage. Such couples represented a sizable minority of the population studied—about 20 percent.

SOCIAL CORRELATES OF FETAL LOSS

The panel design of the study insured that the record of fetal deaths was unusually complete for the follow-up years. Although the sample size was rather small for a fetal mortality study, the findings were of such consistency and significance that there is value in reporting them as a basis for further investigations.

(1) A sizable increase in the fetal mortality rate in the follow-up period from the rate in the period before the first interview (164 per 1,000 pregnancies compared with 109) substantiated the argument that studies based on reconstructed pregnancy histories greatly underestimate the occurrence of fetal deaths.

(2) Consistent with previous studies, it was found that: (a) age specific rates followed a U-shaped curve; (b) fetal deaths were negatively related to parity in the retrospective data; and (c) there was a "tendency" to repeated fetal deaths by women who had previously aborted.

(3) No consistent relationship obtained between income and fetal mortality at the initial interview. In the follow-up period, however, there was a clear positive correlation between income and fetal mortality. The report suggests two explanations: the improved reporting in this period, apparent at all parities and income levels, may have been greater for higher income groups; and, in a modern urban setting, higher income may facilitate induced abortion, a form of birth control that may be more readily available to those with higher income.

(4) There was considerable rise in fetal deaths among fourth-parity women in the follow-up period. A number of factors contribute support to the hypothesis that this increased rate reflects induced abortions: (a) the fetal death rate for fourth parity women doubled in the follow-up period, becoming the highest rate for any parity. This increase was highly disproportionate compared with the other parities; (b) among women who had pregnancies before the fourth birth that occurred sooner than they wanted, fetal mortality tripled following the fourth birth; (c) women reporting not wanting the pregnancy producing the fourth child had a substantially higher fetal death rate in the follow-up period than did women who wanted the fourth child.

The study speculatively attributes the rise in fetal mortality after the fourth birth mainly to the fact that women at this stage of family life feel strongly that they do not want more children and use induced abortion to avoid further births.

CORRELATES OF BIRTH WEIGHTS IN AN URBAN POPULATION

The results of this study do not support the findings of earlier researchers, which indicate a direct relationship between socio-economic level and average birth weight. Neither occupational status nor father's income showed a consistent relationship, but the average birth weight was lowest in the lowest income group in two of the three parities studied. Education is the one social characteristic examined that had a clear, although limited, influence on birth weight for each of the parities included in the study.

STABILITY OF FAMILY EXPECTATIONS IN FIRST 2 YEARS OF MARRIAGE

The data from this cross-section sample of 191 white couples interviewed shortly after marriage and subsequently over a 2-year period indicate that the stability of their family-size expectations was comparable to that of the expectations of women who have already borne one, two, or four children. There was no consistent relationship of either stability or direction of change to the status measures of income or occupational class, but the more highly educated were more stable than the less well-educated and if they did change, were more apt to change downward.

FERTILITY PATTERNS OF URBAN NEGRO FAMILIES

In addition to the panel study of 1,304 white couples, which constituted the major portion of this project, 200 second- and fourth-parity Negro

mothers were interviewed. Those who had just had their second child expected on the average to have 3 children when their families are completed; those who had had a fourth child expected 4.6 children. While these expectations are somewhat lower than those found among white Detroit area women at comparable parities, there is serious question as to whether they are realistic. Attitudes and use of birth control among the Negro sample lend credence to the idea that expectations may not be realized. A fairly high proportion indicated that they were in favor of birth control, but considerable numbers also reported never having used it.

Family income, education, and occupation were all positively related to later marriage and slower family building patterns. Twenty-five percent of the second-parity families and 52 percent of the fourth either were receiving welfare assistance at the time of the interview or had received it sometime in the past. While a sample of this size does not provide a large number of cases for detailed analysis, the differences were large and striking and worth comment. Wives who were receiving welfare, or had been in the past, expected more children than those who had never been on welfare, and timing patterns indicate that the differentials in expectations of the two groups may if anything be accentuated when families are completed. Earlier marriage, more illegitimacy, and shorter intervals between births characterized the welfare group.

There was a great deal of dissatisfaction with this timing of children. The low proportion who have ever used birth control, however, makes the probability slight that the spacing pattern will change to one more to the respondents' liking.

Private Pensions and Individual Savings*

People who expect to have a half-way adequate income in retirement save more than those whose prospects for retirement are less favorable. This is one of the conclusions drawn from a study of private pensions and individual savings conducted by the Survey Research Center at the University of Michigan under the direction of Professor George Katona. The study, which was supported in part by a grant from the Social Security Administration under its cooperative research and demonstration grant program, was based on personal interviews with a representative sample of American consumers. Some of the findings are presented here.

Many workers today expect to have payments from a private pension plan when they retire. Those with favorable prospects for retirement tend to save more than others—a situation that may be interpreted in two ways: (1) Perception of favorable retirement prospects induces individuals to accumulate financial reserves because concrete and attainable rewards provide special incentives; and (2) thrifty persons evaluate their retirement prospects more favorably than the less thrifty. And perhaps both tendencies are operative at the same time. A person with sizable assets may see his retirement prospects in a favorable light, and the perception of favorable prospects may stimulate additional savings. As a corollary, and contrary to some expectations, favorable retirement prospects do not generally and necessarily inhibit or retard savings.

WORKERS' UNDERSTANDING OF OASDI

Data were obtained not only on retirement expectations and savings behavior but on the level of workers' information about the social security program and the specific types of benefit payable under that program. Two approaches were used. The first was nonsuggestive and asked respondents to name the specific benefits that they could recall. About two-thirds of the group (approximately 5,000) spontaneously mentioned retirement benefits, compared with 30 percent who mentioned survivor benefits and 17 percent who mentioned disability benefits. There was greater awareness of the various programs among the high-income respondents than among those with low incomes.

When those who had not spontaneously mentioned the survivor benefits were prompted by a

* Prepared in the Office of Research and Statistics. Based on *Private Pensions and Individual Saving*, by George Katona, Monograph No. 40, Survey Research Center, University of Michigan, 1965. Research for the study was supported in part by Social Security Administration Grant No. 058. Copies of the report may be obtained from the Survey Research Center, University of Michigan, Ann Arbor, Michigan.