

PERSPECTIVES ON YOUTH IN THE GREAT DEPRESSION AND CONTEMPORARY RECESSION

Many decades have passed since the Great Depression, and yet we are still drawn to this hard time and its lasting effects. The enduring impact of the present economic crisis in lives cannot be known for years, but the Depression's studies may suggest a fruitful way of thinking about and studying contemporary youth in this "Great Recession."

Perspectives on Children of the Great Depression

1– "Children of the Great Depression," 1974/1999. This study began with California children who were born at the outset of the 1920s – the Oakland Growth Study children; and later with the Berkeley children who were born in 1928-29. Non-deprived and deprived in middle and working class. Family as link between Depression and adolescent.

A comparative cohort design, with multiple waves of data collection into the 1970s. Both cohorts were followed up across the life course and also compared at various points. Life stage and gender differences in life course impact as covered in the proposal. Berkeley boys most adversely influenced, more than girls. Oakland youth passed through the 30s at an optimum time in life – not too young and not too old.

2 – “The War Cohorts – WW II, the Korean conflict, and even the Vietnam War”

Especially the young men in the Oakland and Berkeley cohorts were likely to serve in one or more military conflicts into the 40s, 50s, and 60s. The concept of “turning point.”

As we know, this wartime experience played a major role in pulling men out of hardship and its sequelae. Homefront mobilization and its “employment opportunities” had a similar effect among young women who were not in college or headed in that direction.

3- Children of the Land (Iowa) and Inner City (Philadelphia) – a spin off from the Depression studies for me. Iowa focus on income and job loss, as well as “cutting back” on consumption or expenditures. The Philadelphia study focused on disadvantage via poverty.

I. Some Contextual Observations, 1930s and 2008-10

Before I draw some key themes from *Children of the Great Depression*, a few points of contrast between then and now are in order.

1. Unemployment and the Crisis

Unemployment has been used as an index of the magnitude of economic downturns, but it represents a considerable “underestimation.”

In 1933, unemployment peaked at 24-28 percent in the U.S. This figure today

varies by states, from 10 percent in North Carolina to 14 percent in Michigan.

Duration of unemployment is seldom reported.

These figures do not consider the “ever unemployed” over a certain period of time. How many Americans were ever unemployed between 1929 and 1936 or 1940? What would this figure be like today in the states – over the past four years? What would the spells of unemployment add up to?

What about the under-employed? One of the cost-cutting strategies in a downturn is to reduce the hours of the work force, maybe by a day, even half a week. Thousands of workers in the Depression were placed on shorter weeks. Duration of under-employment is an important figure, including the total number of under-employed weeks, months. There are thousands of workers either under-employed or considering under-employment by taking positions below their education/abilities simply to have an income.

WHAT WOULD THE UNEMPLOYMENT INDEX LOOK LIKE IF THE EVER UNEMPLOYED AND UNDER-EMPLOYED WORKERS WERE COUNTED? Maybe 50 percent of all workers in the 30s had such instability.

Another feature of work is worklife discontinuity – moving from one job to a functionally unrelated job – how many such discontinuities were there in Depression careers, in economic crisis? I could pick up such aspects of the worklife in the Berkeley study, but not in the Oakland project.

2. SES Losses in an Economic Downturn

Asset losses – loss of house, stocks and bonds, land, savings.

Income loss – earnings decline – *Children of the Great Depression* used this measure.

Cutbacks on material consumption – cutbacks on grocery expenses, on energy and water. The Iowa study focused on this dimension of hardship. Living beyond means is a distinctive feature of today's economic crisis, along with the consequential piling up of debt.

Cutbacks on hours of work, etc.

Imbalances between cutbacks on material consumption and declines on income. Consumption increases during declines on income, with result that debt soars or sharp cutbacks on consumption and life-style purchases during hard times. Household production of goods instead of buying them, as in canning, sewing clothes.

3. Looking beyond Household – not possible in Depression project to study this larger context of families and individuals.

— the relative well-being of kin households – hard-pressed families put pressure on linked lives.

— the relative well-being of other families in neighborhood and community.

— relative well-being of community, region, or state. This is an important

perspective because it can affect educational, worklife, and residential aspirations. If family is doing well in declining community, this decline will motivate young people to migrate to opportunity.

Contextual variation in economic crisis and well-being – today's economic crisis varies in severity across parts of country.

4. The Changing Life Course from the 30s to the 21st Century. Later timing of adult transition events, marriage and cohabitation, worklife beginnings, advanced education.

A. The prolonged transition from adolescence to young adulthood, from teens to the 30s today.

B. Rising education and socioeconomic level of living for Americans.

C. Transformed sex roles – women better educated, greater equality of sexes – dual careers in family.

5. Placing Economic Crises in Context

The Great Depression, bounded by the prosperous urbanites and WWII, which was eventually followed by economic prosperity in 60s, 70s.

The current Recession, bounded by collapse of economic bubble 2000, followed by global uncertainty.

II. Depression Themes of Contemporary Relevance

1. Personal impact of drastic economic decline depends in part on what people bring to it – an interaction effect. (This has been generalized in terms of life transitions.)

--- Life stage or age – younger Berkeley cohort was more adversely influenced by hardship than the older Oakland cohort.

--- Gender by life stage – younger cohort of boys ranks highest on adverse impact for entire sample / older cohort of girls most adversely influenced among girls.

--- Social class – economic deprivation was most likely to persist in the working class, even into the war years.

--- Impact in later life – most adverse for men, least for women.

2. Economic hardship accelerates the pace of growing up

Household tasks and work roles in deprived families increase desire to grow up, a sense of adulthood, “adultification.” These young people spent more time in “company of adults.”

Another way of putting this – tasks and roles acquire value and expression in terms of personal values. Thus, middle-aged women from deprived families who were involved with such tasks tended to value family over other activities. Men with jobs in the Depression valued work over other activities.

These conditions also accelerate transition into work and marriage – to be on one’s own.

3. Economic hardship also prompts efforts to hold one’s place when opportunities are scarce. Consider college kids who decide to go on to graduate school during a down-turn in the economy. They are holding their place when opportunities are limited.

A good many Terman study members continued their advanced education during difficult times. Educational institutions “warehouse” at this time.

4. Sudden economic hardship prompts motivation to be someone, to achieve and do well.

This is particularly the case for someone who is from the middle class. This “status inconsistency” perspective generates efforts to recover that which is lost.

5. Hard times increase the salience of “alternative paths to adulthood and the middle class.” These alternatives include community college and military service. Both alternatives minimize cost and maximize opportunity.

Planning the Cohort Design of the Household Studies: The Case of PSID

One of the more important observations obtained from a comparison of the Oakland and Berkeley cohorts generally affirms “the principle of life stage” – that social change has different consequences for children who differ in age and, thus,

most likely in maturity-development and social roles.

This turned out to be the case for the Oakland and Berkeley study members, though modified by gender. These two cohorts were born at opposite ends of the 20s, which placed the Berkeley boys in the most dependent relation to family. However, gender of male identifies the greatest risk of being young and thus more vulnerable to economic hardship. The vulnerability of males also applies to the later years, to father vis-à-vis mother.

How do these considerations apply to the proposed cohort design in the three-country design, using data from the PSID 2008 follow-up?

In our research plan, we proposed to identify children “in the same family” who have a near sib – a within-family design. The target sib is 15 years old, ready to leave high school, and the near sib is no more than five years younger. Average age difference of 2.5 years.

The total cases here would be divided into male pairs, female pairs, and mixed sex pairs. This essential pairing significantly reduces the number of cases.

For example, in the PSID, our preliminary effort to identify relevant cases produced only 33 female pairs, 39 male pairs, and 75 mixed pairs of siblings. The age difference is not as precise as one can make it with a “between family” design.

A PSID “between family design” resulted in about four hundred 10-11-year-old boys and girls; and approximately eight hundred 15-year-olds, boys

and girls.

By 2014, the younger study members would be on the verge of graduation from school in the U.S. They might be compared to the status of the older cohort – they are at the same life stage.

The older cohort after six years would be at the age of 21 – perhaps in college, labor market, military.