BEYOND THE NUMBERS

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Men who do not work during their prime years: What do the National Longitudinal Surveys of Youth data reveal?

By Donna Rothstein

The labor force participation rate of prime-working-age men (ages 25 to 54) has been mostly falling since the late 1960s, with steeper declines during recessionary periods. In 1969, the labor force participation rate of men ages 25 to 54 was 96 percent, and in 2015, the rate was under 89 percent.[1] Prime-age men who were out of the labor force in a given month increasingly reported they did not work in the previous year.[2] Time spent not working has implications for future job and earnings potential, as well as for the well-being of the individual and his family.

This **Beyond the Numbers** article examines nonworking status across two generations of men. It evaluates whether men's prior work history as well as education, family structure, personal health, incarceration status, and living situations differ between nonworkers across the two cohorts and between nonworkers and their working peers within cohorts. The article uses data from the National Longitudinal Survey of Youth 1979 (NLSY79) and the National Longitudinal Survey of Youth 1997 (NLSY97). The first cohort was made up of men from the NLSY79 who were born in the years 1960 to 1964, and the second cohort was formed from men in the NLSY97 who were born in the years 1980 to 1984. This divided the participants into two cohorts of men that were born 20 years apart and who were ages 30 to 36 at the time of their interviews in 1996 (NLSY79) and in 2015–16 (NLSY97). This article defines nonworkers as those men who did not work in the year prior to the 1996 or 2015–16 interview.[3]

A number of recent papers by economists document and try to explain the decline in labor force participation of prime-age men over time. Alan Krueger found that health conditions, disability, and the rise of opioid prescriptions may be important contributing factors.[4] John Coglianese suggested that much of the decline in prime-age men's labor force participation is due to the increase in men who temporarily leave the labor force. He credited this phenomenon to the rise in men living with parents and to a wealth effect for married/cohabiting men due to the increase in female earnings over time.[5] Some economists have suggested that trade and automation are the most responsible for the decline over the last twenty years or so, with increased participation in disability insurance programs, the real value of the minimum wage, and the rise in incarceration and the growth in the number of people with prison records also having an impact.[6] Jay Stewart found that a small fraction of men accounted for the majority of years that men spent not working during 1987 to 1997. He found that a substantial proportion of nonworkers lived with family members and received financial support from them.[7]

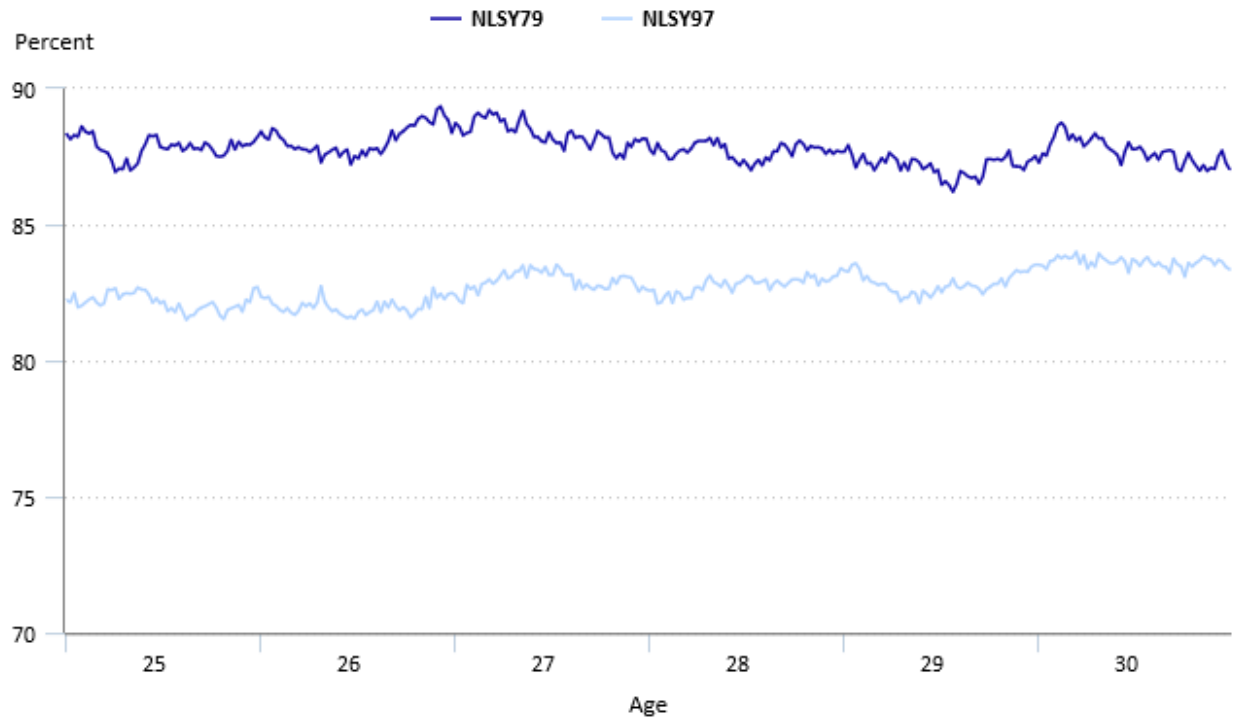
Description of the data

The NLSY79 is a nationally representative sample of 12,686 men and women born from 1957 to 1964 and living in the United States at the time of the initial survey in 1979. Respondents were interviewed annually from 1979 to 1994 and biennially since then. The NLSY97 is a nationally-representative sample of 8,984 men and women born from 1980 to 1984 and living in the United States at the time of the initial survey in 1997. Respondents were interviewed annually from 1997 to 2011 and biennially since then. The two datasets are well suited for studying nonworkers because they both contain a complete work history of individuals since their teens, a cognitive test score, and information about incarceration status, education, personal health, and living situations, among other topics.

Work status across two cohorts

As a first step, this article compares general labor market patterns across the two cohorts over the same ages. Weekly employment histories available for each sample member are used to calculate the percentage of 25-to-30-year-old men from both cohorts who were employed, unemployed (out of work, but actively seeking employment), and out of the labor force (not working and not actively seeking employment).[8] Chart 1 displays the percentage of men employed from ages 25 through 30. The percentage of men employed in the NLSY79 remained well above the percentage of men employed in the NLSY97 over these ages. At age 25, about 88 percent of men in the NLSY79 were working compared with 82 percent in the NLSY97. By age 30, the lines drew a little closer together, with nearly 84 percent of men in the NLSY97 working.

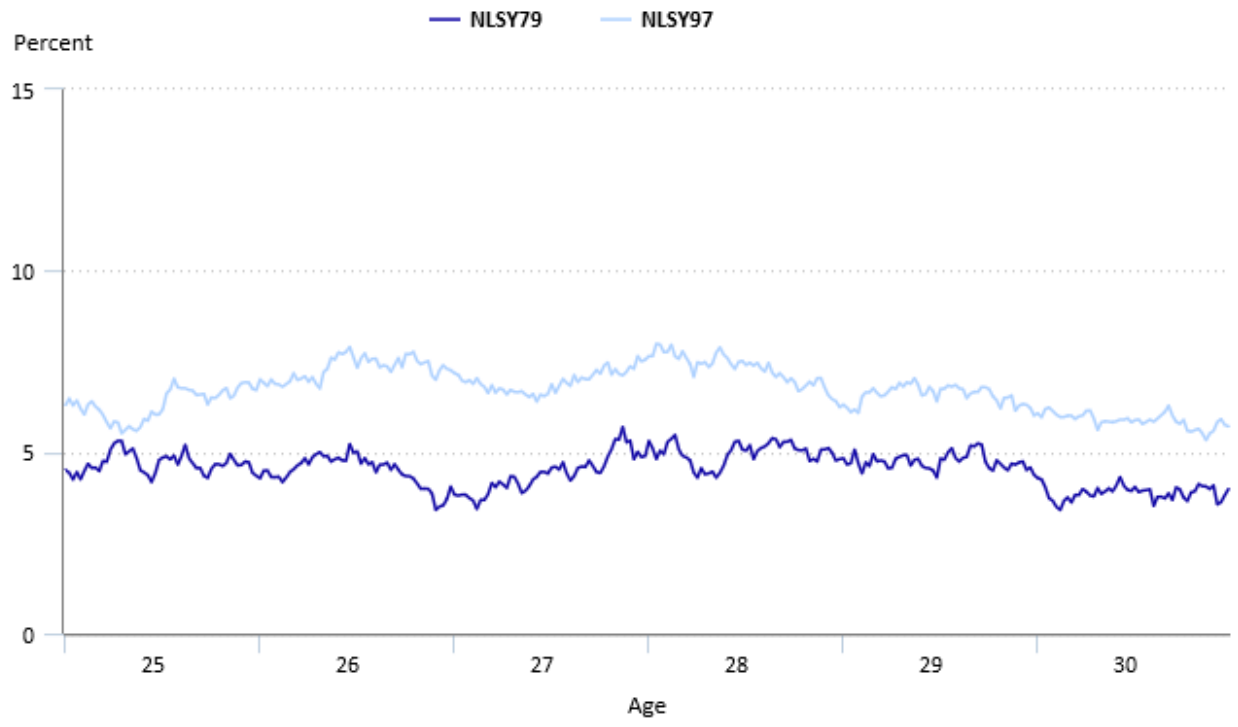
Chart 1. Percentage of men employed ages 25 through 30, NLSY79 and NLSY97 cohorts



Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Chart 2 shows the percentage of unemployed men (out of work, but actively seeking employment) from ages 25 through 30. In this chart, men in the NLSY97 were consistently more likely to be unemployed than men in the NLSY79.

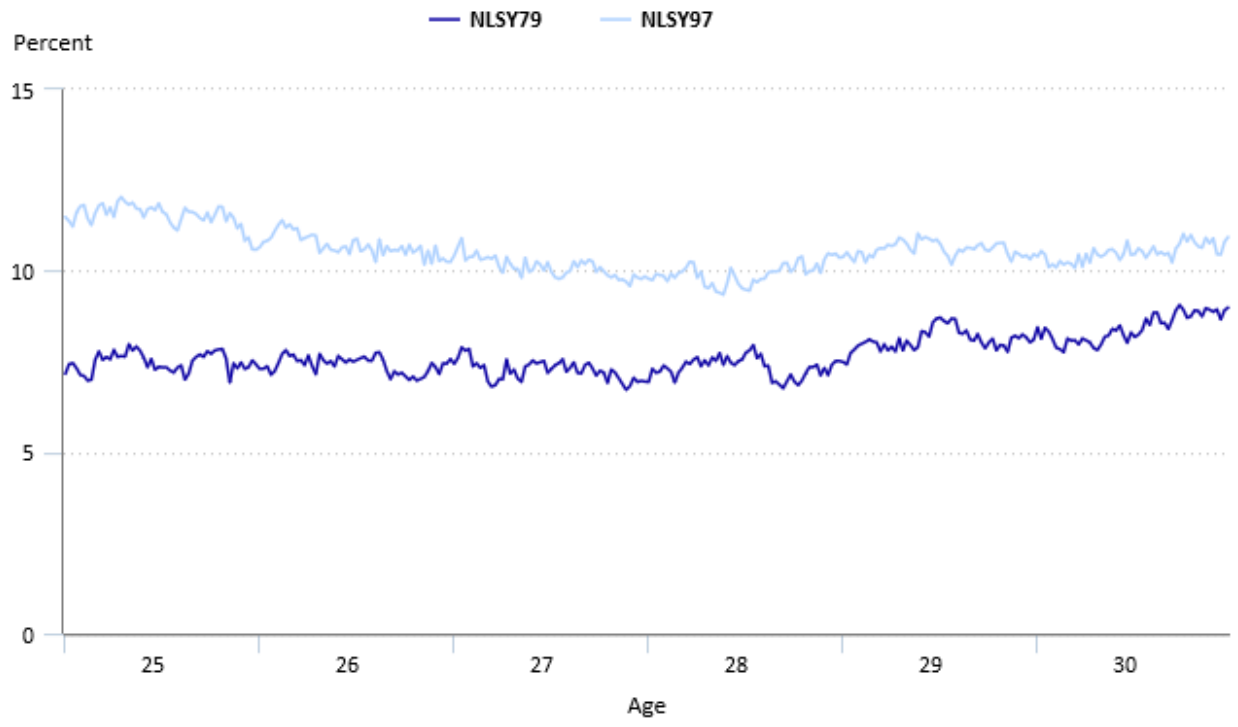
Chart 2. Percentage of unemployed men ages 25 through 30, NLSY79 and NLSY97 cohorts



Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Chart 3 displays the percentage of men out of the labor force (not working and not actively seeking employment) from ages 25 through 30. Over these ages, men in the NLSY97 were more likely to be out of the labor force than men in the NLSY79. At age 25, about 7 percent of men in the NLSY79 were out of the labor force compared with over 11 percent of men in the NLSY97. By age 30, about 8 percent of men in the NLSY79 were out of the labor force compared with about 10 percent of men in the NLSY97.

Chart 3. Percentage of men out of the labor force ages 25 through 30, NLSY79 and NLSY97 cohorts

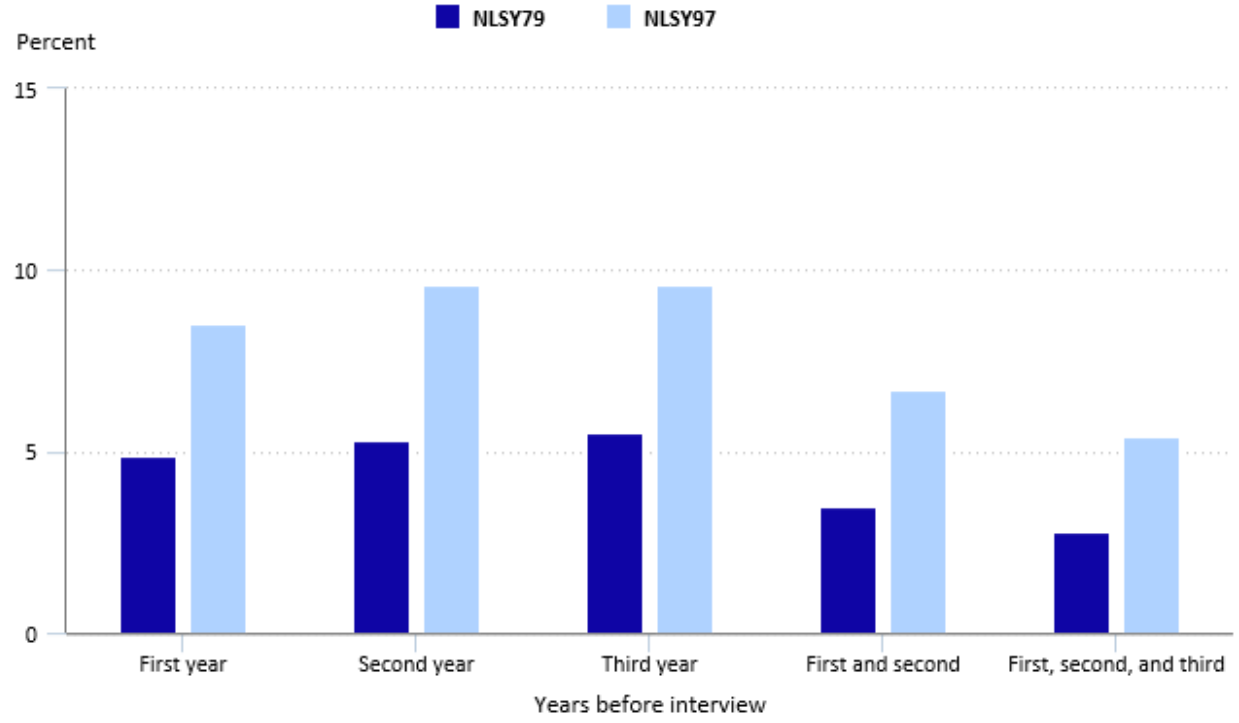


Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Periods of nonwork

Next, I focus on continuous periods of nonwork. Chart 4 shows the percentage of all men not working in the years leading up to the 1996 (NLSY79) and 2015–16 (NLSY97) interviews, when respondents were ages 30 to 36. About 4.9 percent of the NLSY79 sample and 8.5 percent of the NLSY97 sample did not work in the year prior to the 1996 or 2015–16 interview.[9] These are the men who are defined as nonworkers in the article, whereas the rest of the men worked at least some weeks prior to the 1996 or 2015–16 interview, and are referred to as workers.

Chart 4. Percentage of men who did not work during the years prior to the 1996 NLSY79 and 2015–16 NLSY97 interviews



Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

In the second year before the interview, 5.3 percent of men in the NLSY79 and 9.6 percent of men in the NLSY97 did not work, with similar percentages for the third year before the interview (chart 4). Within the NLSY97, 6.7 percent of men did not work either the first or second year before the 2015–16 interview, and 5.4 percent did not work any of the first, second, or third years prior to it. These percentages are nearly twice as large as those for the NLSY79 cohort, again reflecting the increase in nonwork for the NLSY97 cohort.

Table 1 shows employment history for the two cohorts, by whether they worked in the year prior to the 1996 or 2015–16 interview (that is, grouped by nonworker or worker status). Recall the men were ages 30 to 36 at the interview. The majority of men who did not work in the year prior to the 1996 or 2015–16 interview, also did not work much in the two earlier years. For example, in the NLSY97, 79.3 percent of men who did not work in the year prior to the 2015–16 interview also did not work in the second year prior to the interview. Only 4.2 percent who did not work in the year prior to the 2015–16 interview worked 75 percent or more weeks in the second year prior to the interview. In contrast, the majority of the men categorized as workers worked 75 percent of weeks or more in the years prior to the 1996 or 2015–16 interview. Additional data available in the NLSY79 also show that nonworkers were likely to remain not working the year after the interview.

Table 1. Men's employment history in the years prior to the 1996 NLSY79 and 2015–16 NLSY97 interviews

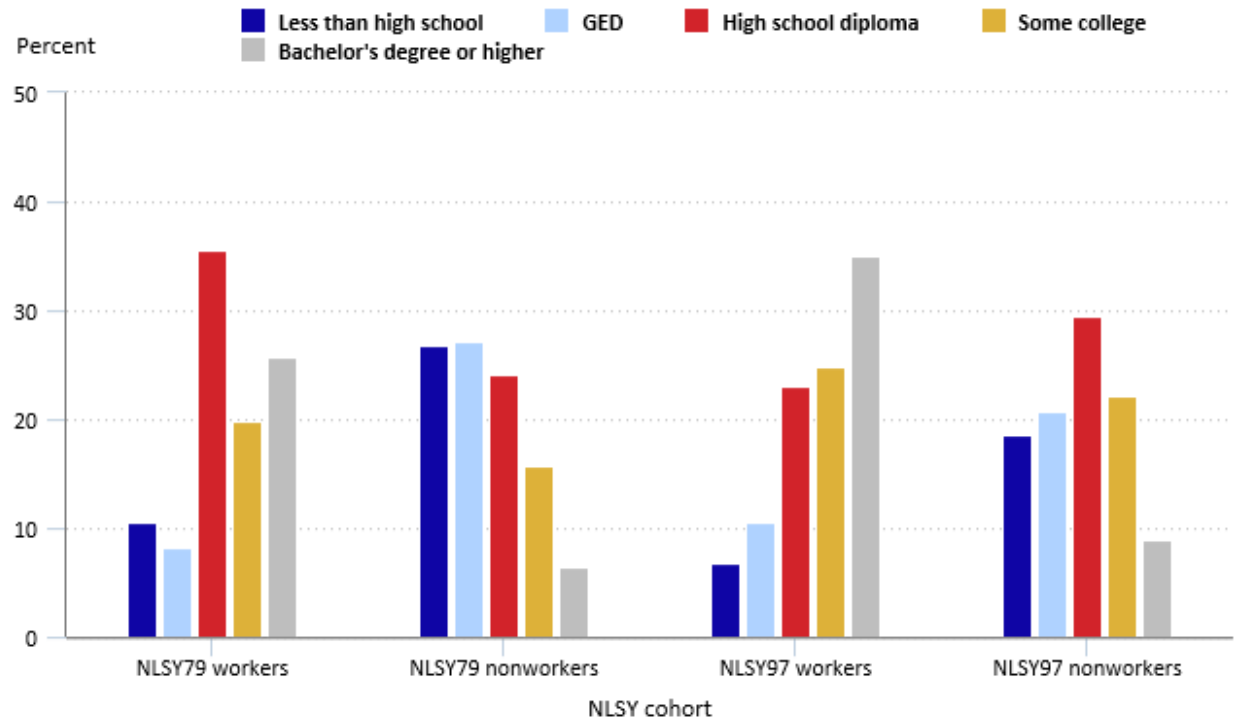
Percentage of weeks employed	NLSY79		NLSY97	
	Did work in prior year	Did not work in prior year	Did work in prior year	Did not work in prior year
Year before interview				
Worked no weeks	0	100	0	100
Worked more than 0 but less than 25 percent of weeks	2.3	0	2.3	0
Worked 25 to less than 75 percent of weeks	7	0	7.6	0
Worked 75 percent or more weeks	90.7	0	90.1	0
Second year before interview				
Worked no weeks	1.9	71.5	3.1	79.3
Worked more than 0 but less than 25 percent of weeks	1.4	5.9	2.2	7
Worked 25 to less than 75 percent of weeks	5.7	13.1	5.7	9.5
Worked 75 percent or more weeks	91	9.5	89	4.2
Third year before interview				
Worked no weeks	2.6	62.3	4.5	64.7
Worked more than 0 but less than 25 percent of weeks	1.5	5	2.3	7.5
Worked 25 to less than 75 percent of weeks	6.6	11.4	7.3	10.3
Worked 75 percent or more weeks	89.3	21.3	85.8	17.6

Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Characteristics of workers and nonworkers

In both cohorts, worker and nonworker characteristics differed substantially. For example, chart 5 shows lower levels of educational attainment for nonworkers, compared with workers. Nonworkers were less likely to have a bachelor's degree (about 6 percent in the NLSY79 have one and 9 percent in the NLSY97 do), compared with workers (about 26 percent in the NLSY79 have one and 35 percent in the NLSY97). Nonworkers were more likely to have less than a high school education or GED than workers.

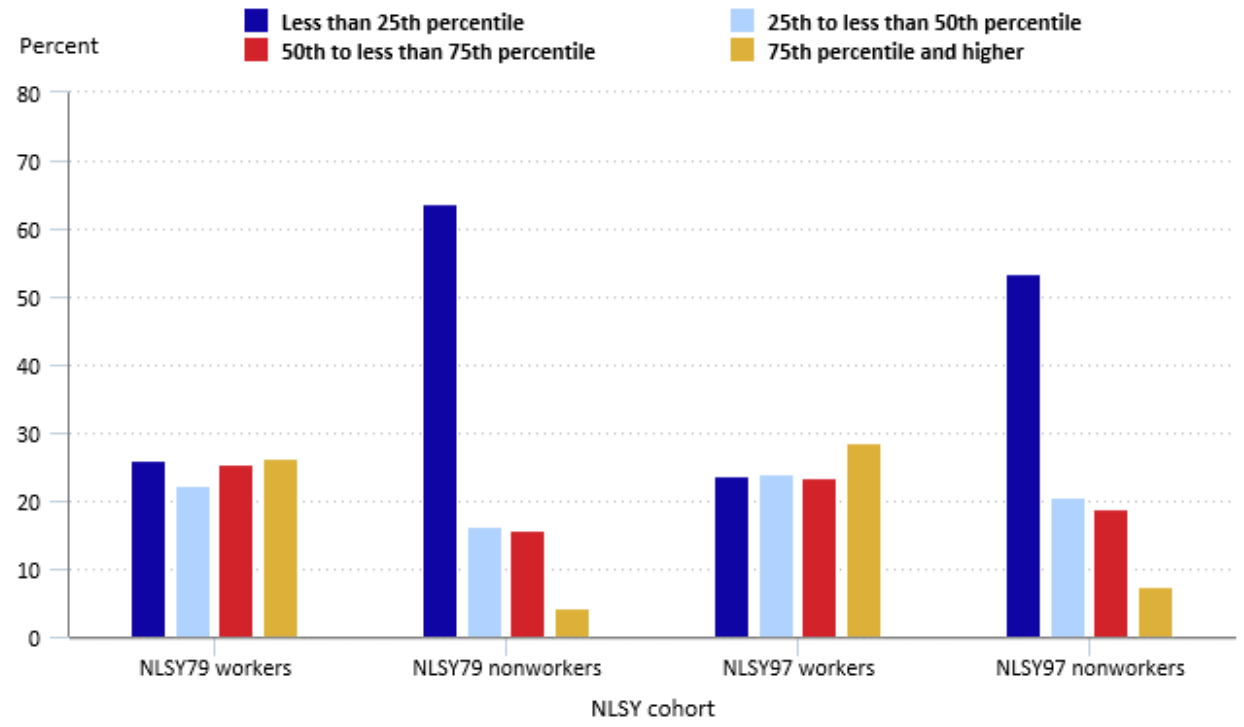
Chart 5. Men's education, by work status in year prior to the 1996 NLSY79 and 2015–16 NLSY97 interviews



Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Chart 6 shows Armed Forces Qualification Test (AFQT) percentile scores for the two cohorts by nonworker status.[10] In both cohorts, workers were fairly evenly distributed across the four quarters of AFQT percentile scores. In comparison, nonworkers were less likely to have AFQT scores in the 75th percentile or higher (about 4 percent in the NLSY79 and 7 percent in the NLSY97) and more likely to have scores that were less than the 25th percentile (64 percent in the NLSY79 and 53 percent in the NLSY97).

Chart 6. Men's Armed Forces Qualification Test percentile scores, by work status in year prior to the 1996 NLSY79 and 2015–16 NLSY97 interviews



Click legend items to change data display. Hover over chart to view data.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Table 2 shows men's characteristics by work status at the 1996 and 2015–16 interview dates. The differences between workers and nonworkers are striking and show similar patterns across the NLSY79 and NLSY97. About 51 percent of men who did not work the year prior to their interview in the NLSY79 stated that health issues limited their ability to work, compared with about 5 percent of the sample who did at least some work in the prior year and also said health issues were limiting. Similarly, 41 percent of nonworkers in the NLSY97 reported that health issues limited their ability to work, compared with 4 percent of workers who reported the same.

Men who did not work in the prior year were more likely to have been interviewed in prison (24 percent in the NLSY79 and 16 percent in the NLSY97) than men who had worked at any point in the prior year (less than 1 percent for both the NLSY79 and the NLSY97). In the NLSY79, nonworkers were more likely to be Black (41 percent) compared with their working peers (13 percent). In the NLSY97, 34 percent of nonworkers were Black, compared with 14 percent of their working peers.

Nonworkers in the NLSY79 were more likely to have never been married (52 percent) compared with their working peers (25 percent of whom did not marry). And, 70 percent of nonworkers in the NLSY97 never married compared with 44 percent of workers who never married. Nonworkers in the NLSY79 were more likely to live in a household with a parent (30 percent) than their working peers (10 percent). Thirty-one percent of nonworkers in the NLSY97 lived with a parent, compared with 14 percent of workers in the NLSY97 who also lived with a parent. Men who did not work in the prior year were also less likely to have their own children in the household, compared with men who did at least some work in the prior year.

Nonworkers in the NLSY79 were more likely to report unemployment in the prior year (18 percent) than their peers who had worked at any point in the prior year (11 percent) and 33 percent of nonworkers in the NLSY97 reported unemployment, compared with 11 percent of their working peers. But only a small percentage of nonworkers collected unemployment insurance during that time.

Table 2. Men's characteristics at interview date, by work status in year prior to the 1996 NLSY79 and 2015–16 NLSY97 interviews

Characteristics	NLSY79		NLSY97	
	Did work in prior year	Did not work in prior year	Did work in prior year	Did not work in prior year
Health limit work	4.6	50.6	4.3	40.9
Interviewed in prison	0.7	24	0.4	16.3
Enrolled in school at interview date	3.2	6.6	5.7	7.3
Military/veteran	14.8	13.2	11	8.6
Any weeks unemployed prior year	11.1	17.8	11.3	32.7
Collected UI prior year	5.8	1.2	3.8	3
Race/ethnicity				
non-Black, non-Hispanic	80.9	48.5	71.6	52.4
Black, non-Hispanic	12.7	40.7	13.6	33.5
Hispanic or Latino	6.4	10.7	13.4	13.1
Mixed race (in NLSY97 only)	–	–	1.4	1
Marital status				
Never married	24.5	51.6	43.6	70
Married	60.5	22.6	47.8	18.1
Separated	2.8	6.4	1	2.7
Divorced/widowed	12.2	19.4	7.6	9.2
Cohabiting (sample not married)	21.4	12.5	35.7	15.9
Live in household with parent	9.8	30.2	13.6	30.6
Own children under age 6 in household	36.8	20	36.5	10.8
Age 30 to 32	30	36.8	40.2	38.3
Age 33 to 36	70	63.2	59.8	61.7

Note: Dash indicates data not available.
Source: U.S. Bureau of Labor Statistics, National Longitudinal Survey of Youth 1979 and 1997 (NLSY79 and NLSY97).

Summary

Men in the two NLSY cohorts, born 20 years apart, have different labor market patterns. Charts of weekly employment, unemployment, and out of the labor force percentages show that men in the NLSY97 cohort (at ages 25 through 30) are consistently less likely to be employed and more likely to be both unemployed and out of the labor force at these ages. After establishing the differences in trends across cohorts in labor market experiences, the article focused on nonwork over a fixed period of time. About 5 percent of men ages 30 to 36 in the NLSY79 and 9 percent in the NLSY97 did not work in the year prior to their 1996 and 2015–16 interviews. A majority had also not worked much in earlier years. Two possible reasons for nonwork status relate to health limitations that affect the ability to work (51 percent in the NLSY79 and 41 percent in the NLSY97) and current incarceration (24

percent in the NLSY79 and 16 percent in the NLSY97). Men who did not work in the prior year were more likely to have less than a high school education and to score lower on the AFQT test given to respondents after an early-round interview, compared with men who had worked in the prior year. Nonworkers were also less likely to be married and more likely to live in a household with a parent.

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NOTES

[1] See Bureau of Labor Statistics, Current Population Survey (CPS) data series LNS1130061, Seasonally adjusted, Labor Force Participation Rate 25-54 years, Men, Civilian labor force participation rate. More recently (late 2018/early 2019), the rate has been ticking up to 89 percent or a little over.

[2] The Long-term Decline in Prime-age Male Labor Force Participation, (Council of Economic Advisors, June 2016).

[3] Nonworker is a term sometimes used in economic research to refer to people who are not working due to being unemployed or out of the labor force. See Jay Stewart, “Male Nonworkers: Who Are They and Who Supports Them?” Demography Vol. 43 (3): 537-552. doi: https://link.springer.com/journal/volumesAndIssues/13524

[4] Krueger, Alan B. “Where Have All of the Workers Gone? An Inquiry into the Decline of the Labor Force Participation Rate,” Brookings Papers on Economic Activity (2017): 1–59. doi: 10.1353/eca.2017.0012

[5] Coglianese, John. “The Rise of Ins-and-Outs: Declining Labor Force Participation of Prime-age Men,” Harvard University, working paper (November 2017).

[6] Katharine Abraham and Melissa Kearney (2018) extensively reviewed the literature on the decline in the employment to population ratio over time and they evaluated which factors they believed are most important for the decline from 1996–2016. They suggested that factors associated with labor demand, primarily related to trade and automation, were the most responsible for the decline over this period. Labor supply factors, such as increased participation in disability insurance programs, the real value of the minimum wage, and the rise in incarceration rates and the increase in people with prison records also had an impact. Abraham, Katharine G.; Kearney, Melissa S. “Explaining the Decline in the U.S. Employment-to-Population Ratio: A Review of the Evidence.” NBER Working paper no. 24333 (2018).

[7] Jay Stewart (2006) provided descriptive statistics of male nonworkers and their sources of financial support. He used the NLSY79 to look at work history from 1987–1997 and found that a small fraction of men account for the majority of years that were spent not working. And, using data from the Current Population Survey, he found that a substantial proportion of nonworkers lived with family members and received financial support from them.

[8] Ages 25 to 30 were chosen to show trends in labor market experience across the two cohorts because individuals in the NLSY97 are ages 30 to 36 at their 2015-16 interview, and 30 is the highest age that would allow these first three charts to use the sample of all birth years for all ages.

[9] Descriptive statistics in the charts and tables use 1996 survey weights (NLSY79) and 2015-16 interview survey weights (NLSY97).

[10] The Armed Forces Qualification Test (AFQT) covers four sections of the Armed Services Vocational Aptitude Battery (ASVAB) and measures math and verbal aptitude. This test was given to NLSY79 respondents in 1980 and NLSY97 respondents in 1997–1998.

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