

The Great Recession: Parenting, Child Behavior, and School Performance

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Abstract

We examine the association between the Great Recession and five aspects of 9-year-olds' well being: (1) externalizing and (2) internalizing behavior problems; (3) early delinquency; (4) vocabulary; and (5) school achievement/engagement. It draws on the Fragile Families and Child Wellbeing Study, a longitudinal cohort study with families interviewed at the birth of a child and re-interviewed when children were 1, 3, 5, and 9 years old. We append consumer confidence and unemployment rate data to the mother's file by matching to the date of the mothers interview at the age 9 survey, which occurred before and during the Great Recession. We find the Great Recession was associated with increased problem behaviors among boys and children living with a single mother, and that these findings are mediated by maternal parenting. Planned analyses include measures of child vocabulary and school achievement/engagement, additional measures of parenting, and changes in consumer confidence and unemployment.

The Great Recession, beginning in December 2007 and officially ending in June 2009 (NBER), severely disrupted the American economy and family life. In addition, it serves as an exogenous shock allowing us to investigate the link between economic instability and children's behavior. A growing body of research has begun to examine how an aggregate shock such as the Great Recession affects children and families. Recent research has demonstrated an association between the Great Recession and increased maternal spanking (Brooks-Gunn, Schneider, & Waldfogel, 2013), child maltreatment (Berger et al., 2011; Huang et al., 2011; Lee, Brooks-Gunn, McLanahan, & Garfinkel, 2013; Lindo, Hanson, & Schaller, 2013; and Wood et al., 2012), material hardship (Pilkauskas, Currie, & Garfinkel, 2012), marriage (Harknett & Schneider, 2012), parenting (Schneider, Waldfogel, & Brooks-Gunn, under review), and health (Lindo, 2011). Although researchers have begun to investigate the ways in which the Great Recession affected parents and families, ours is among the first to examine how the Great Recession directly affected children (Kalil, 2013; Leininger & Kalil, 2014).

The aggregate shocks literature is distinct from, but builds on, research that assesses the effects of an *individual or family's* own experience of economic hardship and uncertainty, such as home foreclosure or job loss, on child and family wellbeing. In his classic study of families who lost their jobs during the Great Depression, Elder (1974) proposed a "family stress model" that posits the ways in which economic hardships negatively affect parental relationships, parenting, and mental health, and in turn, child wellbeing.

In this analysis, we examine the association between the Great Recession and children's externalizing and internalizing problem behavior, children's own reports of early delinquency, children's receptive vocabulary, and school achievement and engagement.

The Fragile Families and Child Wellbeing Study (FFCWS), a longitudinal birth cohort study, is particularly well suited for examining associations between the Great Recession and families and children. The 9-year follow up survey was collected beginning in May 2007 and ending in February 2010, providing us with a survey frame that includes the Great Recession as well as data prior to and after the recession. In addition, interviewing for the study took place over a number of years both within and across the sample cities, providing variation in the timing of the measurement of the Great Recession. We take advantage of that variation by matching macro-economic measures of consumer confidence and city level unemployment rates to the FFCWS mothers' interview date. In all of our models we control for a robust set of maternal demographic and socio-economic characteristics, as well as city-fixed effects and year controls.

We begin by asking whether declining consumer confidence and increasing unemployment rates were associated with increased child behaviors problems, early delinquency, and in planned analyses, receptive vocabulary, and school achievement and engagement at age 9. In future analyses we will also estimate these models using measures of changes in consumer confidence and the unemployment rate. Next, we ask whether boys or those with more socio-economically disadvantaged mothers (living below 200% FPL or with high school or less education) or those living with a single mother were more likely to display increased problem behaviors. Last, we investigate the role of a series of family level mediators of these associations, including: family economic hardship, maternal depression and substance use, parental stress, maternal warmth and harsh parenting, and couple discord.

Preliminary analyses: child outcomes

First, we find evidence that boys' and girls' behaviors changed in different ways as a result of the Great Recession. For example, we find that boys displayed more externalizing and

internalizing behaviors as consumer confidence and the unemployment rate worsened, but that girls displayed somewhat fewer of these problem behaviors. Because our models for children's externalizing and internalizing behaviors also controlled for lagged dependent variables which measured these behaviors at the prior wave, we view these findings as estimates of changes in children's behavior linked to the Great Recession. We also find that boys had higher levels of self-reported vandalism and use of drugs and alcohol while girls reported a somewhat lower rate of these activities as the economy worsened. We find that boys' increased externalizing and internalizing, and vandalism and drug and alcohol use, is moderated by family structure with boys of single mothers showing the most change. In addition, we will investigate the association between worsening consumer confidence and the unemployment rate and children's receptive vocabulary, school achievement, and commitment/engagement in school. We will also explore how these outcomes may also be moderated by family structure and child gender.

Preliminary analyses: mediators

Our mediation analysis results indicate that some of the association between the Great Recession and boys' problem behaviors may work through maternal parenting and mental health. Specifically, our results show that when maternal harsh parenting, warmth, and depression when added as a group significantly reduce the association between consumer confidence and increased externalizing and internalizing among boys living with a single mother.

We will expand these models to include mediation analyses of receptive vocabulary and school achievement and engagement at age 9. In addition, we will conduct analyses investigating the potential mediating role of family economic hardship, substance use, parenting stress, and couple discord. We will conduct these mediated models separately for boys and girls and single and married/cohabiting parents to see differences within these groups.