

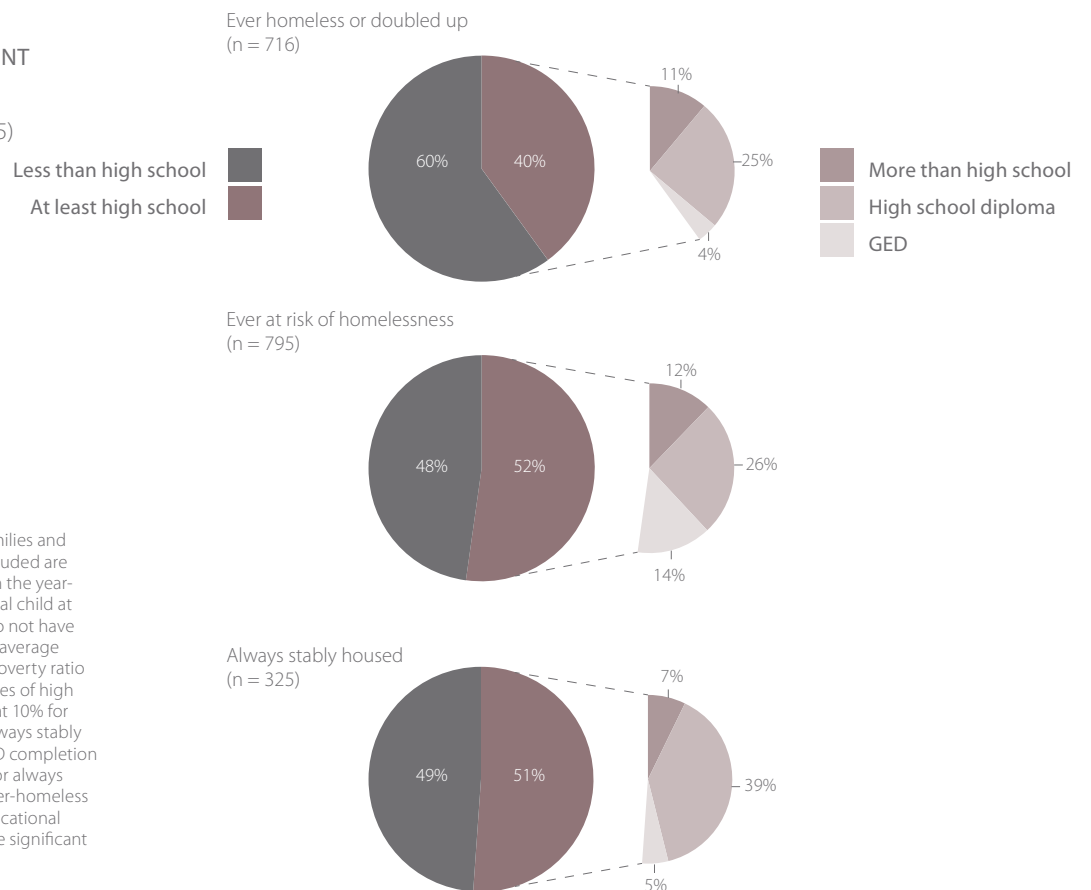
This ICPH research brief is the second in a series that highlights the characteristics of families with young children who become homeless in the urban United States. The series explores poverty in the context of housing status and puts a spotlight on the characteristics that make families who experience homelessness different from otherwise similar poor families who consistently maintain stable housing. The current brief builds on the first in this series, “Profiles of Risk: Characterizing Housing Instability,” and examines the role of maternal educational attainment.

Homelessness and High School Completion

Figure 1 breaks down the educational attainment of poor mothers by housing status—ever homeless or doubled up, ever at risk of homelessness, and always stably housed—using five years of data from the Fragile Families and Child Wellbeing Study (see description on back). Clear differences in rates of high school completion are evident between mothers who ever experienced

homelessness and those who did not experience such extreme housing instability; less than half (40%) of all mothers ever experiencing homelessness during the five-year period had finished high school at the beginning of the survey. In comparison, most (52% of ever-at-risk and 51% of always stably housed) poor mothers who avoided homelessness during this time period had completed at least high school.¹

Figure 1
EDUCATIONAL ATTAINMENT
AT BASELINE
(by housing status years 1–5)

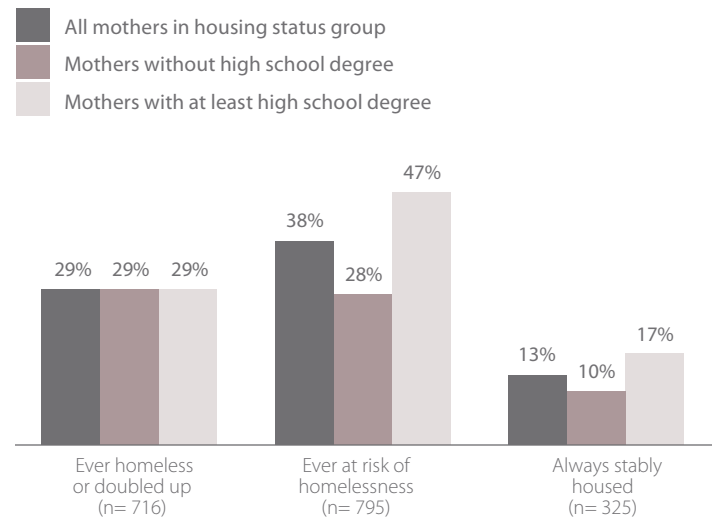


Source: ICPH analysis of Fragile Families and Child Wellbeing data. n=1,836. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, or report an average (baseline to year five) income-to-poverty ratio greater than 1.25. Differences in rates of high school completion are significant at 10% for ever-homeless vs. ever-at-risk or always stably housed women. Differences in GED completion are statistically significant at 10% for always stably housed vs. ever-at-risk or ever-homeless women. Differences in rates of educational attainment beyond high school are significant at 10% for all groups.

The Role of the GED

Attaining a high school diploma sets stably housed poor mothers apart from their peers who have experienced homelessness or lived at risk of homelessness. Although similar proportions of at-risk and stably housed mothers earned a high school credential, stably housed mothers more often did so with a high school diploma (39%) than with a GED (5%). A far greater proportion of at-risk mothers earned high school credentials with a GED (14%); only 26% of at-risk mothers obtained a high school diploma. While the existing evidence suggests that the average GED holder is better off than a high school dropout, those with GEDs earn less and are more likely to drop out of college than those who obtained a high school diploma (see below).

Figure 2
ADDITIONAL EDUCATION PURSUED AT YEAR 5
(by housing status years 1–5)



Source: ICPH analysis of Fragile Families and Child Wellbeing data. n = 1,836. Excluded are mothers who did not participate in the year-five survey, do not live with the focal child at least half of the time at year five, do not have valid sample weights, or report an average (baseline to year five) income-to-poverty ratio greater than 1.25. Differences in rates of returns to school are statistically significant at 10% for always stably housed vs. ever-homeless or ever-at-risk women.

In Context

GED vs. high school diploma

The General Educational Development (GED) credential plays a key role in the education of many students in the United States; in 2009, nearly 750,000 high school dropouts sought a GED.² GED certification benefits adults who lack secondary education; high school dropouts are both more likely to enter poverty and less likely to exit poverty than GED holders.³ Those who obtain a GED, on average, experience a 15% increase in earnings five years after certification compared to high school dropouts.⁴

Despite the benefits of a GED, obtaining a high school diploma is generally more advantageous.⁵ GED holders are more likely to experience poverty than high school graduates.⁶ Further, research has suggested that higher-skilled dropouts who choose a GED certification in place of a high school diploma receive little tangible benefit from the credential; economic gains from the GED apply mostly to those who left high school with very low ability and skills.⁷ Finally, although obtaining a GED opens the door to post-secondary education for high school dropouts, less than half of GED passers enroll in any post-secondary institution and over 75% of those who do enroll drop out after one semester.⁸

Post-secondary Education and Returns to School

Figure 1 also shows that mothers who experienced homelessness or were at risk of homelessness between years one and five are more likely than their stably housed counterparts to have pursued a degree beyond high school at baseline. Figure 2 further demonstrates that mothers who maintained stable housing between years one and five were the least likely of all mothers to have returned to school in year five.⁹ Approximately 30% of poor mothers who ever experienced homelessness pursued additional education at year five, more than twice the rate of stably housed mothers. Mothers at risk of homelessness returned to school nearly three times more frequently than those who maintained stable housing.

While the conventional wisdom is that additional education reduces poverty by increasing human capital and improving employment opportunities, this relationship may not be as straightforward for very poor women. Socioeconomic differences in the type of post-secondary education pursued may contribute to this apparent contradiction, as costs and benefits vary significantly by program type (see below). Poor, unmarried mothers are also less likely to finish post-secondary education once commenced, leaving them with debt but little improvement in economic condition.¹⁰

Education: A Differentiating Factor

Education is a clear differentiating factor between poor mothers facing housing instability and those who maintain stable housing. Compared to mothers who experienced homelessness or were at risk of homelessness, stably housed mothers are both more likely to have attained a high school diploma and less likely to have pursued further schooling. Additionally, mothers who experienced homelessness are the least likely of all groups to have obtained a high school degree of any type. These results suggest that, while policies that encourage high school completion may serve to address root causes of housing instability, those that promote post-secondary education—particularly high-cost vocational or “career” programs—should be considered with caution. Education policy targeting poor and residentially unstable populations would benefit from a focus on college readiness and completion for those pursuing schooling beyond high school.

The snapshot of poor families presented in this brief reveals distinct differences in educational characteristics by housing status. The next brief in this series will explore a closely related feature of family poverty: family structure.

In Context

The rise of “for-profit” colleges

Recent growth in the “for-profit” college industry has fueled criticisms about their recruitment tactics, low graduation rates, and poor subsequent career placement. Enrollment in such programs comes disproportionately from minority and economically disadvantaged populations. Students who enroll often qualify for non-dischargeable federal loans but rarely graduate, fostering concern that these high-cost degree programs push already vulnerable students even farther behind with considerable debt and limited employment options.¹¹

Homelessness in Fragile Families

The Fragile Families and Child Wellbeing Study is a nationally representative study of nearly 5,000 mostly poor urban American families with young children born between 1998 and 2000. The survey follows mothers from the birth of a focal child through the child's first, third, and fifth birthdays. When weighted, Fragile Families is representative of births in 20 U.S. cities with populations greater than 200,000.

Using Fragile Families data, ICPH has classified families into three distinct housing categories based on their most severe living arrangement in years one, three, and five: homeless or doubled up, at risk of homelessness, or stably housed. "Homeless" families are those who have lived in a shelter or place not intended for housing as well as those who have doubled up with friends or family. Families who are "at risk" were not homeless or doubled up but have had trouble paying essential bills, move frequently, or have been evicted. "Stably housed" families faced none of these housing challenges.

A total of 1,836 families are included in the final analysis, which employs the year-five sample. Families with an income greater than 125% of the federal poverty line are excluded from the analysis to ensure that comparisons between groups reflect differences in housing status rather than poverty. Please see the first brief in this series, "Profiles of Risk: Characterizing Housing Instability," for additional details on the sample used in this series.

Endnotes

- ¹ Identical comparisons using a sample limited to unmarried women produced similar patterns.
- ² National Center for Education Statistics, *Digest of Education Statistics*, 2010.
- ³ Annie Georges, "The GED Certificate and the Poverty Status of Adult Women," *Journal of Children and Poverty* 7, no. 1 (2001): 49–61.
- ⁴ John Tyler, "What Do We Know about the Economic Benefits of the GED? A Synthesis of the Evidence from Recent Research" (working paper, Brown University and NBER, 2001).
- ⁵ Stephen Cameron and James Heckman, "The Nonequivalence of High School Equivalents," *Journal of Labor Economics* 11, no. 1 (1993): 1–47.
- ⁶ Annie Georges, "The GED Certificate and the Poverty Status of Adult Women," *Journal of Children and Poverty* 7, no. 1 (2001): 49–61.
- ⁷ John Tyler, "What Do We Know about the Economic Benefits of the GED? A Synthesis of the Evidence from Recent Research" (working paper, Brown University and NBER, 2001); James Heckman, John Humphries, and Nicholas Mader, "The GED," working paper no. 16064, National Bureau of Economic Research, 2010.
- ⁸ Margaret Paterson, Wei Song, and Jizhi Zhang, "GED Candidates and Their Postsecondary Educational Outcomes: A Pilot Study," *GED Testing Service Research Studies 2009–5*.
- ⁹ Returning to school includes: regular high school; GED programs; English as a Second Language programs; reading-improvement programs; nursing school; business or secretarial school; vocational, technical, or trade school; junior or community college; and college or graduate/professional school.
- ¹⁰ Sara Goldrick-Rab and Kia Sorensen, "Unmarried Parents in College," *The Future of Children* 20, no. 2 (2010): 179–203. As an alternative explanation, poor but stably housed women may have less incentive to pursue additional education because they face less acute economic hardship. Stably housed women are also more likely to have already completed a high school education at the baseline.
- ¹¹ Mamie Lynch, Jennifer Engle, and Jose Cruz, *Subprime Opportunity: The Unfulfilled Promise of For-Profit Colleges and Universities*, The Education Trust, 2010.