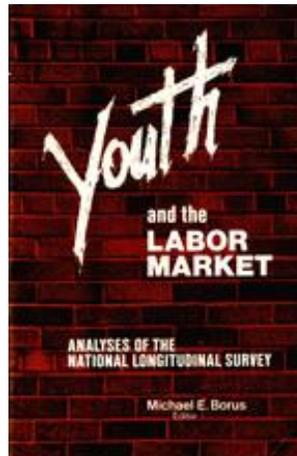

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Introduction and Summary

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Chapter 1

Introduction and Summary

by Michael E. Borus

This volume contains analyses based on data from the 1979, 1980 and 1981 National Longitudinal Surveys of Youth Labor Market Experience. These data, collected for a nationally representative sample of 12,686 youth age 14-22 in 1979—of whom 12,141 and 12,195 were reinterviewed in 1980 and 1981, respectively—permit analysis of the changes in young peoples' lives as they move from an environment of family, home and school to a more independent life.¹ Early chapters show the employment situation of young people and how changes in the labor market may have affected employment and unemployment over the decade of the 1970s. The middle chapters discuss schooling decisions (in particular dropping out, returning to school and going to college), whether private or public schools are more effective, and whether vocational education is superior preparation for employment. Final chapters discuss how young people spend their time, which youth are involved in delinquency and the criminal justice system, and how such involvement may affect employment. The remainder of this chapter is a summary of all these findings.

Chapter 2 surveys the employment status in the Spring of 1981 of youth age 16 to 21. Multivariate analysis indicates that the incidence of unemployment, as shown by unemployment rates, is concentrated among certain groups of youth.

It was found for young women that the probability of being unemployed was higher for the young, for high school dropouts and graduates as compared with high school students, for black young women and those who resided in families where the income level was below the poverty line, those who had previously received government employment and training services and those living in their parental households. Unemployment was also higher in the Northeast, in urban areas, and in those areas where the unemployment rate was 12 percent or more. Among young men, the unemployment rate was higher among high school dropouts, among blacks and those in poverty, and among those youth living in their parental homes. However, unlike the case for females, male college students had lower probabilities of unemployment than high school students and very little difference in unemployment rates occurred by age. Young men in areas of unemployment between 9 and 11.9 percent had the highest rates of unemployment, as did those living in the North Central region, and for males receipt of government employment and training services was not associated with higher probabilities of being unemployed.

The majority of unemployed youth said that they were looking for work because they needed money. However, only 1 in 13 said they were looking for work to support themselves or to help with family expenses. The unemployed young people primarily made direct application to employers as their method of job search, although nearly a third checked local newspapers and between 10 and 20 percent used the public employment service, asked friends or relatives and placed or answered advertisements. About half were seeking full time work and a large proportion said that they would take any kind of work or could not identify a specific occupation. More than half of the youth said that they would take jobs at or below the minimum wage.

These data suggest questions about the seriousness of unemployment among many of these youth. To test this seriousness, we constructed an arbitrary definition of hard-core unemployed youth. This definition included 1 in 11 unemployed youth, or about 300,000. It was found that the hard-core unemployed tended to be older, more likely to have participated in training, to be married, to have children, to live in a central city of an SMSA, and to live in an area of high unemployment than was true of all unemployed youth.

In the Spring of 1981, approximately 56 percent of 16-to 21-year-olds were employed. The employment-to-population ratio rose with age, was lower for blacks than for Hispanics and whites, was considerably higher among high school graduates not enrolled in college than for college or high school students or high school dropouts and was considerably higher for men who had been married and lower for young women who were married and living with their husbands. The proportion of youth who were employed was highest in the West and Northeast and lowest in the South, and higher in urban than in rural areas. When a multivariate analysis was used, however, several differences appeared. Holding other factors constant, living in the South led to significantly more employment for males than those living in the North Central states. Residence in a rural area did not significantly influence the probability of employment, nor did living in the central city of an SMSA.

The jobs held by young people tended to be sex stereotyped. Young women were concentrated in clerical, service and sales jobs, while young men were employed in service jobs and as laborers, craftsmen and operatives. Of those young people who provided hourly rate of pay information, nearly one-fourth were working at jobs paying less than the minimum wage, and an additional 12 percent were

working at the minimum wage. Over three-quarters of the jobs held by youth required educational levels below high school graduation and nearly half required no more than a short demonstration to learn. An additional one-fifth required less than 30 days on-the-job specific vocational training.

Chapter 3 investigates the relative employment positions of black and white young men in 1971 and 1979 who were out of school, 18-21 years old, and not in the military. The mean number of weeks of employment was dramatically lower for blacks in 1979 than in 1971. The proportions with no employment during the year or who worked 12 or less weeks increased much more for blacks than for whites. During 1971 the majority of blacks held multiple jobs, while the majority of whites held a single job; blacks showed relatively high turnover out of employment, with substantial periods of not working, but whites were more likely than blacks to hold a single job and to have less time between jobs if they did change employers. By 1979, however, blacks were more likely to have had but one employer, while among whites multiple job holding increased. Thus, over the decade employment declined somewhat among whites, apparently due to higher job turnover. On the other hand, the decline in black employment over the decade appears due to periods of lengthy joblessness among a growing subsample of the black population.

Multiple regression analysis was conducted in an attempt to explain these patterns. It was found that declines in marriage decreased the time that blacks were employed, and that shifts of blacks from the South to other parts of the country, and the growing number of blacks relative to whites living in SMSAs also contributed to lower black employment over the decade. On the other hand, changes in the distributions and effects of education and age between blacks and whites lessened the employment gap.

Most important, the regression analysis indicates that in 1971, lack of employment among blacks resulted from higher turnover and a stronger positive relationship between turnover and joblessness than existed for whites. In 1979, however, blacks had less turnover than whites and the relationship between number of employers and total employment was much weaker than in 1971. Thus, blacks did not gain from reduced turnover.

Further, as already noted, a substantial increase appeared in the number of blacks who had no employment during the year, along with a relative increase over the decade in the extent to which low employment in one year predicted low employment in the next year for blacks. Thus, one can conclude that the relative decline in employment was due to the relative concentration of joblessness among a group of black youth over the decade of the 1970s and not due to increased turnover and job search.

Three schooling decisions are studied in chapter 4: the decision to drop out of school without finishing the 12th grade, the decision to return to school after having dropped out, and the decision to go directly on to college after completing 12th grade. Black and Hispanic youth have higher dropout rates and lower probabilities of moving from high school directly to college than do whites, but these differences are not due to race and ethnicity; when family background, attitude and schooling variables are taken into account, minorities are no more likely than whites to drop out of school or not to continue on to college.

Coming from a poverty household and being unemployed while in school tend to raise the probability of dropping out, other factors held constant. The effects of these two variables are not large, however, and a reduction of less than one percentage point in the national dropout rate would result if there were no poverty and all youth were employed

or not in the labor force. Although on average youth from poor families were less likely to attend college immediately following the 12th grade, this, too, was probably due to family background variables; when these were controlled, the differences between poor and nonpoor youth were not statistically significant.

School segregation did not affect either the dropout or college attendance probabilities significantly when other factors were controlled. This finding appears to indicate that integration efforts will not affect these two variables directly.

Participation in a college preparatory program is associated with lower dropout rates and higher college attendance. It is not possible, however, to say if placement of more students in college preparatory tracks would lead to reduced numbers of dropouts because self-selection may be involved.

Other school characteristics appear to have only limited influence on dropout and college attendance rates. The dropout rate was somewhat higher in schools with higher student-teacher ratios and less local government funds. Although lowering student-teacher ratios and increasing government expenditures on education would lead to some reduction in dropouts, the data suggest that the impact of these policies would not be very great.

Pregnancy is one of the major reasons teenagers drop out of school. Obviously, to the extent that childbearing is delayed until schooling is completed, educational attainment will be increased as will these young peoples' subsequent labor market success, which is correlated with high school graduation.

In 1981 Coleman, Hoffer and Kilgore published a study which concluded that public secondary schools provide an inferior education relative to private schools. Chapter 5 uses

the NLS data, with its larger sample of schools, to test this conclusion. Two outcomes were measured: score on the Armed Forces Qualifications Test and educational expectations, using multivariate analyses to account for family background and other variables which might be correlated with choice of type of secondary school.

The results indicate that students in nonpublic schools were much more likely to be enrolled in college preparatory curricula and less likely to participate in vocational training, and it is the choice of curriculum that is crucial in determining the youths' achievement scores, not the type of school. Also, while there was a slight increase in expected education among students in Catholic schools, this was not the case for other private schools when curriculum was taken into account. Thus, the clear conclusion is that being in the college preparatory curriculum in either public or private secondary schools is much more critical than the type of school for maximizing the two educational outcomes.

Although taking college preparatory courses increased achievement and educational expectations equally for all three racial-ethnic groups, analyses conducted separately by race and ethnic background show some differences between public and private school students. Hispanics had higher achievement levels when in a private school, particularly in their scores on word knowledge and paragraph comprehension.

There are some nonachievement benefits to be derived from private school enrollment. Estimates of some quality of school life variables were higher for private school students: i.e., quality of class instruction, strictness of discipline, and, to a lesser extent, personal safety and friendship opportunities at school. Private school students, however, rated lower than public school students in their degree of learning freedom and opportunities for job counseling. Thus, except

for Hispanics, beliefs about the superiority of private education should be restricted to the quality areas. Learning is not better in private schools.

Chapter 6 investigates the effects of high school curriculum on the labor market experience of young men and women who do not go on to college. For young women, an additional half year of academic or vocational courses increases hourly earnings by 3 percent, reduces unemployment by 1.5 weeks per year and increases annual hours worked by 150 hours. For young men, academic and vocational training do not affect hourly earnings, but both types of training reduce the number of weeks unemployed, and vocational training increases the number of hours worked annually. Apparently both academic and vocational curricula have a significant positive impact on labor market success.

Vocational training taken in conjunction with a planned program has a greater impact on labor market outcomes of high school graduates than does a random series of vocational courses taken in unrelated areas. The payoff for vocational training is also higher for persons employed in jobs where their training can be used, and the strongest vocational training effects are associated with office occupations. No difference appears between disadvantaged and not disadvantaged youth in the effects of vocational and academic training on weeks unemployed or hours worked, but vocational training has stronger effects on hourly earnings of youth who are not disadvantaged. The effect of vocational training on hourly earnings also appears smaller for blacks than for whites.

How young people spend their time is the subject of chapter 7. The data refer to an average week in the Spring of 1981. Among youth who work, the length of the average workweek shows only modest variance across race and sex groups. White females work the shortest week, 28 hours,

while Hispanic males are employed for the longest period, 35 hours. Generally, women work two to four hours less per week than do men. On the job, females spend about twice as much time as males reading and writing and considerably more time dealing with people. However, both men and women spend about three-quarters of their time working with their hands.

Those enrolled in school spend between 25 and 30 hours a week at school; 18-22 of these hours are spent in class. The students spend from 7-9 hours per week studying away from school. American youth also spend a substantial part of their week watching TV, with females averaging about 2.3 hours a day and males 1.8 hours. In contrast to their leisure time spent watching TV, there is strikingly little time spent reading during the week—less than three-quarters of an hour per day. Finally, the youth spend between 8 and 19 hours a week on household chores, with women spending approximately twice as much time on these activities as young men.

When the time-use of youth is examined by their socio-economic status (SES), it is found that those from high SES households spend two to three less hours per week at work if employed and approximately one and one-half hours per week more in reading and four to six hours less watching TV than do youth from low socio-economic households. This finding may reflect in part the fact that those youth from high SES backgrounds are much more likely to be enrolled as full-time students. Finally, the youth from low socio-economic backgrounds are more likely to be in jobs where they spend time working with their hands than is true of the youth from higher socio-economic backgrounds.

When the time-use of nonstudents who are unemployed is examined, it is found that relatively few are involved in any kind of training program—3 to 4 percent. Quite surprisingly, the number of hours spent by the unemployed looking for

work is very small—roughly 3.5 hours per week for young women and 5.5 hours per week for young men.

Chapter 8 treats delinquent behavior among youth, and by any measure criminal or disruptive behavior is widespread. Substantially over half of the respondents report some level of illegal behavior, and one-third of the males report some form of police contact. A substantial minority of youth, one-fifth of males and one-tenth of females, report that at least part of their financial support is derived from illegal activities. Marijuana and its derivatives had been used at least once in the previous year by almost half of the sample, and older respondents reported more prevalent use. Illegal behavior other than drug use is reported more frequently by youth under the age of 18 than by adults.

As expected, males report much more frequent illegal behavior than females. Besides gender, the other major variable associated with the distribution of delinquency is school enrollment status: dropouts are much more likely to participate in virtually every category of illegal behavior, and the association between illegal behavior and social class, measured by race and poverty status, is much weaker than the association with education. Among males it is the non-poor who are more delinquent, particularly in drinking and drug use, although males from nonpoor families are also more likely to report vandalism, shoplifting, assault and fraud. Likewise, more affluent women are more likely to report alcohol and drug use than are poor women, although poor women report more involvement with offenses involving personal violence. Few major differences appear by race, although drug use and drinking are more common among whites than among Hispanics and blacks.

The results for reports of police contacts parallel the results for illegal activities. Males and dropouts have substantially more contacts with police than do females and

other enrollment status groups. There is no difference by income in frequency of young males being stopped by police without further processing, and poor females are actually somewhat less likely than affluent females to be simply stopped by police. However, poor youth are consistently more likely to be formally charged, convicted, put on probation or incarcerated than are nonpoor youth.

The link between employment and crime was tested using a model based on both sociological and economic accounts of the causation of delinquency. Contrary to the hypothesis that crime substitutes for employment as a source of income, employed high school students were actually more likely to participate in illegal activities, particularly drug use. This relationship probably reflects the greater discretionary income and freedom from adult control among youth who are working. Among noncollege youth 18-23 years old, however, there did seem to be a tendency for youth who reported higher levels of illegal income to report more weeks unemployed.

The picture of the youth labor market presented here derives from statistical analyses of data collected from young Americans during three years in the late twentieth century. Our findings are not intended to suggest that what has happened to large proportions of NLS respondents might happen in the life of any specific individual in the future. It is hoped instead that the studies presented here will suggest routes to improvements in the youth labor market.

NOTE

1. More detailed information on the surveys appears in Center for Human Resource Research (1983).

REFERENCE

Center for Human Resource Research. 1983. *NLS Handbook, 1983*. Columbus: The Ohio State University.