ASSET ACCUMULATION AND
THE ECONOMIC AND SOCIAL DEVELOPMENT OF
WORKING POOR HOUSEHOLDS AND COMMUNITIES

DISSERTATION

Presented in Partial Fulfillment of the Requirements for the
Degree Doctor of Philosophy in the
Graduate School of The Ohio State University

By

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ABSTRACT

A non-random, cross-sectional sampling procedure was utilized in this study to 1) explore the relationship between the level of household assets and the personal attitudes/behaviors of the head of household, and 2) to determine what factors are related to households choosing to utilize Individual Development Accounts (IDAs) as a means to escape poverty. Surveys from 111 households were collected from September 1997, to April 1999, in seven Ohio counties.

The theoretical model utilized is Michael Sherraden's asset-based theory of economic and social development as outlined in his book, *Assets and the Poor* (1991). The primary research question addressed in this study explores the relationship between the level of assets in working poor households, and the study participant's corresponding level of personal efficacy, future orientation, community assistance (given and received) and community involvement. A second major research question was raised as to the relationship between the level of assets in working poor households and the study participant's attitudes/behaviors, and their decision on whether or not to actually participate in an IDA program.

The primary findings following multiple linear regression and logistic regression analyses indicate that the educational level of the head of household impacts their level of
future orientation and their decision on whether or not to join an IDA program. Also, households with more than one adult were found to be more likely to join an IDA program. Heads of household with higher levels of education and households with more than one adult have the potential for higher income. Therefore, their potential to benefit from the matched savings provided by participating in an IDA program is also more likely. The personal attitudes/behaviors of the heads of household surveyed were not generally found to determine their decision to join an IDA program. These findings, while tentative, would indicate that those households in the most need of assistance could possibly be left out of an asset-based social welfare approach to alleviating poverty which requires households saving part of their incomes before the benefits of an IDA can be realized.
To my wife Mary Sue who has been the wind beneath my wings

To my newborn son Jeremy Martin who is our hope

And to the future hope of all families and children who have felt poverty
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CHAPTER 1
INTRODUCTION

The etiology of this research endeavor began with the passage of the Personal Responsibility, Work Opportunity, and Medicaid Restructuring Act of 1996 (PL 104-193) designed to "end welfare as we know it." However, welfare advocates are concerned about the impact of terminating the 61-year-old guarantee of cash assistance to needy families and children under the former Aid to Families with Dependent Children (AFDC). The fears of welfare advocates are substantiated by recent research that reveals the majority of welfare-to-work program participants simply leave the welfare rolls to join the ranks of the working poor (Children’s Defense Fund, 1998; Edin and Lein, 1997; Parcel and Menaghan, 1997; Chilman, 1995; Halter, 1994; Caputo, 1991; Tierney, 1991; Miller, 1989). Mandated work does little to contribute to the well-being of poor families working at or near minimum wage and receiving negligible benefits in the areas of affordable health care, child care, transportation, and housing. Many families and children will actually suffer greater hardships upon leaving welfare under the new law unless they can somehow accumulate material and human assets such as savings, housing, education, and job training allowing them to escape from the vicious cycle of minimum wage/under employment (Welfare Law Center, 1998; Duncan and Brooks-Gunn, 1997; Wilson, 1996; Sherraden, 1991; Rovner, 1991; Rose, 1990).
The theoretical model utilized in this study is Michael Sherraden's asset-based theory of economic and social development as outlined in his book, *Assets and the Poor* (1991). Sherraden is the current director of the Center for Social Development (CSD), and the survey tool used for data collection is the same one the CSD developed for their current national evaluation of asset-based programs or Individual Development Accounts, referred to as IDAs throughout this study. (Please see Appendix A for a copy of the complete survey instrument obtained by permission from CSD.) Sherraden promotes a synthesis of economic development and social welfare via long-term asset accounts aimed at accumulating savings for life goals such as home ownership, starting a successful business, or education, rather than the current revolving door of part-time work and low-paying jobs for most working poor.

The plight of the working poor is of tremendous importance to social work due to the fact that one of four children in America now live in poverty and the working poor population is rapidly expanding (Children's Defense Fund, 1997; Zaslow and Emig, 1997; Caputo, 1991). Also, numerous social researchers are challenging the efficacy of a laissez-faire capitalistic economic model which results in even greater social and economic disparity between social classes, communities, and geographic regions, even when the poor are working (Midgley, 1995; Kondrat, 1994; Fox, 1994; Lasch, 1994; Estes, 1993). What Sherraden proposes then is a theory of asset-based welfare policy in which the poor are provided the opportunities/life chances (just like middle and upper-class Americans) to establish a financial stake in the American economic system via the holding of actual material/human capital assets.
PL 104-193 allows states to establish Individual Development Accounts (IDAs) for TANF (Temporary Assistance for Needy Families) recipients as well as eligible working poor households. Account funds may be used for post-secondary education, purchase of a first home, or to start a business. It is this aspect of PL 104-193 and an analysis of asset-based social welfare policy as developed by Michael Sherraden (1991) that is the focus of this study. Sherraden's theory of asset-based social welfare appears to be in line with the "reality" of welfare and working poor households reported earlier and targets their need for increased human and material capital if they are to escape the cycle of poverty. However, little research has been completed to date as to the effectiveness of IDAs as an anti-poverty program for working poor households. A major research question looming on the horizon concerning IDA implementation is whether or not working poor households can capitalize on a program requiring participant savings of money earned in the labor market? Will IDAs simply be within the grasp of the near-poor households but not the poorest of the poor? What are the household demographic characteristics as well as the local labor market opportunities that might determine the success of an IDA program? Do the hypothesized benefits of asset holding also hold true for working poor households, and are the traditional uses of the IDA (home ownership, small business, and education) appropriate for and within the reach of households living near the poverty line? Finally, will IDAs simply "skim" those households which are already closest to leaving the ranks of the poor, leaving those households with the lowest levels of material capital and human assets behind? This research endeavors to contribute to our understanding of working poor households and the implementation of IDAs as an
anti-poverty strategy in these same households. Specifically, the research question addressed is: What is the relationship between the level of assets in working poor households at the time of this study, including key household demographic characteristics, and the study participant’s corresponding level of personal efficacy, future orientation, community assistance, and community involvement? Also, what is the relationship between the level of assets in working poor households at the time of this study, including key household demographic characteristics, as well as their level of personal efficacy, future orientation, community assistance, and community involvement, and the study participant’s decision on whether or not to actually participate in an IDA program?

Sherraden has developed a strong rationale for the shifting of social welfare away from a consumption-oriented, income-based system to an assets-based policy. Pointing to the more than $100 billion in tax deductions annually afforded to non-poor Americans via home mortgage and retirement pension deductions, Sherraden makes an argument for similar tax credits that would favor home and asset ownership for the poor. Indeed, a list of potential welfare effects of an asset-based social welfare policy are extensive according to Sherraden:

1) assets improve household stability (by serving as a cushion against income shocks),
2) assets create an orientation towards the future,
3) assets stimulate development of other assets (including human capital),
4) assets enable focus and specialization,
5) assets provide a foundation for risk taking,
6) assets increase personal efficacy,

7) assets increase social influence (and neighborhood/community assistance),

8) assets increase political participation (and civic involvement), and

9) assets enhance the welfare of offspring … creating a cognitive and emotional stake in the future for those who hold them (Sherraden, 1991, p. 148).

One is reminded of Maslow's hierarchy of needs in Sherraden's argument, recalling that without attaining adequate basic needs and a sense of security that accompany them, human development is problematic in establishing meaningful (and healthy) relationships and a sense of self-esteem (Maslow, 1954). The hypothesized benefits of asset holding that this study focuses on are future orientation, personal efficacy, community assistance, and community involvement. Also, a question arises at this point as to whether or not the level of one's future orientation, personal efficacy, community assistance, and community involvement at the time of this study, rather than level of household assets as surmised earlier, might not determine whether or not a study participant actually chooses to open and IDA account? Both of these aspects (level of household assets and level of study participant's future orientation, personal efficacy, community assistance, and community involvement) impacting the choice of study participants to open or not open an IDA are included in the analysis.

Sherraden points to the "failure" of the 61-year-old income maintenance (AFDC) system of welfare based on neo-classical economic concepts of consumption and expenditures as being indicators of household well-being. Household consumption and spending at the level afforded by welfare subsidies simply "maintained" households in
poverty. As reported earlier, welfare-to-work efforts resulted in many households simply joining the ranks of the working poor, with minimal resources to provide the housing, medical, transportation, and child care needs of their families. Edin and Lein (1997) have pointed out the stark reality of many female-headed working poor and welfare families struggling to make ends meet. Their analysis of welfare benefits in the form of cash assistance, housing subsidies, food stamps, and Medicaid revealed that most families actually experienced more hardship after leaving welfare and joining the ranks of the working poor where they can ill-afford the market cost of housing, medical care, food, and transportation. Their work reflects earlier findings by Mayer and Jenks (1988) in a study of welfare and working poor households in Chicago in which the official poverty rate was found to be an unreliable guide to the distribution of material hardship across demographic groups. Sherraden (1998) points out the fact that the gulf between rich and poor in America in terms of actual wealth (assets) is much greater than that indicated by earned income, with the top 20 percent of Americans commanding 46 percent of national earned income but controlling 86 percent of net financial assets. While numerous researchers have pointed out the same growing disparity between the rich and poor in America (Center on Budget and Policy Priorities, 1995; Rose, 1990; Danziger and Gottschalk, 1986), Sherraden has taken his analysis of social welfare policy a step further to postulate the above "benefits" of asset holding for individuals, communities, and society. What follows is an analysis of Sherraden’s asset-based welfare policy, in
particular, his assumptions concerning the relationship between stake holding (assets) and the level of personal-efficacy, future orientation, community involvement, and community assistance of the same asset holders.

Asset-Based Social Welfare Policy

Michael Sherraden (1991) outlines an asset-based social welfare policy versus the historic income-based policy of Aid to Families with Dependent Children. Indeed, as noted earlier, aspects of Sherraden's social welfare policy have been incorporated into the Personal Responsibility, Work Opportunity, and Medicaid Restructuring Act of 1996 (PL 104-193) aimed at "ending welfare as we know it." The principle assumption that Sherraden makes is that social welfare policy based on income maintenance does exactly that, it maintains poor families below the poverty level with little incentive/assistance towards investing in themselves and their future. Sherraden begins by pointing out that means-tested, income maintenance welfare policies have not succeeded in reducing U.S. poverty rates (that is pretransfer poverty rates of 21.3 percent in 1965 compared to 22.9 percent in 1984). Sherraden concludes that income transfers have "maintained" the poor in poverty, not empowering them to escape poverty. What Sherraden advocates then is a social welfare policy based on asset accumulation, not simply income maintenance, claiming that "with assets, people begin to think in the long term and pursue long-term goals. In other words, while incomes feed people's stomachs, assets change their heads" (Sherraden, 1991, p.6). He also notes that recent trends in the U.S. economy towards a
decline in labor income and an increase in property (assets) income adds to the economic decline of working poor and welfare populations who have a very limited income and even fewer material/human assets. He adds to this the trend in income inequality between social classes in the United States, revealing that indeed, the rich are getting richer and the poor poorer, with the top 20 percent of the U.S. population receiving nearly ten times the income wages as the bottom 20 percent. Finally, Sherraden points out that income poverty is even more dramatic in minority and single-parent households, with a dramatic increase in households who work in the U.S. and still live in poverty, findings congruent with Wilson, (1996), The Children's Defense Fund of Ohio (1995), Hagen (1992), Nichols-Casebolt and McClure (1989), and Miller (1989).

Sherraden then frames his asset-based theory of social welfare within a broad theory of poverty analysis by breaking theories of poverty and social class down into two primary categories: structural or societal (Macro) theories of poverty versus individual (Micro) theories of poverty. The structural "school" of poverty would include the works of Marx (1849), Weber (1904), and more recently Collins (1979) and Wilson (1996) in which social class, gender, race and geographical, and technological exclusion create barriers to social and economic opportunity. Juxtaposed against the structural theories of poverty are the individual theories/schools of poverty rooted in the English Poor Laws and social Darwinism as well as the works of Malthus (1798), Spencer (1880), and more recently human capital theory (Becker, 1962) and the works of Mead (1985) and Murray (1984) which point towards dysfunctional and undesirable individual behaviors as the cause of poverty. Charles Murray (1984) began to expound conservative rationales
regarding welfare recipients such as "poverty-by-choice." Murray claimed that high welfare payments from the mid-1960's through the late 1970's resulted in several million women choosing welfare over wage-labor, and that the resultant "welfare dependency" bred a variety of social ills such as increased crime, teen pregnancy, lower SAT scores, and family dissolution. According to Murray and others (Mead, 1985), this "welfare dependency" should be replaced by the "independence" that comes from wage-labor. Social policy during the Regan years was thus guided by conservative normative values, advocating a return to the traditional values of "work ethic" by cutting welfare payments and forcing recipients to work outside the home.

Between these polar-opposites of societal and individual theories of poverty are found what Sherraden calls middle-ground theories of poverty such as Oscar Lewis' (1966) "culture of poverty" theory and Ralf Dahrendorf's (1979) "life chances" theory. Both of these theories point to a perspective of poverty which views poverty as a result of social structures and dysfunctional individual behaviors. However, within the middle-ground theories, dysfunctional behaviors are seen as functional adaptations to difficult social environments. Sherraden points out that few connections have been made between Macro (societal) and Micro (individual) theories of poverty, integrating both the societal and individual causes of poverty. Building on Weber and later Dahrendorf's "life chances" concept, Sherraden incorporates the social structure of life chances/choices as determined by race, gender, social status, socioeconomic class, and political power and
the internalization of life chances/choices into individual behavior. What results is a synthesis of Macro and Micro theories of poverty into an asset-based theory of social welfare.

What Sherraden promotes is a synthesis of economic development and social welfare via long-term asset accounts aimed at accumulating savings for life goals such as home ownership, starting a successful business or education, rather than the current revolving door of rental subsidies and low-paying jobs for most working poor. These life-long material and human assets are then hypothesized to bring about the welfare effects and changes in human behavior listed earlier. Assets, according to Sherraden are the "permanent" stocks of wealth in the household, often transferred from generation to generation, leading to the growing gap in wealth accumulation between the social classes in America noted earlier. Not only is material wealth transferred via familial and societal structures, safe-guarding this transmission of wealth intergenerationally (such as inheritance and tax laws), but so is human and social capital with its corresponding behavioral norms of educational attainment and successful professional career paths.

Concerning home ownership and its impacts on human well-being and behaviors, Sherraden incorporates both aspects of investment return theory and social status theory into his hypotheses. Investment return theory states that home ownership promotes community involvement and home improvements because of the growing economic equity in the home, purportedly leading to home owners making better neighbors due to this economic incentive. Therefore, home owners are economically encouraged to improve their communities due to the financial gains that spring from enhanced property
values (Butler, 1995; HUD, 1992). Critics of investment return theory note that low-income home buyers may actually lose money through the depreciation of their homes, especially in economically depressed and deteriorating neighborhoods and communities (Doling and Stafford, 1989). Also, low-income buyers are more likely to experience income instability, resulting in higher incidences of evictions and housing repossessions as well as the added financial burden of repairs to the generally poor condition of low-cost housing, all of which may make home purchasing less attractive to low-income buyers (Meyer, Yeager and Burayidi, 1994).

Social status theory postulates that home ownership provides a sense of control and security over the immediate environment as well as being a symbol of status and success in that same environment/community (Cooper, 1972). Cooper suggests that the home has a social psychological function as a symbol for the self and is therefore connected to self-esteem. Rakoff (1977) also provides a social psychological interpretation of the home, suggesting that the home is a symbol of status and success, providing a basis for judging ourselves and others based upon the size, location, and quality of our home, as well as providing the home owner with a sense of security, control, and order in their lives and their world. Saunders (1990) adds to the above argument concerning the benefits of home ownership and adds yet another behavioral outcome of owning one’s home: that home ownership results in higher levels of neighborhood stability via the civic/neighborhood involvement and home improvement activities of the home owners. According to Saunders, civic involvement is a result of home owners’ desires to protect and maintain their property and the connections to their
neighborhood, resulting in a greater sense of security and stability in the neighborhood.

Drier (1982) expounded upon the economic, social, and ideological privileges granted to home owners in the U.S. via bias in tax, zoning, and landlord-tenant laws that historically have favored home/property owners. The social status of homeowners is conferred due to the political economy of the U.S. and an historical bias towards individual ownership and asset accumulation. In addition to these structural advantages of home and property owners, Drier examined the cultural and social ideologies of home owners versus tenants, finding that in U.S. society home owners are considered as more responsible, thrifty, stable, and even morally superior to tenants whereas tenants are considered less responsible, less civic minded, and more transient, lacking the skills to own and manage a home and making altogether poorer citizens.

While far ranging in their hypothesized benefits of home ownership, Sherraden has incorporated aspects of social status theory and investment return theory into his hypotheses of human benefits/behaviors explained by assets holding. But what empirical evidence exists to show that assets actually lead to changes in human behavior? What follows is a review of the literature concerning the relationship between assets and human behavior/well-being.
CHAPTER 2
REVIEW OF THE LITERATURE

Assets and Human Behavior/Well-Being: Empirical Evidence

Introduction

The three forms of assets advocated by Sherraden's asset-based theory via the Individual Development Accounts (IDAs) are: 1) home ownership, 2) human capital in the form of higher education, and 3) micro-enterprise. This review presents the literature concerning these three primary forms of material and human assets, postulated by Sherraden to have positive impacts on human well-being and behaviors, particularly the personal efficacy, future orientation, community involvement, and community assistance of asset holders. In the primary research question, of particular interest to this researcher is the relationship between the level of household assets and the resultant well-being/behaviors of the study participants. Sherraden postulates increases in personal efficacy, future orientation, community involvement, and community assistance with increasing levels of assets in the form of home ownership, education, and micro-enterprise. Can this hypothesized relationship be supported for working poor individuals and households functioning with lower levels of material capital and human capital
assets? That is, what is the relationship between level of assets and an individual’s level of personal efficacy, future orientation, community assistance, and community involvement for working poor individuals and households who do not own their homes or a small business or who have minimal formal education? Also, will these working poor individuals and households be motivated to join an IDA program which requires monthly household savings before the benefits of a matched savings account can be realized?

**The Relationship Between Home Ownership and Well-Being/Behaviors**

A study by the U.S. Department of Housing and Urban Development (1995) revealed that the median priced home increased in value by 41 percent between 1960 and 1989, and that the lowest priced homes increased in value by almost 30 percent. This same study revealed that the median net worth of homeowners in 1995 was $78,000, whereas for renters it was only $2,300. However, gains in home values were found to be significantly different along racial lines, with home values increasing by $52,00 for whites from 1967 to 1988, whereas black home owners only saw the values of their homes increase by $31,000 during this same time period (Oliver and Shapiro, 1995). The same authors go on to note that two-thirds of black families have zero or negative assets, pointing to what they term the "sedimentation" of racial economic inequality wherein the effects of past and current racial discrimination result in black wealth/assets based on low wages, personal, community, and organizationally limited financial opportunity, especially in terms of access to good credit and home ownership. The authors point out
the relationship between low home value appreciation rates and neighborhood segregation practices and poverty environments, perhaps making home ownership a questionable investment in inner-city or rural poor neighborhoods. They note the failure of HUD’s 235 home ownership program in predominantly black neighborhoods due to the construction of cheap, poorly designed and built homes that were not considered desirable. They estimate the total loss of home equity accumulation for black neighborhoods at $82 billion, at a time (1967-1988) when most white neighborhoods were appreciating in value! The authors finally advocate for the "democratization of asset accumulation" via opportunities to increase individual wealth (through consumer education and "learning by doing" financial strategies) combined with community/social responsibility via equal access to the market place. Also, concerning the relationship between home ownership and economic well being, Scanlon (1998) acknowledges that low-income housing does not necessarily lead to a brighter economic future for the poor, with the need for a comprehensive community economic development plan being critical, in tandem with home ownership programs.

A few researchers have correlated home ownership with a higher sense of control over life and greater self-efficacy and esteem as compared to renting households. Home owners typically have more control than renters over changes to the dwelling and grounds, more control over who enters their home, and the circumstances that might force them to move, resulting in a higher sense of control over major life events as well as a greater overall life satisfaction and a sense of having achieved the "American Dream" (Saunders, 1990; Coleman and Rainwater, 1978). However, what limited research has
been done on the relationship between home ownership and resultant life satisfaction, sense of control and self-esteem of the household has focused on middle and upper class homeowners in more affluent communities and neighborhoods. As noted above, what is the rationale for home ownership as a sound investment strategy in poor, racially segregated neighborhoods or rural economically depressed and isolated regions? Also, it is not clear whether or not low-income home owners are any safer from forced relocation than renters, via foreclosure due to more variable income flows and less savings than middle and upper class households, resulting in low-income home owners perhaps feeling even more insecure than low-income renters (Hoffman and Heistler, 1988). Finally, Lauria (1976) has argued that home ownership by low-income people may actually tie them to declining neighborhoods and regions where the local labor markets are depressed with little opportunity for good paying jobs which may also lower their sense of control over life events.

And as to the relationship between home ownership and higher levels of self-esteem and self-efficacy, it is not clear whether or not the construct of self-esteem is influenced significantly via a home purchase, with many developmental theorists claiming that self-esteem is formed primarily in our earlier years, becoming more resistant to change in adulthood (Rosenberg, 1979). However, Rosenberg does suggest that part of self-esteem is based on the principle of self-attribution whereby self-observation of one’s behaviors and their outcomes contributes to one’s self-esteem. That is, if a person pursues their chosen life goals successfully, they then accept their success as proof of their competence and self-worth (or what some researchers coin as self-
efficacy). Several surveys have shown that home ownership is a goal for the majority of Americans (HUD, 1978; Tremblay and Dillman, 1983), so it may well be an indicator of higher levels of self-esteem and self-efficacy. Finally, confounding variables concerning the relationship between home ownership and resultant self-esteem/efficacy include other contextual variables such as income, occupation, education and age; all of which have been found to be positively associated with self-esteem (Gecas and Seff, 1989). The above research raised questions concerning the hypothesized benefits of home ownership by Sherraden: 1) Is there a level of asset accumulation below which home ownership is not a viable alternative and how much of this level might be determined by household demographic variables such as the race, age, gender, education level, and marital status of the head of household and the number of children in household?, 2) Are there neighborhoods/communities in which home ownership does not present a viable investment strategy due to the effects of poverty, discrimination, and an undesirable physical environment depressing home values?, and 3) With limited "assets" what is the impact of income, transportation, and "smaller assets" on the personal efficacy, future orientation, and community assistance and community involvement of working poor households?

A study by Rohe and Stegman (1994a) tested the effects of home ownership among 125 low-income, predominantly African-American home owners (92 percent of sample was African-American), while utilizing a control group of 101 Section 8 renters with similar demographic characteristics. Utilizing a multiple regression model, they controlled for the income level, level of education, age, sex, marital, and occupational
status of the study participants as well as the housing type, perceived housing condition, and neighborhood satisfaction of the study participants, while testing for the effects of home ownership on the life satisfaction, self-esteem, and sense of control of the homeowner. The study revealed that home ownership positively affected life satisfaction but not the self-esteem or sense of control of the homeowner. However, the control variable "housing condition" had a significant effect on participant self-esteem and life satisfaction, regardless of whether they owned or rented. Housing condition was found to be more significant in predicting self-esteem and life satisfaction than income, occupation, or education. It would appear as though it is the condition of the housing, not whether it is owned, that affects a person's self-esteem. This finding may help to explain why home ownership is not the housing of choice in neighborhoods where "affordable" housing for would-be low-income home buyers is considered undesirable, with apartment housing being the preference until affordable housing in better condition could be procured. Education level was found to be significant on the measure of participant self-control and age was the only other control variable found to be significant, with the older participants having a significantly higher life satisfaction.

In the same study, Rohe and Stegman (1994b) tested the effects of home ownership on the level of participant civic involvement. Some researchers postulate that home owners take better care of their property, leading to a better maintained neighborhood and a greater "stake" in their community and society (Butler, 1985). This stake in their neighborhood takes the form of the equity that home owners have in their homes and the realization that this "asset" is affected by conditions in the surrounding
neighborhood, motivating home owners to protect their investments by involving
themselves in their community. While beyond the scope of this research endeavor, one
could point to the practice of "redlining" by realtors as an extreme measure taken by
home owners and communities to "protect" their investments. Indeed, Saunders (1990)
argues that the desire for home ownership is more a need for security and safety by home
owners, with higher rates of community involvement being an attempt to protect their
sense of security. As a result of this greater stake in their community, homeowners are
thought to have a higher rate of voting/political participation, greater participation rates in
voluntary organizations, and increased local social interaction (Cox, 1982; Ditkovsky and
van Vliet, 1984; Fischer, 1982). Rohe and Stegman found that home owners had a
significant increase in neighborhood and block association involvement 18 months after
home ownership as compared to their level of civic involvement at the time of home
purchase. However, these same home owners were found to be less likely to "neighbor"
than the control group of renters with neighboring being measured with an index
composed of five questions on the level of involvement with neighbors. The lower level
of neighboring was thought to be due to the home buyers moving into new subdivisions,
where all home owners were new arrivals, although the length of residence was included
as a control variable over the 18 month study period. Also, females and those who saw
the neighborhood as changing in a positive direction (a control variable using a five-point
scale ranging from much better to much worse) showed higher levels of neighboring.
Apparently, if the neighborhood is seen as changing in a positive direction, individuals, especially women, are more likely to neighbor.

To analyze the relationship between home ownership/renting and community involvement, Rohe and Stegman (1994b) utilized two measures of organizational/community involvement, the first simply being a self-report of the number of different civic organizations participants belong to. As the authors note however, this is a very imprecise measure of actual involvement since people may belong to a group but seldom actually participate. The second measure of community involvement records the frequency of involvement based on the actual number of meetings attended. As noted earlier, home owners were found to belong to a greater number of community organizations than renters. Education was also found to be significant, with higher education levels resulting in participation in more voluntary organizations. In terms of the types of community organizations belonged to, only neighborhood and block association membership showed a significant difference between renters and homeowners, with membership in church, school, political, and social organizations not being significantly different between the two groups (the authors ran separate logit models for each type of organization). Concerning the intensity of organizational involvement measured as the number of meetings attended, home owners were found to attend significantly more meetings in neighborhood and block associations than renters, but not meetings at church, school, or other community organizations.

Additional regressions were run by Rohe and Stegman (1994b) concerning home buyers only and their perceptions of neighborhood problems (an additive index of
responses to six questions concerning; mugging, drug use, harassment, burglary, rundown buildings and litter) and value orientation for home buying (economic versus social orientation). The severity of neighborhood problems measure was found to be significantly related to neighboring at the .10 level and to the frequency of participation in political organizations but not to other types of community organizations. The authors conclude that the level of neighborhood problems as perceived by participants has a limited influence on their social involvement in their neighborhood. Also, there was no significant difference between those buyers who bought for economic reasons versus those who bought primarily for social reasons. Finally, due to the lower levels of neighboring recorded for home owners, Rohe and Stegman conclude that "the impacts of home ownership on local social participation may depend on aspects of the social context such as perceived similarity with neighbors. Home ownership in itself does not necessarily lead to greater local social participation" (Rohe and Stegman, 1994b, p. 167).

Utilizing a telephone survey of 365 home owners and 135 renters, Cox (1982) found that home owners who perceived more neighborhood problems were more active in neighborhood affairs than either home owners who perceived few neighborhood problems or renters. However, Skogan and Maxfield (1980) found that home owners who perceived high levels of crime in their neighborhood were less likely to participate in community organizations designed to address the problem. While the above findings are not conclusive, there does appear to be a relationship between home ownership and the scope of neighborhood participation. However, contextual variables like high crime rates may deter participation in community affairs. Also, the condition of housing, regardless
of whether it is owned or rented, is significantly related to the resident’s self-esteem and life satisfaction. Finally, age and education level were found to be strongly correlated to life satisfaction and sense of control respectively, with older residents reporting higher levels of life satisfaction in general and individuals with higher education levels reporting a higher sense of control over life events.

In a random statewide telephone survey of 602 married women living in Maryland from 1977-1978, Petersen (1980) found that 22 percent of women who rent, but only 2 percent of women who own their homes reported any form of domestic violence during that time period. In a later study, Page-Adams (1995) utilized data from a survey of 2827 married women whose husbands also completed questionnaires for the National Survey of Families and Households in 1978-1979. While controlling for income, she found that home ownership was negatively associated with violence. While tentative, the above findings provide some support to Sherraden’s hypothesis concerning the relationship between asset holding and household stability. In another study, Page-Adams and Vosler (1995) found that home owning was related to lower economic strain, lower rates of alcoholism, and depression among 193 auto workers (half of whom were laid off from an auto plant closing), while controlling for income and education, providing additional evidence to the stabilizing effects of assets on households.

A discussion of home ownership would not be complete without acknowledging the need for household savings leading up to the purchase of a home. As a form of asset, savings potentially hold many possible future benefits besides home ownership. A longitudinal study by Yadama and Sherraden (1996) utilizing data from 2,871
respondents to the University of Michigan's Panel Study of Income Dynamics (PSID) tested the effects of respondent assets on their self-efficacy, horizons, prudence, effort, and connectedness. The original database of 4,802 households was collected from 1968-72 by the Survey Research Center at Michigan, with Yadama and Sherraden's subsample of 2,781 having the same head of household throughout the study period. The following demographic statistics describe their sample population: Average age of 43 for head of household with 75 percent male and 25 percent female, 66 percent Caucasian and 32 percent black. Assets in 1968 (house value, income and savings) are independent variables with prudence, efficacy, horizons, connectedness, and effort (behaviors and attitudes measured in 1972) being the dependent variables while controlling for age, race, gender, education of head of household, and presence of young children in household. Prudence was defined according to a risk avoidance scale minus the reserve funds (savings) measure to avoid confounding risk taking with savings. Efficacy was defined according to an efficacy-planning index (all scales/indexes were developed by the Survey Research Center of the University of Michigan) to measure a respondent's confidence about the future and satisfaction with self. The horizons proxy index measures a respondent's career goals and family plans, including having more children and plans for their education. The connectedness index measures respondent connections/supports with family and community. The efforts index measures the respondent's investment in human capital/education. Finally, the independent variables of house value, income, and savings were defined, with house value being set to zero if the respondent was renting.
Utilizing the LISREL 8 path analysis model, Yadama and Sherraden tested for the effect of income and assets on attitudes and behaviors and vice versa, that is, the effects of attitudes and behaviors on income and assets. Findings included modest significant effects between savings and house value (assets) and prudence, efficacy, horizons and connectedness (dependent variables), with savings having the strongest effect. Also, the effects of income on the dependent variables was not as strong as the effect of assets, pointing to a stronger relationship between assets, especially savings, and self-efficacy, future orientation, and connectedness than simply current income. Yadama and Sherraden also analyzed the effects of the above attitudes and behaviors on assets to see if causality could run in the opposite direction, that is, self-efficacy, horizons, connectedness, etc. (as measured in 1968) will effect future assets (1972). These effects were found to be quite modest, but do suggest what Yadama and Sherraden called a "virtuous circle" in household development in which "assets lead to more positive attitudes and behaviors, which in turn lead to more assets, and so on" (Yadama and Sherraden, 1996, p. 6). While savings were found to be more significant than income in explaining the level of participant self-efficacy, future orientation and connectedness for the home owners in this study, the question remains as to the above relationships for working poor, non-home owner populations.

A study by Cheng and Page-Adams (1995) examined the effects of parental socioeconomic characteristics, educational attainment, and asset holding on their daughter's economic well-being as single parents. The authors cite numerous studies pointing to the relationship between female-headed families and poverty and the
demographic shift towards female-headed households (a 139 percent increase since 1970). Using U.S. Bureau of Census data from 1993, the authors also point to the fact that nearly one-third of all female-headed households are poor. The authors then raise the question of why do some female-headed households have higher levels of economic well-being than others, postulating that while educational attainment may account for some of this economic diversity, perhaps asset accumulation also reduces vulnerability to poverty across generations?

Summarizing earlier work from different theoretical perspectives on intergenerational poverty the authors state that "adult children of parents with unfavorable socioeconomic characteristics are less likely to: 1) attain high levels of education and other forms of human capital, and 2) inherit or otherwise benefit from accumulated assets" (Cheng and Page-Adams, 1995, p.4). The authors therefore combine both human and economic capital theories in their conceptualization of the intergenerational process of poverty, in particular the role of their parent's socioeconomic level on the economic well-being of female-headed households. The authors go on to clearly state their research hypothesis: "We expect that parent's occupational status, parent's welfare use, and race will be correlated (Cheng and Page-Adams, 1995, p.4) . . . to the economic well-being of their female children's economic well-being in female-headed households." The independent variables are therefore: 1) parent's socioeconomic status (SES) based on their occupations when their daughter was 16, 2) parent's welfare use, and 3) parent's race. The dependent variable is the economic well-being of female-headed families measured as a ratio of earned income to the poverty line (adjusted for family size). It is
noteworthy that the researchers limited their measure of economic well-being to earned income and resultant savings, excluding public assistance, interest, dividends, and other investment income so as to provide a "real" picture of household income based on work. They note that work-based income was their primary dependent variable given the current welfare-to-work and anti-poverty debate. A second dependent variable is the educational achievement of the adult daughters measured in years of schooling.

Using data from the National Survey of Families and Households (NSFH), Cheng and Page-Adams limited their study to 553 white and 293 black female-headed families who were interviewed face-to-face between March 1987 and May 1988. The authors state that the NSFH collected data about social and economic realities in both the participant's adult family and in their families of origin. They felt that the NSFH data provided them with the necessary data to test their intergenerational model of economic well-being among female-headed families. No effort was made by the authors to prove the reliability or validity of the NSFH data. The authors constructed a model of economic well-being based on their research hypothesis and the NSFH data sample, using a structural equation modeling (SEM) technique to test their hypotheses. Major research findings include:

- parent's occupational status has a positive effect on asset accumulation among their adult daughters but it is not significant in its affect on their educational attainment,
- parent's welfare use negatively affects asset accumulation but not educational attainment,
- adult daughters who are white are significantly more likely to hold assets but not to attain higher levels of education than adult daughters who are black.

The authors conclude that "while both educational attainment and asset accumulation are important, only asset holding helps to explain the relationship between parent's socioeconomic status and economic well-being among families headed by their adult daughters" (Cheng and Page-Adams, 1995, p.10). Their study also points to the significance of the intergenerational impact of asset accumulation on the economic well-being of female-headed families. This is a significant contribution to both anti-poverty and welfare policy literature and programs given the fact that public programs that increase human capital (education and training) among welfare mothers do not guarantee a living wage or lead to their self-sufficiency in most cases. Finally, Cheng and Page-Adams add that "if assets have the positive effects found in this study, then policies and programs seeking to increase the economic well-being of female headed families should balance educational strategies with asset building initiatives" (Cheng and Page-Adams, 1995, p.13).

The literature suggests that the effects of household savings and home ownership on well-being and behaviors are mixed at best. The effects of race, gender, income, education, marital status and household composition should be controlled when analyzing the impact of these forms of material assets on individual well-being and behaviors.
Also, if home owners are more likely to accumulate wealth, tenants and low-income households are at an economic disadvantage in many cases, with housing tenure differences between these two groups contributing to class inequality in the U.S. Home ownership can therefore become a source of inequality in communities as well as potential school (educational) and labor market inequities in economically depressed areas. Also, home ownership in neighborhoods experiencing high rates of crime, unemployment, poverty, and violence may not be a valid investment strategy, requiring that community-wide economic planning and development be promoted along with home ownership programs. Add to the above contextual variables impacting the possible benefits of home ownership the economic reality of working poor households with often fluctuating and unstable incomes, creating a higher risk for mortgage defaults and even greater financial stress due to the added expense of home repairs. The risk of losing "everything" must therefore be safeguarded against in a successful home ownership program aimed at low-income buyers.

The Relationship Between Human Capital Assets and Well-Being/Behaviors

Findings from the study reported earlier by Cheng and Page-Adams (1995) revealed that while education and training are important demand-side labor market variables to include in welfare-to-work programs, they are not a guarantee for participant self-sufficiency. Supply-side variables concerning the availability and location of good paying jobs as well as job-support services such as transportation and childcare are also
critical. Neo-conservative modernization theorists argue that the development of a strong middle class is requisite to the success of the democratic process, with economic development and the accompanying increases in consumption and wealth leading to a reduction in the social distance between the haves and have-nots (Lipset, 1963). Lipset also argued that the lower socioeconomic classes in developed economies can therefore begin to adopt a longer-term time perspective (future orientation) and a more complex and reformist view of politics than their counterparts in underdeveloped economies where the political process tends to be more radical and extremist due to profound socioeconomic inequities. Sherraden also hypothesizes that with increases in human assets such as education, individuals will begin to delay immediate gratification and adopt a "future orientation." This assumption was also expounded in Becker's (1962) human capital theory, where individuals are said to have the choice between enjoying their current consumption or delaying gratification (such as continuing education or savings) to increase their future income (and consumption). According to Becker then, individuals will forego current consumption if they perceive that the discounted utility for later consumption is greater than the utility they would gain from today's personal satisfaction and social recognition via spending now. An extension of human capital theory is status attainment research which tries to link differences in educational and career attainment to family background, personal aptitudes and abilities, including motivation, ambition and the encouragement of others (Haller, 1982). Therefore, according to human capital theory, poverty is due (at least in large part) to the low social status of poor families, their limited ambitions and motivations and inability or
unwillingness to delay gratification, poor academic skills, and minimal encouragement from others. As can be intuited, human capital theory appears to "blame the victims" of poverty. This theory places responsibility squarely on the demand-side, labor market variables which individuals are supposed to cultivate (such as education and training) rather than focus on the supply-side economic variables which affect local labor demand. The policy implications of human capital theory suggest that individuals are in some way responsible for their lack of economic success and strategies therefore focus on modifying individual behavior and characteristics. This is especially problematic for poor inner-city and rural communities where it might be possible to provide training/skills to a few people which will help them find employment elsewhere, leaving the poorest of the poor behind. The works of Edin and Lein (1997) and Caputo (1991) mentioned earlier revealed how welfare-to-work programs based on human capital initiatives often resulted in working poor status and even greater household hardship due to the lack of good paying jobs and a preponderance of low paying, service sector jobs.

Before returning to this relationship between an individual's level of educational attainment and their labor market/income level of "success," what of the relationship between individual/household educational investment/attainment (for both adults and children) and their resultant levels of personal efficacy, future orientation, community involvement, and community assistance? As reported earlier in the study by Rohe and Stegman (1994b), the level of education for home owners and renters was found to significantly impact their level of community involvement, with higher education levels resulting in participation in more voluntary organizations by both groups. In the same
study, education level was also found to significantly effect the measure of participant perceived-control, that is their perceived capacity to deal with problems that arise in their household/community. The construct of perceived control utilized in Rohe and Stegman’s (1994a, p.174) study is similar to personal efficacy in that both are a measure of the perceived problem-solving abilities of the participant, or as the authors note, "perceived control means an individual’s belief that he or she is largely in command of important life events rather than being subject to fate or to the will of others."

In a study by Gecas and Seff (1989), 173 two-parent households with adolescent children were interviewed to explore the relationship between social class, occupational conditions and the resultant level of self-esteem of the "heads of household." In all cases, the head of household interviewed was male, with the following sample characteristics: 1) social class (as measured by Hollingshead’s occupational prestige scale), with approximately half the sample being classified as "blue collar" and the other half as "white collar," 2) educational level, with 11 percent reporting less than four years of high school and 18 percent reporting as college graduates. The educational median was between "trade school" and "some college," 3) family income level, with 45 percent earning between $15,000 and $25,000, 24 percent between $25,000 and $50,000, 6 percent over $50,000 and 5 percent less than $10,000. The authors characterize their sample of men as fairly evenly distributed across both "middle class" and "lower class" social classes. The author’s cite the earlier works of Rosenberg and Pearlin (1978) and Kohn and Schooler (1983) which elucidate the relationship between social class and occupation in the United States, concluding that "for employed adults in our society, the
psychological consequences of social class are experienced largely through the association of class with occupation, specifically with occupational conditions. Since so much of a working adult’s time is spent on the job, the nature of the work and the experiences at the workplace can be expected to have a substantial effect on the worker” (Gecas and Seff, 1989, p. 354). In particular, Kohn and Schooler’s research reveals the relationship between work conditions and self-esteem, with higher levels of self-esteem being associated with work environments that offer higher levels of autonomy, decision making, and self-direction. The primary research question raised by Gecas and Seff concerned the relationship between occupational prestige, level of education, and occupational conditions on the self-efficacy of the study participants. As relates to our discussion concerning the relationship between educational attainment, labor force participation and resultant self-efficacy, the authors reported that education had a positive direct effect on self-efficacy, although the standardized beta coefficient reported was quite modest (B = .15). Both job control and job complexity were found to have moderate positive effects on worker self-efficacy with respective beta scores of .24 and .15. Job control was measured subjectively by asking workers the question: "How much control do you feel you have over your job?", the responses being scaled on a 6-point scale from one —almost no control, to six —almost complete control. The measure for job complexity was also a subjective self-report by the study participants, with three subscales: 1) working with people, 2) working with written material, and 3) working with things, the combined score representing the job complexity score. The educational level of workers was also found to be statistically significant to their corresponding level of job
complexity. Finally, job routinization was found to have a negative effect on worker self-efficacy, with a beta score of -.14. Routinization is an indication of the repetitive nature of one's work, measured by a subjective self-report to the question: "Does your work involve doing 1) a number of different things, 2) the same thing in a number of different ways, or 3) the same thing in the same way repeatedly?" (Gecas and Seff, 1989, p. 358). The authors conclude that "the workplace is a major context for adults to express and assess their efficacy, as well as an arena in which they are evaluated by others in terms of their competence... however there are also other contexts (such as family, recreation) which are also important arenas for self-efficacy and self-esteem" (Gecas and Seff, 1989, p. 362-63). The educational attainment of workers may therefore impact their overall sense of self-efficacy, impacting not only their level of occupational prestige and earnings but their corresponding degree of job control, job complexity, and job routinization.

However, as noted earlier, this study only addressed male middle-class and low-income labor force participants. What might be the relationship between educational attainment and the labor force participation of women and their resultant levels of self-efficacy?

In a longitudinal study of 591 female-headed households, Downey and Moen (1987) explored the relationship between levels of income, education, and household demographic variables and resultant levels of head of household's personal efficacy. Utilizing data from the University of Michigan's Panel Study of Income Dynamics, the authors analyzed data from the time period of 1972 to 1976, incorporating measures of personal efficacy, income, income change, employment transitions, family transitions (marriage and life-cycle changes in parenting) as well as controlling for race, education.
level and physical health. The sample was 40 percent white and 60 percent black females under the age of 57 at the time of the first measurement (1972). Personal efficacy was measured utilizing a Likert-type 5-point scale on the following three items: 1) "Have you usually felt pretty sure your life would work out the way you want it to or, have there been times when you have not been sure about it?, 2) When you make plans ahead, do you usually get to carry out things the way you expect to, or, do things come up to make you change your mind?, and 3) Would you say you nearly always finish things once you start them, or, do you sometimes have to give up before they are finished?" (Downey and Moen, 1987, p. 324-25). The authors report a Cronbach’s alpha value of internal consistency reliability of .52 for Time 1 (1972) and of .50 for Time 2 (1976), reporting that these reliabilities are consistent with values reported by other researchers, offering evidence of the convergent and content validity of the scale (Duncan and Liker, 1983; Lachman, 1985). Income was measured as both the annual earned income of the head of household but also a second measure reported total family income from "informal" sources. Education was entered into the multiple linear regression analysis as a trichotomous variable; 1) less than a high school education, 2) high school graduate, and 3) as least some college education. Findings include: 1) Changes in personal income has a significant effect on changes in the level of the head of household’s personal efficacy during the study period, revealing that an increase in personal earnings is associated with an increase in personal efficacy, 2) that changes in the level of total family income, including that from informal sources, while taking changes in family needs into account, also increased the level of personal efficacy of heads of household, 3) both race and
educational level of head of household were found to be significant to change in efficacy, with white women more than black women significantly increasing their levels of personal efficacy over the study period. Also, significant increases resulted in the personal efficacy of those women with some college over those who dropped out of high school. The authors conclude that the "achievement in the form of increased earnings affects the personal efficacy of women heading households in the same way as previous research has shown it to affect that of men . . . and the effect is not contingent on either marital transitions (getting married), or on parental status or transitions" (Downey and Moen, 1987, p. 328). However, noting that family income from sources other than formal labor market participation had an equally strong impact on heads of household’s level of personal efficacy, the authors suggest that the resource (survival) value of income may be most important to female-headed households, not its value as an index of personal work-related achievement as it is for men. The authors found this to be especially true for working poor, female-headed families, where women are clustered in low-paying, low-prospect jobs, relying on income other than their personal earnings to ensure their family’s survival. This is also true for high school dropouts and single-parent, black women who are more likely to live below the poverty line. For these heads of households, increases in personal efficacy associated with personal income are due to the extent that it improves overall family income and survival, pointing to gender differences in the consequences of personal income on personal efficacy. These findings are congruent with Edin and Lein’s (1997) study of working poor, female-headed households, indicating the importance of the informal sector and a "patchwork quilt" of
survival strategies for those households who relied on an assortment of survival strategies to meet nearly one-fifth of their monthly living/survival expenses. Therefore, increases in the personal efficacy of working poor, female-headed households is related to not only their gender, race, and educational level but also their level of "formal" income from labor market participation and their "informal" income from various family-centered survival strategies. But what of the relationship between gender, marital status, race and educational attainment and "success" in formal labor market participation, as well as the impact of Macro-level, community/regional contextual variables on the well-being of working poor households?

The Relationship Between Education, Gender, Race and Marital Status and Income from Formal Labor Market Participation.

The "connection" between education and better-paying jobs is well established, with achieving less than a ninth-grade education being a good predictor of being poor (U.S. Bureau of Census, 1988). However, in this same Census report a high school education did not result in avoiding poverty for many Americans and the best predictor of avoiding poverty in the U.S. was shown to be a college degree. This same report also revealed that being employed, on the other hand, was not a good predictor of avoiding poverty, indicating that the "working" poor is a rapidly growing socio-economic class in American society, findings consistent with Caputo (1991).
An analysis of Survey of Income and Program Participation (SIPP) data by the U.S. Bureau of Census (1993), which examined the participation rates in various government assistance programs (including AFDC) from 1990-92, found that in an average month of 1990, 21 percent of persons 18 years of age and older without a high school diploma participated in major assistance programs, compared with only eight percent of those with a high school diploma, and only three percent of persons with one or more years of college, again indicating the importance of education to economic and personal well-being. This same report also found that persons in female-headed households were six times more likely than persons in two-parent households to have participated in a major assistance program during this same time period. Both of these U.S. Census reports point to the need for effective education and job skills training programs, that go beyond entry-level, minimum wage positions, especially for female-headed, single-parent households, if the expectation is one of providing the capacity for self-sufficiency and home ownership for these households.

A study by Hill and Duncan (1987) to test the effects of parental income on their children’s socioeconomic attainment utilized 854 cases from the Panel Study on Income Dynamics. Averaging household income for the years when children were from 14 to 16 years of age, while controlling for other sources of financial resources such as gifts, the authors found that parental income positively affected their children’s educational attainment as adults but not their wages. Hill and Duncan’s findings do not concur with Cheng and Page-Adams’ study reported earlier, in which parent’s socioeconomic status was more influential on their children’s financial and economic well-being than their
children’s educational attainment. However, taken together both studies indicate a positive relationship between parent’s socioeconomic status and the educational and economic achievements of their children. Therefore, this data supports Sherraden’s hypothesis concerning the relationship between assets and future orientation as measured by the level of investment in the human capital/educational attainment of a household’s adults and their children. The socioeconomic status of a household effects both the educational attainment and future economic achievements of the children in the same household, with higher socioeconomic status of parents being associated with both higher educational and economic attainment of children.

Finally, using 1994 data, the U.S. Bureau of Census found that in households headed by persons 25 years and older, the median income for those with less than a high school diploma was $17,548, while the income for those with some college moved to $35,879. For female-headed households, the median income was $19,872 for all education levels, whereas male-headed households had a median salary of $30,472 (U.S. Bureau of Census, 1996, p.462). For women, age 25 - 34, working full-time, the annual earnings are $14,363 if they have less than a high school diploma and $22,023 if they have some college. Education level effects earning levels significantly for both men and women but does not keep men as far below the poverty level. Men with less than a ninth grade education earn a median of $17,622. They earn $20,594 with less than a high school diploma and $29,922 with some college (U.S. Bureau of Census, 1996, p.471). A different analysis in the same volume reports that during the two-year period of 1991-92, 10.4 percent of households headed by persons with less than a high school diploma were
living in poverty, while only 1.2 percent of those headed by a person with one or more years of college were poor (U.S. Bureau of Census, 1996, p.475). Also, 1994 U.S. Census Bureau data revealed that a woman who has completed four years of college will earn 73 percent more during her lifetime than a woman with a high school education. A comparable figure for men is 83 percent.

The above research points to the relationship between education/training (human capital) and economic well-being. However, simply investing in human capital strategies without altering the supply-side labor market variables will not necessarily increase the social and economic development of the poor, failing to provide a "ladder of opportunity" and function as the great social equalizer for many working poor households. This is especially true for minority and female populations, with 1994 U.S. Census Bureau data revealing that African-American high school graduates experience nearly twice the rate of unemployment as white high school graduates and that women earn approximately 30 percent less than men of equal education. As with the home buying investment strategy, pursuing education/human capital strategies and the resultant level of benefits realized may be dependent upon local contextual variables such as the quality of public education in economically depressed or crime ridden areas that depend in part upon local property taxes to finance their local schools. Related to this is the condition of local labor markets in such areas and the "return on investment" from education realized by area residents, a point congruent with Wilson’s (1996) findings in Chicago.
The Impact of Macro-Level, Community/Regional Contextual Variables on the Well-Being of Working Poor Households

While the above research findings reveal the relationship between educational level and economic well-being, the effects of race, gender, age and marital status on this relationship were also noted. Also the impact of supply-side economic variables such as the availability of good-paying jobs must be taken into consideration when assessing the efficacy of human capital development strategies. Local labor markets can be conceptualized as work structures "embedded" in local social contexts (Mingione, 1991), in which work activities are purposive actions of individuals or groups within a socio-regulatory context of local work structures. According to Mingione, rural poverty would be high in those social contexts in which households face a work structure that provides marginal wages and in which there are limited external resources to enhance their economic reality. Therefore, work structures in rural areas would appear to result in higher incidences of working poor households, although Wilson's (1996) research documents a similar process occurring in urban inner-city environments. The current trend towards reduced social welfare payments may have especially severe impacts on working poor households in rural and inner-city areas who have limited options. Finally, Mingione also discusses the negative impact of the commodification process on the working poor, a process of increased reliance on goods and services that requires monetary expenditures as well as a downward spiral of buying power in real wages. Thus, the informal economy may be critical for the economic survival of rural and inner-
city working poor households. Therefore, the "embeddedness" perspective as postulated by Mingione requires that we consider not only how work opportunities are organized in a particular social context, but also how household members organize their work activities in the context of the overall household reproductive strategy (Mingione, 1991, p.141). These considerations become especially critical for single-parent, female headed households contemplating the tradeoffs around childcare and formal workforce participation versus their participation in the informal economy. To this end, Mingione notes how the informal sector provides some degree of social and geographical stability to working poor households and communities via kinship and support networks based on an information network built on trust. These trusting relationships contribute to a neighborhood/community solidarity and cooperative action. Mingione's embeddedness perspective strikes a similar chord as the "opportunity structures" conceptualized by Darendorf earlier do, both based on individual opportunities within a social context. However, the above research findings indicate that while education level may be strongly related to resultant income potential, this relationship must be assessed within the constraints presented by race, gender, class, marital status and family demographics as well as the characteristics of the local labor market. The "giving and getting" of community assistance hypothesized by Sherraden to increase with increasing levels of assets, may be more a result of the survival strategies of working poor, female-headed households than a function of higher levels of capital material assets (as also postulated by investment return theory). Therefore, the role of gender, race, marital status, and
household size (number of dependent children) as intervening variables impacting on the relationship between educational attainment, labor force experience and the resultant level of worker self-efficacy must be considered.

The relationship between education and local economic development

In a review of the research literature concerning education and local employment growth, U.S. Department of Agriculture sociologists Killian and Parker (1990, p. 93) reported that education alone does not necessarily foster local economic development and that "raising the educational credentials of local workers is not a sure-fire way to develop local economies or to raise the quality of life in rural areas." Between the years of 1969-88 the authors found that neither the average level of schooling in nonmetro areas nor the extremes of local educational attainment (that is the percentage of local youth completing college or the other extreme of high school dropout rates) made any significant impact on the local nonmetro economic growth. Indeed, the gap between metro and nonmetro income has steadily increased, with nonmetro income falling from 78 percent of metro income in 1973 to 72 percent by 1989 (Task Force on Persistent Rural Poverty, 1993). The task force authors point towards a persistent rural poverty rate which remains significant, even during nationwide economic recoveries. This is due in part to persistent unemployment rates in economically depressed rural areas which accounted for 63 percent of the variation in nonmetro poverty rates compared to 22 percent in metro areas from 1973 to 1989 (Hoppe, 1991). Implementation of IDA programs aimed at asset
accumulation in the traditional areas of homeownership, education/job skills training, and micro-enterprise could be problematic in these economically depressed areas.

McGranahan (1988) has argued that the personal benefits gained by enhancing educational achievement opportunities for rural workers does not extend into benefits in local economic growth. He notes that demand for better educated workers during the 1980's was more centralized in metro areas, leaving the traditional resource-based and manufacturing jobs of the rural areas at a disadvantage. In comparing urban to rural labor markets, McGranahan found that within most industries, routine (low-paying) production jobs are located disproportionately in rural areas while managerial and professional (technical) jobs are more concentrated in large metropolitan areas. McGranahan's findings fit with the urban hierarchy concept with higher levels of economic/industrial development located in larger metropolitan areas, with reduced ability (power) to attract industry as the distance increases from the center. We could also apply the concept of labor market segmentation and conflict theory to explain this preponderance of low-paying, marginal labor structures in rural America (Edwards, Reich, and Gordon, 1975) in which dualistic industrial and labor market structures have interacted with preexisting divisions by race, gender, and geographical location to produce enduring divisions. These authors show how industrial structure and other "supply side" variables have had far greater explanatory power than educational attainment or other "demand side" variables in predicting individual earnings and labor market segmentation. The conflict between labor and capital, in the authors' historical analysis, is by no means limited to the market place or the price and availability of labor (supply and demand-side economics),
but rather to the "point of production" and the inherent issues of control over work and the labor process. Finally, Killian and Parker (1991, p.93) conclude that "unless the quality of job opportunities in rural economies improves, the best and the brightest rural workers will continue moving to the cities for better job opportunities."

The Relationship Between Educational Attainment and Future Orientation.

Community Assistance and Community Involvement

While the relationship between educational attainment, labor market success and resultant levels of worker's personal efficacy have been explored, the literature reveals little concerning the direct relationship between educational level and the resultant future orientation or community involvement and community assistance of workers. However, future orientation as conceptualized by Sherraden refers to the level of investment/involvement that heads of households have in their own and their children's education. This conceptualization is rooted in human capital theory (Becker, 1962), as discussed earlier, as well as the culture of poverty theory as developed by Lewis (1966). According to Sherraden, as one invests time, money and effort in their own and their children's education today, by delaying today's immediate gratification for the discounted utility of later consumption, one increases their "future orientation." Thus, the return on building human capital via educational investments today results in a greater future utility (return on investment) than the utility they would gain from today's personal satisfaction and social recognition via spending now. By utilizing Sherraden's
conceptualization of future orientation, future orientation is measured according to the investment in time and energy that heads of households make today in their own and their children's education.

If indeed higher educational levels do result in greater success in the labor market, one would expect higher educational levels to result in lower levels of community assistance, that is lower utilization rates of community services and the assistance of neighbors and friends. Simply put, as financial needs decrease due to increased self-sufficiency, the need to "neighbor" in the form of giving and getting community assistance will also decrease. Recall Rohe and Stegman's (1994b) findings reported in the section concerning home ownership and its impact on community involvement, with home ownership resulting in significantly lower levels of "neighboring" than that reported by renters. However, in the same study, the level of a participant's education was also found to be significant, with higher education levels resulting in participation in more voluntary organizations. But only neighborhood and block association membership showed a significant difference between renters and homeowners, with membership in church, school, political, and social organizations not being significantly different between the two groups.

However, the relationship between community involvement and educational level has been clearly documented in the form of political participation and voter turn-out rates. In the 1996 presidential election, approximately 70 percent of college graduates voted, nearly one-half of high school graduates but, only one-third of people with eight years or less of formal education (U.S. Bureau of Census, 1997). While African Americans are
less likely to vote than white Americans, this difference is mainly due to social class, with middle and upper-class blacks and whites voting at about the same rate, while the turn-out for black and white poor is extremely low. Putnam (1995, p. 68) has noted that "by almost every measure, American’s direct engagement in politics and government has fallen steadily and sharply over the last generation, despite the fact that average levels of education—the best individual predictor of political participation—have risen sharply throughout this period. Every year over the last decade or two, millions more have withdrawn from the affairs of their communities." As noted earlier, Sherraden hypothesizes that increases in assets will increase community/political involvement as individuals gain an economic "stake" in their communities, although Rohe and Stegman’s (1994b) research revealed that home ownership did not increase political participation rates over renting. Numerous researchers have explored the declining civility of American society (Lasch, 1995; Etzioni, 1988) as well as the decline in American’s trust in the federal government. It would appear as though while education level as an asset is associated with higher levels of political participation, it may be more significant as an indicator of social class and resulting political participation rates.

The Relationship Between Micro-Enterprise Assets and Well-Being/Behaviors

Much of what we’ve learned concerning the relationship between micro-enterprise endeavors and human well-being/behaviors originated out of development projects in the "Third World." It is only recently that the same micro-enterprise development (MED)
concepts have been applied among the poor here in the U.S. A study by Noponen (1992) in Madras, India, to evaluate the economic and social well-being effects of a microenterprise loan program (referred to as the Forum) on 300 randomly selected women participants surveyed in 1980 and then again in 1985, revealed that women’s access to affordable credit improved their social status and material well-being. The women reported increased feelings of self-esteem and income security as well as improved treatment in the home and community. Noponen attributed much of the improved social status and self-esteem of the participants to the women’s own perceptions of the success of their community organizing efforts and cooperative actions, such as the neighborhood support group and cooperatively operated services, including night schools, day-care centers, training classes, and the women’s own cooperative bank. Finally, Noponen (1992, p.235) concludes that "the loan program did succeed in its primary aim of operating as a mobilizing catalyst for the Forum to organize thousands of women workers to work collectively on civic issues and specific problems facing poor women workers."

The Impact of Gender and Race on Micro-Enterprise Strategies

The United Nations has been influential in advocating for a human development strategy in the developing world, noting the track record of economic development efforts and its impact on women’s well-being, with the following findings by the U.N.(1995, p.4):
1) poverty has a woman's face—of the 1.3 billion people in poverty, 70 percent are women. The increasing poverty among women has been linked to their unequal situation in the labor market, their treatment under social welfare systems, and their status and power in the family, 2) women's labor force participation has risen by only four percentage points in 20 years—from 36 percent in 1970 to 40 percent in 1990 (compared to a two-thirds increase in female adult literacy and school enrollment), 3) women receive a disproportionately small share of credit from formal banking institutions. They are assumed to have no collateral to offer . . . for example in Latin America and the Caribbean, women constitute only 7-11 percent of the beneficiaries of credit programs, 4) women normally receive a much lower average wage than men, because they hold low-paying jobs or work in the informal sector and because they are sometimes paid less than men for equal work. The average female wage is only three-fourths of the male wage in the non-agricultural sector in 55 countries that have comparable data, 5) all regions record a higher rate of unemployment among women than men, 6) in developing countries, women still constitute less than a seventh of administrators and managers, 7) women still occupy only ten percent of the parliamentary seats and only six percent of the cabinet positions, 8) in 55 countries, there are either no women in parliament or fewer than five percent . . . despite considerable progress in developing women's capabilities, their participation in economic and political decision-making remains very limited.
The U.N. report concludes that the empowerment of women must be an integral part of the sustainable human development paradigm and that the modernization paradigm of economic development as a process of "lifting all boats," with benefits trickling down to all peoples in a "gender-neutral" fashion was simply not true. Finally, the authors conclude that the process of moving towards gender equality in the development process is not a technocratic process, but rather a political process, requiring "a new way of thinking in which the stereotyping of women and men gives way to a new philosophy that regards all people, irrespective of gender, as essential agents of change" (U.N., 1995, p.1). Of particular relevance to our discussion is the finding by the U.N. that despite increases in female adult literacy and school enrollment rates, the political and economic decision-making of women has not increased. Education as a human capital development strategy is ineffective without corresponding gains in the political and economic well-being of individuals. The U.N. data reveal that increases in educational levels do not necessarily equate with increases in economic and political decision making. While it is beyond the scope of this research endeavor to fully elucidate the track record of economic development efforts in the Third World, perhaps we should take heed from the above reports which help illuminate some of the pitfalls of the microenterprise approach to development and the potential for "uneven development" processes to occur, especially between the genders.

In their analysis of development strategies for women in the United States, Ehlers and Main (1998, p. 424) argue that the microenterprise development (MED) approach is more problematic than originally purported, noting that "gender constraints mean women
tend to choose small-scale, undercapitalized, and barely profitable ‘pink-collar’
businesses, largely home-based operations based on work women are already doing as
part of their gender-specific role (such as house cleaning). Second, microenterprise
training programs reinforce this business segregation by discounting the sociocultural
conditions women bring with them to business and instead emphasizing the personal
growth of individuals. The result is that women are encouraged to maintain their
economic vulnerability and social peripheralization rather than become part of the
mainstream business world." The authors note that the second barrier to successful entry
into the business world ignores the social relationships/responsibilities of most women,
that of mother and spouse, assuming a "disembodied worker" whose primary
commitments are to the business. These findings by Ehlers and Main are congruent with
those of Downey and Moen (1987) reported earlier, where family income from sources
other than formal labor market participation was found to have an equally strong impact
on female heads of household’s level of personal efficacy. One must certainly take the
high risk factor of starting a new business into account as well, with only one-in-ten new
small business being successful in America (U.S. Small Business Administration, 1987).

In their analysis of White Wealth Black Wealth in the area of business and micro-
enterprise, Oliver and Shapiro (1995) note the diverse circumstances that blacks and
whites face in the "socialization of wealth" in America. The majority of blacks have very
limited access to not only the elite social environments of country clubs and private
schools, but as mentioned earlier, having extremely limited assets from which to launch a
successful business enterprise. Also, the "racialization" of state policies via slavery, Jim
Crow, the Homestead Act, HUD, FHA, and the welfare state resulted in an "economic detour" for most blacks in the U.S. market place, leading to the marginalization of black businesses. As a result most blacks experienced a lack of freedom as an economic "free agent," with much of the white business market closed off to them historically, leaving them unable to create protected markets as the whites had. The end result of this economic detour for the majority of blacks was limited access to the business world as a viable option for economic success, with most blacks becoming consumers, dependent upon wage-labor, as opposed to business people and asset/wealth accumulators. The above findings reveal a need to control for the effects of race, gender, income, and education level, marital status, and household composition when analyzing the impact of microenterprise assets on individual/household well-being.

It would appear that the beneficial effects of asset development via microenterprise are not well documented, with possible inequities resulting from race and gender differences in particular. Indeed, this economic/human development strategy may actually lead to a greater gap between "haves and have-nots," depending on the availability and accessibility of effective small business programs for the poor, especially women and minorities. The cost-benefit analysis of economic development efforts (Brown, 1981) utilizing technology diffusion methods rooted in the modernization approach to development (Rogers, 1962) reveals the gross inequities of development efforts due to participant characteristics. In particular, participant selection into economic development programs often capitalizes on the already existing power and wealth differentials in the population based on race, gender, social capital, and educational
differences. Traditional development efforts rooted in an extension (education) approach to technology transfer often results in the better educated, wealthier participants "cashing in" on the program benefits. This disparity can also take the form of differential benefits due to ethnic or religious differences in the target population as well as geographical constraints due to lack of transportation, investment or banking infrastructures.

Therefore, economic development efforts not targeted to the "poorest of the poor" may actually increase the gap between the rich and poor in economically depressed areas. Such may be the case for IDA programs relying on traditional innovation diffusion (extension) models rather than utilizing a more community-based/community organization approach. The extension approach may simply "cream" those individuals who are already better educated and wealthier, leaving behind those who are not in a position to save the dollars necessary to "cash-in" on the match dollars. As noted earlier by Scanlon (1998), low-income housing does not necessarily lead to a brighter economic future for the poor, with the need for a comprehensive community economic development plan being critical, in tandem with home ownership programs. The same conclusion can be made concerning human capital/education and micro-enterprise programs that do not address the economic constraints of the local labor market and the business market constraints due to race and gender inequities. At its worst, such programs may simply lead to an "outmigration" of the brightest and most capable individuals, leaving the area worse off than before.
Summary of Findings From Literature Review

The literature review concerning hypothesized relationships between asset accumulation and levels of human well-being (personal efficacy, future orientation, community assistance, and community involvement) resulted in the following conclusions.

**Home Ownership and Human Well-Being/Behaviors**

1) Housing condition was found to be more significant in predicting self-esteem and life satisfaction than income, occupation or education. It would appear as though it is the condition of the housing, not whether it is owned, that affects a person’s self-esteem. This finding may help to explain why home ownership is not the housing of choice in neighborhoods where "affordable" housing to would-be low-income home buyers is considered undesirable, with apartment housing being the preference until affordable housing in better condition could be procured.

2) Education level of homeowners was found to be significant to the measure of participant self-control. Perceived self-control is a construct similar to Sherraden’s construct of personal efficacy, measuring the individual’s perceived ability to solve life’s problems.
3) Contextual/neighborhood variables such as area crime rates and the perceived similarities between neighbors were found to be significant to the level of participant’s perceived sense of control and community/civic involvement respectively.

4) An inverse relationship was found to exist between home ownership and "neighboring," with renters being more likely to neighbor than home owners. Also, females are more likely to neighbor if they perceive positive changes occurring in their neighborhoods.

5) Home owners are more involved in neighborhood and block association membership than renters, but they are no more involved than renters in church, school, political, or social organization membership.

6) While savings were found to be more significant than income in explaining the level of participant self-efficacy, future orientation and connectedness for home owners in one study, the impact of income on self-efficacy for single-parent, female-headed households was also noted, with informal sources of household income also being significant to the mother’s self-efficacy.

7) The effects of race, gender, education, marital status, and household composition should be controlled when analyzing the impact of home ownership on individual well-being and behaviors.

The results of the literature review concerning the relationship between home ownership and resultant level of personal efficacy, future orientation, community assistance, and community involvement are mixed. As noted above, personal efficacy
may be determined more by the condition of housing than ownership and contextual/neighborhood variables such as area crime rates (Rohe and Stegman, 1994a,b). Savings were found to be a significant variable in predicting homeowner personal efficacy (Yadama and Sherraden, 1996), however, income from both labor market participation and informal economy activities was also found to be significant to the personal efficacy of female-headed households (Downey and Moen, 1987). Therefore, it would appear as though total household income is a significant variable in predicting head-of-household personal efficacy, especially in working poor, female-headed households. Also, while marital status and number and age of children was not found to be significant to head-of-household personal efficacy in some of the studies reviewed, a large body of research (Edin and Lein, 1997; Chilman, 1995; Porter, 1990; Danziger Gottschalk, 1986) points to the connection between single-parenthood and poverty, with resultant feelings of poor self-efficacy and problem-solving capabilities.

Concerning home ownership and future orientation, results are again mixed, with some studies indicating modest significant effects between house value and "horizons" (a construct similar to future orientation utilized by Yadama and Sherraden in their study). There also appears to be a relationship between parental home ownership and socioeconomic status and the economic well-being of children (Cheng and Page-Adams, 1995) as well as the educational attainment of children (Hill and Duncan, 1987). Perhaps home ownership and higher levels of socioeconomic status provides a "stable" environment conducive to the development of a "future orientation" by children and adults.
Concerning home ownership and community involvement, again the findings are mixed, with home ownership increasing community involvement in the form of block and neighborhood association membership, but not in church, school, political, or other social organizations. However, home ownership was found to decrease the level of "neighboring" in one study (Rohe and Stegman, 1994b), with the perceived similarities between neighbors being significant to the level of neighborhood participation. The study by Yadama and Sherraden did reveal a significant relationship between home ownership and the level of "connectedness" area residents experienced in their neighborhoods although other findings revealed the importance of area crime rates and poverty in determining the level of neighborhood/political participation (Saunders, 1990; Cox, 1982).

**Human Capital and Human Well-Being/Behaviors**

1) U.S. Bureau of Census data reveals that a high school education does not result in avoiding poverty for many Americans, and the best predictor of avoiding poverty in the U.S. is a college degree.

2) Concerning the relationship between education and personal-efficacy, the education level of homeowners was found to be significant to their perceived sense of control (Yadama and Sherraden, 1995) and their perceived sense of self-efficacy (Downey and Moen, 1987).
3) Income may be a confounding variable concerning the relationship between higher levels of education associated with higher levels of personal-efficacy (Downey and Moen, 1987), with education being closely associated with income in the U.S. labor market.

4) As a concept, future orientation in this study is the level of investment/involvement that heads of households have in their own and their children’s education. It is assumed, based on Sherraden’s conceptualization of future orientation (along with concepts from human capital and culture of poverty theory), that as one increases their own educational investments and that of their children, their corresponding level of future orientation will also increase.

5) Concerning the relationship between level of education and community involvement, in Rohe and Stegman’s (1994b) study, the level of a participant’s education was also found to be significant, with higher education levels resulting in participation in more voluntary organizations. However, this higher level of participation was limited to neighborhood and block association membership and not church, school, political or other social organization membership.

6) U.S. Bureau of Census data (1997) reveals the relationship between higher levels of education and higher levels of political participation.

7) The educational attainment of workers may impact their overall sense of self-efficacy, impacting not only their level of occupational prestige and earnings but their corresponding degree of job control, job complexity and job routinization (Gecas and Seff, 1989).
8) Education alone does not necessarily foster local economic development
(Killian and Parker, 1990) and provide local labor market opportunities, especially in
economically depressed rural and inner-city environments (McGranahan, 1988; Wilson,
1996).

9) The role of race and gender must be considered in analyzing the effects of
education on economic success and resultant levels of personal efficacy, future
orientation, community assistance, and community involvement.

Micro-Enterprise and Human Well-Being/Behaviors

Little empirical evidence was found to support Sherraden’s hypotheses
concerning the relationship between increases in micro-enterprise assets and higher levels
of participant personal efficacy, future orientation, community assistance, and community
involvement.

Certainly some of the findings from the developing world point towards increases
in the levels of self-esteem of participants in successful micro-enterprise programs
(Noponen, 1992). However, the findings of the U.N. (1995) in the developing world and
Ehlers and Main (1998) and Oliver and Shapiro (1995) in the United States indicate the
role that gender and race plays in determining the "winners and losers" of this type of
development strategy. The works of Rogers (1962) and Brown (1981) also elucidate the
potential for technology transfer via the educational (extension) approach to inherently

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favor those individuals and communities that already have an advantage in terms of educational level, wealth, and social capital as well as power inequities due to race, gender, ethnicity, and geographic location.

Theoretical Conceptualization of Sherraden’s Asset-Based Theory

While Sherraden acknowledges the structural, supply-side barriers to gainful employment and the limitations to home ownership, education, and micro-enterprise as economic development tools, he buys into the human capital/individual development approach to social welfare, rather than formulating a theory of social welfare focused on structural change. However, if implemented to the degree Sherraden advocates, life-long asset accounts could result in a considerable redistribution of wealth in U.S. society, providing an opportunity structure or "life chances" (Darendorf, 1979) for the poor in America. Sherraden's asset-based theory is a neo-liberal/neo-conservative approach to social welfare that integrates both elements of community development (self-help strategies with a primary goal of social integration) and social planning (use of "experts"/planners with technical abilities to guide complex change processes such as buying a house); (Taylor and Roberts, 1985). It also appears to have a more functionalist theoretical under-pinning (Parsons, 1951), advocating incremental versus radical change within the established "status quo" of the U.S. socio/political/economic environment.

Indeed, in his keynote address at the "American Dream" conference in Chicago, Sherraden (1998) exposed ideas in line with the mobility and equilibrium assumptions of
neo-classical economics, with capital following the cheapest labor markets and workers needing to have assets which can follow labor market opportunity. His is a community development strategy in line with what Giloth (1998) stated as pursuing economic outcomes by engaging in business, real estate, human capital, or financial activities in the marketplace. While in theory, Sherraden's perspective does give lip service to the importance of social capital and "place," his above comments certainly raised the concerns of community organizers present in Chicago who advocated for a more "community" focus rather than an "individual" one.

If Sherraden's asset-based theory and its implementation via the Individual Development Accounts (IDAs) are not geared towards the "poorest of the poor," they may only result in "cream[ing]" those households who already have accumulated higher levels of human/material/social capital/assets needed to achieve self-sufficiency. This leaves the most needy behind, especially single-parent, female-headed households and minority populations in economically depressed areas. And while it is beyond the scope of this study, local labor market constraints, the condition of housing, area crime rates, and "contextual" programmatic, community, and regional variables may also help explain differential outcomes from one IDA program location to the next, rather than simple differences in individual behaviors and household characteristics.
Major Research Questions

Of particular interest in this study is whether or not the relationships between assets and individual behaviors/attitudes hypothesized by Sherraden in his asset-based theory of social and economic development exist in working poor households at their time of entry into an IDA program? The data for this study was collected over the last two years (Sept 1997 - April 1999) with working poor households in Ohio at seven different IDA program site locations in an effort to answer three major research questions. For each of the major research questions that follow, sub-questions are offered to provide greater specificity.

I) What is the relationship between a study participant’s level of income, assets and attributes, including their household demographic characteristics, and their individual behaviors and attitudes at the time of survey? More specifically, these are the questions:

I - 1) What is the relationship between the household demographic variables gender and race of head of household, the number of adults in the household, the number of children in household, and the household’s resultant asset level?

There are two primary categories of assets in the data analysis:

1. Material capital assets as measured by current income, checking account balance, savings, car, home, and/or business holdings, and any form of interest bearing investments. "Negative" material capital assets include credit card balances, loans etc. that decrease the level of material assets. Forms of income "support" are also measured to differentiate between "earned" and "supportive" sources of
income/assets and their contributions to participant self-efficacy, future orientation, and community assistance/involvement.

2. Human capital assets are measured by the educational level of the IDA participant.

I - 2) What is the relationship between household demographic variables gender, race, and age of head of household, the number of adults in the household, the number of children in household, and the head of household’s self-efficacy, community assistance, community involvement, and future orientation at the time of survey?

I - 3) What is the relationship between the level of household assets at the time of survey (while controlling for gender, race, and age of head of household, the number of adults in the household, the number of children in household), and the head of household’s self-efficacy?

I - 4) What is the relationship between the level of household assets at the time of survey (while controlling for gender, race, and age of head of household, the number of adults in the household, the number of children in household), and the head of household’s level of community assistance?

I - 5) What is the relationship between the level of household assets at the time of survey (while controlling for gender, race, and age of head of household, the number of adults in the household, the number of children in household), and the head of household’s level of community involvement in civic/political affairs?
I - 6) What is the relationship between the level of household assets at the time of survey (while controlling for gender, race, and age of head of household, the number of adults in the household, the number of children in household), and the future orientation of the head of household? Future orientation is measured as the head of household's attitude and involvement in their own education/training and their children's education.

II) What is the relationship between a study participant’s level of income, assets, and attributes, including their household demographic characteristics, and the likelihood of their participating in an IDA program? More specifically, these are the questions:

II – 1) What is the relationship between a study participant’s level of income and assets at the time of survey, including the household demographic variables gender, race, and age of head of household, the number of adults in the household, the number of children in household, and the likelihood of their participating in an IDA program?

III) What is the relationship between a study participant’s behaviors, attitudes, and attributes, and the likelihood of their participating in an IDA program? More specifically, these are the questions:

III- 1) What is the relationship between the head of household's self-efficacy at the time of survey and the likelihood of their participating in an IDA program?
III - 2) What is the relationship between the head of household’s level of community assistance at the time of survey and the likelihood of their participating in an IDA program?

III - 3) What is the relationship between the head of household’s level of community involvement in civic/political affairs at time of survey and their likelihood of participating in an IDA program?

III - 4) What is the relationship between the future orientation of the head of household at time of survey and the likelihood of their participating in an IDA program?

Hopefully this research effort can contribute to the debate surrounding the implementation of Individual Development Accounts as an anti-poverty program strategy.
CHAPTER 3

METHODOLOGY

Introduction

This study is a secondary analysis of data collected for the purpose of evaluating the effectiveness of various forms of Resident Development Fund (RDF) Projects financed by Ohio Capital Corporation for Housing (OCCH). OCCH's Resident Development Fund is $300,000 set aside for the "purpose of supporting initiatives to create opportunities for residents of affordable housing to improve their economic situation and achieve greater self-sufficiency" (OCCH Annual Report, p. 6, 1996). Of the numerous OCCH Resident Development Fund projects funded during the study, seven were structured around the implementation of Individual Development Accounts (IDAs) as conceptualized by Michael Sherraden (1991). OCCH is a not-for-profit housing corporation providing more than 4,000 units of subsidized housing in 68 project locations across Ohio. Below are some of the household demographics for the people OCCH serves:

- 73 percent of households have annual incomes of less than 50 percent of the area median income
- median household income is $13,284
- 61 percent of households have income from employment
- 39 percent have a minority head of household
- 42 percent have a female head of household
- 11 percent have a disabled household member

OCCH eligibility guidelines for household income is set at 50 percent or less of the area median income at the time of application for housing. Households may remain in OCCH housing even after their income rises above the 50 percent of area median income by paying additional rent.

Surveys from 111 OCCH households are used in this study to contribute to our understanding of the relationships between the level of household assets and 1) the resultant levels of the head of household’s personal-efficacy, future orientation, community involvement, community assistance given, and community assistance received, and 2) the likelihood of their participating in an IDA program.

Study Setting

This analysis will include data collected from voluntary potential IDA participants at the following seven OCCH sites where IDA projects were implemented during the study period. The OCCH Individual Development Account (IDA) Projects are:
1) East Akron Neighborhood Development Corporation, East Akron, Ohio: (14 participants).

2) Warren County Community Services, Inc., Lebanon, Ohio: (17 participants).

3) Medina Metropolitan Housing Authority, Medina, Ohio: (15 participants).

4) Buckeye Community Hope Foundation, Heath, Ohio: (6 participants).

5) Columbus Housing Partnership, Columbus, Ohio: (52 participants).

6) Rural Opportunities, Alliance, Ohio: (5 participants).

7) Sensible Shelter, Inc., Xenia, Ohio: (2 participants).

Columbus Housing Partnership implemented a second IDA program via funding received from the Ohio Community Development Corporation (Ohio CDC). The same IDA survey instrument was administered to the potential IDA program participants in the Ohio CDC project and added to the data base. The demographic characteristics of the Ohio CDC IDA program participants are similar to those for the OCCH IDA program, that is, both are working poor household populations. The total sample size for all seven (7) IDA program sites combined is 111 study participants.

Sampling

A non-random, cross-sectional sampling procedure was utilized in which all potential IDA program participants (heads of households) were asked to fill out the IDA program evaluation survey before entry into the IDA program. The study period began
with the implementation of OCCH’s Resident Development Fund in September 1997. The last data was collected in April 1999. Not all heads of households surveyed went on to actually open an IDA account. Therefore, it was possible to try to identify those individual and household characteristics that contribute to the decision to join an IDA program. Steps were taken to insure the participant confidentiality of both groups by only using the first and last initial of the head of household’s name along with the last four digits of their Social Security number to identify their survey responses. A verbal informed consent was also obtained from each participant who completed the questionnaire, informing them of the research purposes of the study and insuring each participant of their confidentiality. Persons were not required to complete the questionnaire to receive services.

Operational Definitions of Variables

The following independent and dependent variables were operationalized in designing the study. Please refer to the questionnaire in Appendix A for further clarification. All income, debt and capital assets are measured in dollars.

Independent and Control Variables

1. **Household Total Earned Monthly Income** - income earned over the last month by all wage earners in household via work activities in both the formal and
informal economy as well as investment income and child support payments: as determined by the potential IDA participant’s self-report utilizing the attached survey tool. Specifically, survey items 46a, b, e, k, l, m, t, and u were summed based on the reported monthly earned incomes from each source provided by the respondent, to yield the "household total earned monthly income."

2. **Household Total Supportive Monthly Income** – "supportive" income or in-kind payments from sources such as TANF, Food Stamps, SSI, Social Security, unemployment benefits, pensions etc., received over the last month, as measured by survey items 46c, d, o, p, q, r, s, f, g, h, i, j. All 12 sources of supportive monthly income reported by the respondent were summed to yield the "household total supportive monthly income."

3. **Household Total Debt** – total household debt over the last month as measured by survey items 65a-c, 66a-l. All 16 sources of household debt reported by the respondent over the last month were summed to yield the "household total debt."

4. **Household Total Material Capital Assets** - total combined value of household material capital assets (such as the current value of participant’s home, car, real estate property, business assets, checking and savings accounts, stocks, bonds etc.) as measured by survey items 48, 54, 56, 59, 61a and b, 62 a-i. All 16 sources of household capital assets reported by the respondent were summed to yield the "household total material capital assets."

5. **Education Level Head of Household** – highest level of education of head of household treated as human capital assets and measured by survey item 14.
The response given by the head of household to the following ordinal scale for the level of education completed yields "education level of head of household:"

1) Some high school, 2) Graduate from HS or GED, 3) Some college, 4) Graduate from college, 5) Some graduate school, 6) Finish graduate school.

The following independent variables are entered as control/dummy variables in the multiple linear regression:

6. **Gender of head of household** as measured by survey item 1. Gender was coded as a dummy variable with:

   0 = male
   1 = female

7. **Age of head of household** in years as measured by survey item 2.

8. **Race of head of household** as measured by survey item 3. A decision was made to collapse race into only two categories since 98 percent of the program participants were either African American (59 percent) or Caucasian (39 percent). Race was coded as a dummy variable with:

   0 = Caucasian
   1 = not Caucasian

9. **Number of adults in household** 18 years-old or older as measured by survey item 7.

10. **Number of children in household** as measured by survey item 9.
Dependent Variables

The dependent variables which are hypothesized to be impacted by the level of individual assets are personal efficacy, future orientation, community involvement, community assistance given, and community assistance received. As noted in the literature review, there are conflicting empirical findings for Sherraden's hypothesized relationships between assets and the following individual behaviors/attributes (dependent variables). Also, the question remains: Do the hypothesized relationships between personal efficacy, future orientation, community involvement, community assistance given, and community assistance received, and level of material and human capital assets posited by Sherraden hold true for low-income, working poor households? More specifically, can these hypothesized relationships between asset holding and the dependent variables be identified in working poor households at the time of their entry into an IDA program?

1. **Personal Efficacy** – as defined in the Social Work Dictionary (Barker, 1991): "a client's expectation and belief in his or her ability to accomplish specified tasks."

Sherraden hypothesizes that assets increase the personal efficacy of individuals, basing this assumption on assets providing the holder with more control over life events and a resultant sense of security and ability to problem solve. Assets, especially capital assets, provide a "counterweight to learned helplessness and vulnerability" (Sherraden, 1991, p.160-61), providing options, time, resources,
and energy to pursue a much wider range of life goals. He quotes from Sumner’s (1893) social Darwinist essay entitled "What the Social Classes Owe to Each Other:" "Undoubtedly the man who possesses capital has a great advantage over the man who has no capital, in all the struggle for existence . . . the man who has capital has secured his future, won leisure which he can employ in winning secondary objects of necessity and advantage, and emancipate himself from those things in life which are gross and belittling . . . the maxim, or injunction, to which a study of capital leads us is, get capital."

In this study, the level of survey participant’s **personal efficacy** before choosing to enter or not enter the IDA program is measured by IDA survey items 37-39. The study participant’s level of personal efficacy is based on their responses to the following three questions:

- I usually feel pretty sure that my life will work out the way I want it to.
- When I make plans ahead, I usually get to carry things out the way I expect to.
- I nearly always finish things once I start them.

The following value codes were utilized to score the participant’s response to each Likert-type item utilized to answer the above:

4 = Strongly agree

3 = Agree

2 = Disagree

1 = Strongly disagree
Therefore, the total scale points possible range from a high score of 12 to a low score of 3. A Cronbach’s alpha was computed for the personal efficacy scale items utilized (survey items 37-39), yielding an internal reliability coefficient of .6756.

A distinction needs to be made at this juncture between the concepts of personal (self) efficacy versus self-esteem. Barker (1991, p. 147) defines self-esteem as "an individual’s sense of personal worth that is derived more from inner thoughts and values than from praise and recognition from others." The scaled items on the IDA survey appear to have both face and content validity, distinguishing between self-esteem/self-concept (a more internal self-referent measured by survey items 18-27) and more task-oriented/problem-solving concept of self-efficacy (measured by survey items 37-39). Also, as noted in the literature review, the concept of "control" was incorporated into a measure of the relationship between assets and life circumstances, with assets, especially educational level, being associated with higher levels of "control" (Rohe and Stegman, 1994a). Control then is thought to increase one’s sense of self-efficacy in shaping important life events.

Utilizing Levenson’s (1974) adaptation of Rotter’s original Internal-External scale, Rohe and Stegman used three subscales, each containing three items. The subscales included: 1) internal control, 2) chance control, and 3) powerful others control. The internal control subscale is comparable to the self-efficacy scale utilized in the IDA survey, with the following questions utilized in the Rohe and Stegman (1994a, p. 182) study: 1) "When I make plans, I am almost certain to make them work, 2) I am usually able to protect my personal interests, and 3) I can pretty much determine what will
happen in my life." The authors also utilized a measure of self-esteem adopted from Hoyle's (1987) adaptation of Coopersmith's self-esteem inventory. The dimension of self-esteem measured by Rohe and Stegman (1994a, p. 182) was the task-related skills and abilities subscale with the following questions: 1) "In general, I do not have the abilities necessary to succeed at most things, 2) I am able to do things as well as most other people, 3) I almost always accomplish the goals I set for myself, 4) I feel confident in my abilities, and 5) I usually expect to succeed in the things I do." Based on these earlier studies, it would appear as though Sherraden's conceptualization of personal efficacy is closely related to the above concepts, providing some degree of face and content validity to this study.

2. **Future Orientation** - refers to a participant's actions/investments in their children's and their own education and training during the past year as measured by survey items 12a-j and 17a-g. Sherraden hypothesizes a strong relationship between the level of an individual's assets and their resultant future orientation, measured by their investment in their own educational/training goals and achievements and their investment in the goals and educational achievements of their children. He refers to the process of constructing "future orientations," whereby individual's accumulation of assets (especially education) shapes their opportunity structures, which are quickly internalized as the individual realizes success in their academic/career/income goals. Sherraden (1991, p.152) contends that whole "life chances," based on opportunity structures, "are assessed,
integrated, and fixed at an early age unless something out of the ordinary breaks the pattern." Drawing on the "culture of poverty theory" and the works of Oscar Lewis (1966), Sherraden notes that "environmental limitations, particularly early in the life cycle, restrict development of the cognitive structure, limiting opportunity for later learning." For example, if the concept of "asset accumulation" is not part of the household environment—as it is not in many poor households—then nothing is learned about the idea. Finally, drawing on attribution theory and the works of Kelley and Michela (1980), Sherraden (1991, p.154) notes that "people pay attention to events and information that they believe are the causes of things that matter to them. People do this because they are trying to understand and control their environments in order to increase their safety and well-being."

In this study, the level of survey participant’s future orientation before choosing to enter or not enter the IDA program is measured by IDA survey items 12a-j (investment in their children’s education/school) and 17a-g (investment in their own education and training over the past year). For the seventeen items included in the index utilized to measure each study participant’s level of future orientation, a "yes" response was coded as "1" and a "no" response as "0." The sum of all responses yields the participant’s level of "future orientation." The total scale points possible range from a high score of 17 to a low score of 0. A Cronbach’s alpha was computed for the future orientation scale items utilized, yielding an internal reliability coefficient of .6485.
The concept of "future orientation" therefore has as it's theoretical underpinnings Oscar Lewis' (1966) culture of poverty theory concerning the delaying of immediate gratification for some future possibility evaluated to be of greater life-long value than the immediate pleasure of today's consumption. Also, recall that the concept of future orientation was also addressed in Becker's (1962) human capital theory whereby individuals are thought to forego current consumption if they perceive that the discounted utility for later consumption is greater than the utility they would gain from today's personal satisfaction and social recognition via spending now. As such, Sherraden has operationalized future orientation as the investment of time and energy of the head of household in their children's and their own educational goals. In the study cited earlier by Yadama and Sherraden (1996), the authors utilized a "horizons" concept to measure an individual's plans for 1) getting a new job, 2) having more children, and 3) their children's educational goals. A series of questions were utilized to elicit the participant's above plans. In the current study, to the "horizons" concept has been added the head of household's plans for their own educational goals and job skills training efforts over the past year as well as their plans/efforts towards their children's educational goals. The measures of getting a new job and having more children will not be included in the measure of "future orientation" in this study so as to limit this concept to those efforts/plans of participants towards educational goals. It would appear as though the future orientation concept as posited by Sherraden does have a high degree of face and content validity per the above theoretical basis and previous research findings.
3. **Community Involvement** - This is a participant’s neighborhood/civic involvement as measured by survey items 42a-i. Sherraden hypothesizes that assets increase the community/political involvement of individuals: that people with assets have a much higher motivation and much greater resources to enter the political process, and that these same assets and wealth holdings lead to a greater effort to control and protect property ownership rights via the political process. He notes the argument by economist John Kenneth Galbraith "that the redistribution of wealth in industrialized nations has been a primary cause for the development of middle-class oriented welfare state policies" (Sherraden, 1991, p.165). However, Sherraden adds the following quote by Galbraith concerning the relationship between asset accumulation and the status quo in society: "It is simply a matter of arithmetic that change may be costly to the man who has something; it cannot be so to the man who has nothing. There will always be a high correlation between conservatism and personal well-being" (Galbraith, 1952, p.11). Thus Sherraden hypothesizes people with assets are more politically active in their efforts to protect those same assets.

In this study, the level of survey participant’s community involvement before choosing to enter or not enter the IDA program is measured by IDA survey items 42a-i (neighborhood/civic activities over last year). For the nine items included in the index utilized to measure each study participant’s level of community involvement, a "yes" response was coded as "1" and a "no" response as "0." The sum of all responses yields
the participant's level of community involvement. The sum of all responses yields the participant's level of "community involvement." The total scale points possible range from a high score of nine to a low score of zero. A Cronbach's alpha was computed for the community involvement scale items utilized, yielding an internal reliability coefficient of .7464.

In the earlier study by Rohe and Stegman (1994b) discussed in the literature review, political involvement was linked to two different measures: 1) the total number of different organizations that a participant belonged to, and 2) the number of meetings actually attended by the participant. Therefore, the level of political involvement was indicated by first being involved in a political organization/activity and second, the number of times/meetings the person was actually involved in. The same process was utilized to measure community involvement level in schools, neighborhood/block associations, churches, and social organizations. Sherraden's survey instrument asks the respondent to provide a yes-no response to similar type organizations/activities but does not provide the frequency of participation; simply whether or not the respondent had participated in these organizations/activities over the last year. Once again, it would appear as though the face and content validity of Sherraden's participant community/political involvement scale are evident, but it does lack the measure of frequency/intensity of such behaviors. Finally, in the study cited earlier by Cox (1982, p. 110) the concept of neighborhood activism was determined by a series of questions by the telephone interviewer concerning: 1) "Firstly, have you ever attended any meetings called to discuss problems in the neighborhood, 2) have you ever belonged to any
organization attempting to solve problems in this neighborhood, 3) have you ever helped participate in organizing a petition drive in this neighborhood regarding any problems there might be here, 4) have you ever telephoned or written to a local politician or public official regarding problems in this neighborhood, and 5) have you ever signed a petition regarding any problems in this neighborhood?" Two or more "yes" replies to the above questions resulted in a respondent being classified as an activist. Cox's operationalization of neighborhood activism also contributes to the face and content validity of Sherraden’s measure of community/political involvement.

4. **Community Assistance Given** - This concept refers to a participant's giving of community supports/services during the last month as measured by survey items 40a-i. A fourth dependent variable was indicated by the literature review in the form of the level of "neighboring" that occurs in a community and its hypothesized relationship to a household’s level of assets. Once again, the empirical evidence is mixed, noting that levels of neighboring actually declined when comparing home owners to tenants (Rohe and Stegman, 1994b), but that women who perceived positive changes occurring in the neighborhood were also more apt to neighbor. A decision was made to separate the measure of community assistance from the measure of community/political involvement discussed above, based on the literature review which revealed that renters were higher on the measure of "neighboring" but lower on the measure of political involvement than home owners. An additional decision was made to then divide
the concept of community assistance into two separate independent variable measures: 1) community assistance given, and 2) community assistance received.

In this study, the level of survey participant’s **community assistance given** before choosing to enter or not enter the IDA program is measured by IDA survey items 40a-i (forms of help given over last month). For the nine items included in the index utilized to measure each study participant’s level of community assistance given, a "yes" response was coded as "1" and a "no" response as "0." The sum of all responses yields the participant’s level of "community assistance given." The total scale points possible range from a high score of nine to a low score of zero. A Cronbach’s alpha was computed for the community assistance given scale items utilized, yielding an internal reliability coefficient of **.6350**.

5. **Community Assistance Received** - This is a participant's receiving of community supports/services during the last month as measured by survey items 41a-i.

In this study, the level of survey participant’s **community assistance received** before choosing to enter or not enter the IDA program is measured by IDA survey items 41a-i (forms of help received over last month). For the nine items included in the index utilized to measure each study participant’s level of community assistance received, a "yes" response was coded as "1" and a "no" response as "0." The sum of all responses
yields the participant's level of "community assistance received." The total scale points possible range from a high score of nine to a low score of zero. A Cronbach's alpha was computed for the community assistance received scale items utilized, yielding an internal reliability coefficient of .7420.

Statistical Analysis of Data

IDA surveys were completed by potential IDA program participants at each agency location and mailed to the project office. Survey data was entered into SPSS data files, after which descriptive statistics were calculated for the study sample as well as a bivariate correlation matrix (see Appendix B) of the independent and dependent variables. Also, for the dependent variables, a Cronbach's alpha reliability coefficient (reported earlier) was calculated for each dependent variable scale. A decision was made to drop gender as a control variable due to the limited variance in the sample (86 percent female). Supportive income was also dropped from the analysis due to limited variance, with 60 households (55 percent) not receiving any type of supportive income and 78 households (72 percent) receiving less than $200 per month. A multiple linear regression (MLR) analysis with hierarchical - stepwise entry was then utilized to test the following hypotheses while controlling for race and age of head of household, and the number of adults and the number of children in household under the age 17.
Hypotheses Testing Utilizing a Multiple Linear Regression Model

Ho: The level of participant material/human assets is not significantly related to level of participant personal efficacy.

Ho: The level of participant material/human assets is not significantly related to the level of participant future orientation.

Ho: The level of participant material/human assets is not significantly related to the level of participant community involvement.

Ho: The level of participant material/human assets is not significantly related to the level of participant community assistance given.

Ho: The level of participant material/human assets is not significantly related to the level of participant community assistance received.

By utilizing a multiple linear regression analysis strategy, the control variables race, age, number of adults, and number of children in household (race of head of household is entered as a "dummy" variable), are entered simultaneously in step one of the regression followed by the entry of the remaining independent variables in step two (stepwise entry) to determine what effect the independent variables have on the above dependent variables (five separate regressions were run, one for each dependent variable: future orientation, personal efficacy, community involvement, community assistance given and community assistance received). The control variables are personal/ household qualities/characteristics that preceded IDA program participation that may effect the
relationship between asset level and the dependent variables. Multiple linear regression analysis calculates the individual correlation coefficients for each independent variable to determine their contribution to the explained variation in the dependent variable while holding the other independent variables constant. The significance of this relationship is also calculated using a t-test. Finally, the standardized correlation coefficients (beta weights) are also calculated to indicate the relative importance of each independent variable.

Therefore, in the IDA study, the strength of association between the numerous independent variables and the respective dependent variable can be determined, as well as its statistical significance, and the "goodness of fit" of the regression equation in explaining variance in the dependent variable. By "controlling" for the influence of the preexisting or extraneous variables (characteristics of study participants and their households) race and age of the head of household, and the number of adults and children in household, we can have more confidence in explaining the relationship observed between the participant's level of assets and their resultant level of self-efficacy, future orientation, and community assistance (given and received), and community involvement. In the single-survey, cross-sectional, correlational study described above, one cannot generalize to other populations or infer causality. However, a multiple linear regression analysis can determine the strength of association between the independent and dependent variables and the contribution of each independent variable while controlling for some of the extraneous variables mentioned in the existent data.
A second analysis of the data was completed after confirming with IDA program coordinators which individuals in their program who filled out the IDA survey opened an IDA savings account and those who did not. With this additional piece of data for each case, a logistic regression analysis utilizing multivariate statistical methods was used to determine which individual characteristics were the best predictors for IDA program participation. The following test hypotheses were conducted while utilizing the logistic regression method, controlling for race and age of head of household, and the number of adults and the number of children in household under age 17.

**Hypotheses Testing Utilizing a Logistic Regression Model**

**Ho:** The level of participant material/human assets is not significantly related to their decision to join or not join and IDA.

**Ho:** The level of participant personal efficacy, future orientation, community involvement, community assistance given and community assistance received is not significantly related to their decision to join or not join an IDA.

**Ho:** The level of participant material/human assets and their level of personal efficacy, future orientation, community involvement, community assistance given and community assistance received is not significantly related to their decision to join or not join an IDA.
The logistic regression analysis predicts the probability of an event occurring; that is, yes, the person did go on to open an IDA savings account or no, the person did not open an IDA savings account. Logistic regression is used to predict a dichotomous dependent variable (yes or no concerning IDA participation) from a set of independent variables. A predicted probability is calculated for each case, dividing cases into two separate categories: 1) those that are predicted to occur, and 2) those that are predicted not to occur. The predicted values are then compared to the actual data obtained from all seven IDA program coordinators concerning those individuals who actually opened an IDA savings account to give us an R-square value for a measure of the "goodness of fit" of the logistic regression model.

In the first logistic regression hypothesis test, the level of participant material/human assets (total household earned monthly income, total household material capital assets, total household debt, and education level of head of household) at the time of survey will be the independent variables used to predict IDA program participation while controlling for race and age of head of household, and the number of adults and the number of children in household under age 17. In the second logistic regression test hypothesis, the independent variables used to predict IDA program participation are level of participant personal efficacy, future orientation, community involvement, and community assistance (given and received). Finally, a third logistic regression combining all the significant independent variables found in the first two regressions was run to determined a "combined logistic regression model" for all variables.
Limitations of Study

The generalizability of findings beyond this study is very limited due to the non-random sampling methods utilized and the voluntary nature of participant recruitment, making the sample non-representative of the population as a whole.

The study is also limited by the fact that participant self-reports were utilized for data gathering, utilizing a paper and pencil survey (see Appendix A). As such, the responses are open to bias in the form of social desirability (although this is typically more a problem in direct interviews; Rubin and Babbie, 1992). Also, sampling error could be introduced due to a participant’s inadequate knowledge of or resistance to making known personal financial information.

The non-experimental, cross-sectional research design utilized in this study, based on a one-time survey of a non-random sample, gives rise to numerous threats to internal validity. With a correlational study of this kind, the threats to internal validity are controlled for by the use of statistical methods and the multiple linear regression analysis but the research methodologies utilized in this study do not allow for the derivation of casual inferences.
CHAPTER 4

RESEARCH FINDINGS

Introduction

The purpose of this research endeavor is to explore the relationship between the level of assets in working poor households at the time of this study, including key household demographic characteristics, and the study participant’s corresponding level of personal efficacy, future orientation, community assistance (given and received), and community involvement. A second major research question was raised as to the relationship between the level of assets in working poor households at the time of this study, including key household demographic characteristics, and their level of personal efficacy, future orientation, community assistance and community involvement, and the study participant’s decision on whether or not to actually participate in an IDA program. What follows then are the descriptive statistics tabulated after administering the survey to 111 study participants.
Household Demographics

Of the 111 households surveyed, 95 (86 percent) reported female as the gender of head of household, with only 16 (14 percent) households reporting a male head of household. For this reason, gender was dropped from the analysis. Table 1 provides an overview of the descriptive characteristics of the participating households in the study. Of the 108 heads of household responding, 65 (60 percent) reported African American as their race, 42 (39 percent) reported Caucasian, with only one head of household reporting Hispanic ethnicity and one head of household reporting "other." Two respondents failed to report their race. The values reported for the age of head of household ranged from a low of 21 to a high of 60, with a mean of 33.7 and median of 33.0. However, 95 percent of the sample population ranged in age from 21 to 44, indicating that variation in age among the majority of respondents was fairly narrow.

For the total number of adults (18 years of age or older) in each household, values reported ranged from one to six with 61 percent of all households reporting only one adult. Two-adult households represented an additional 34 percent of all households reporting, with a cumulative percent between these two categories of 95 percent. Concerning the total number of children (17 and younger) reported in each household, values ranged from a low of zero (16 households) to a high of seven (one household). The mean number of children reported is 1.7. Based on these findings, the "typical" respondent is a female, African-American single-parent, 33 years old, with two children. Finally, the number of years in education were reported in categories from one (attended
grade school, middle school or high school) to seven (finished graduate school). Forty-seven percent of respondents reported a value of four (attended some college) with 26 percent reporting a high school education as their highest level of education completed. Therefore, to the above "typical" 33 year-old, female, African-American single-parent survey respondent could be added an educational level of having attended some college.
<table>
<thead>
<tr>
<th>Variable</th>
<th>Percent</th>
<th>Mean</th>
<th>S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Race of Head of H.H. (n = 109)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>African American</td>
<td>59.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caucasian</td>
<td>38.5</td>
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<td></td>
</tr>
<tr>
<td>Hispanic</td>
<td>.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gender of Head of H.H. (n = 111)</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Female</td>
<td>85.6</td>
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<tr>
<td>Male</td>
<td>14.4</td>
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<td><strong>Age of Head of H.H. (n = 110)</strong></td>
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<td>33.74</td>
<td>7.75</td>
</tr>
<tr>
<td>21-25</td>
<td>14.5</td>
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<td></td>
</tr>
<tr>
<td>26-30</td>
<td>21.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31-35</td>
<td>23.6</td>
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<tr>
<td>36-40</td>
<td>25.4</td>
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<tr>
<td>41-44</td>
<td>10.0</td>
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<td>45+</td>
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<td><strong>Number of Adults in H.H. (n = 111)</strong></td>
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<td>1.47</td>
<td>7.75</td>
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<td>1</td>
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<tr>
<td>2</td>
<td>34.2</td>
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</tr>
<tr>
<td>3</td>
<td>2.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4+</td>
<td>2.7</td>
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<td></td>
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<tr>
<td><strong>Number of Children in H.H. (n = 111)</strong></td>
<td></td>
<td>1.75</td>
<td>1.31</td>
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<tr>
<td>0</td>
<td>14.4</td>
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<td>1</td>
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<td>2</td>
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<td>3</td>
<td>13.5</td>
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<td></td>
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<tr>
<td>4+</td>
<td>6.3</td>
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<td></td>
</tr>
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<td><strong>Level of Education Completed by Head of H.H. (n = 110)</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Grade, middle or jr. high</td>
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<tr>
<td>Attended high school</td>
<td>7.3</td>
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<tr>
<td>H.S. graduate or GED</td>
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<td></td>
</tr>
<tr>
<td>Attended some college</td>
<td>47.3</td>
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<td></td>
</tr>
<tr>
<td>Graduated from college</td>
<td>12.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attended graduate school</td>
<td>1.8</td>
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</tr>
<tr>
<td>Finished graduate school</td>
<td>4.5</td>
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N = 111  

Table 1: Descriptive characteristics of households surveyed
Table 1 (continued)

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<thead>
<tr>
<th>Variable</th>
<th>Percent</th>
<th>Mean</th>
<th>Median</th>
<th>S.D.</th>
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<tr>
<td><strong>Current Employment Situation for Head of H.H. (n = 110)</strong></td>
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<tr>
<td>Homemaker</td>
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<tr>
<td>Part-time</td>
<td>17.3</td>
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<tr>
<td>Full-time</td>
<td>68.2</td>
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</tr>
<tr>
<td>More than one job</td>
<td>2.7</td>
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<td></td>
<td></td>
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<tr>
<td>Seeking employment</td>
<td>3.6</td>
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<tr>
<td><strong>Total H.H. Earned Monthly Income (109)</strong></td>
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<td>1200.50</td>
<td>1200.00</td>
<td>669.01</td>
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<tr>
<td>0</td>
<td>6.4</td>
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<tr>
<td>1-500</td>
<td>7.3</td>
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<tr>
<td>501-1000</td>
<td>22.9</td>
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<tr>
<td>1001-1500</td>
<td>35.8</td>
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<tr>
<td>1501-2000</td>
<td>17.4</td>
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</tr>
<tr>
<td>2001-2500</td>
<td>5.5</td>
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<tr>
<td>2501-3000</td>
<td>4.6</td>
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<tr>
<td><strong>Total H.H. Debt (n = 110)</strong></td>
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<td>12514.02</td>
<td>7480.00</td>
<td>16631.29</td>
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<td>0</td>
<td>8.2</td>
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<tr>
<td>1-5K</td>
<td>31.8</td>
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<tr>
<td>5K-10K</td>
<td>23.6</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>10K-15K</td>
<td>10.0</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>15K-20K</td>
<td>5.5</td>
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<tr>
<td>20K-25K</td>
<td>6.4</td>
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<tr>
<td>25K-30K</td>
<td>4.5</td>
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<tr>
<td>30K-80K</td>
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<td><strong>Total H.H. Supportive Monthly Income (n = 109)</strong></td>
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<td>1-200</td>
<td>16.6</td>
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<tr>
<td>201-400</td>
<td>8.2</td>
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<td>401-600</td>
<td>5.5</td>
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<td>601-800</td>
<td>6.4</td>
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<td>801-1000</td>
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<tr>
<td>1001-3600</td>
<td>3.7</td>
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<tr>
<td><strong>Total H.H. Material Capital Assets (n = 101)</strong></td>
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<td>13725.37</td>
<td>2850.00</td>
<td>27870.62</td>
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<tr>
<td>0</td>
<td>9.9</td>
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<tr>
<td>1-5K</td>
<td>47.5</td>
<td></td>
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<tr>
<td>5K-10K</td>
<td>21.8</td>
<td></td>
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<tr>
<td>10K-15K</td>
<td>3.0</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>15K-20K</td>
<td>3.0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20K-160K</td>
<td>14.8</td>
<td></td>
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</tr>
</tbody>
</table>
Total Household Earned Monthly Income

In discussing monetary assets and debts, it is important to pay attention to zeros. In some cases it is important to see averages, including zeros. In other cases, means and medians are reported and those with non-zero counts. In terms of total, monthly, earned household income reported, values range from a low of zero (seven households) to a high of $2,791, with a mean monthly earned household income of $1,201. Total, monthly, earned household income includes not only take-home wages from labor market activities, but also income from other sources such as self-employment, child support, selling things made by respondent, doing work paid for by other people, etc. However, the mean income in take-home monthly wages reported (survey item 46a.) is $1,041 per household, indicating that on average the majority (87 percent) of household monthly income comes from formal labor market participation in our sample. Approximately 58 percent of households surveyed take home between $1,000 and $2,000 monthly.

Concerning current employment situation for study respondents, 68 percent reported working full-time and 17 percent part-time, findings congruent with the sources of income reported above. Only 5.5 percent reported being full-time homemakers.

For self-employment income, 101 households reported no income from this activity. Concerning income from self-employment, the mean monthly income reported is $49 across the entire sample. Also, income from child support payments was included as "earned" monthly household income, validating the economic contribution of parents to their children's development, nurturance, and maintenance. Eighty-five households
surveyed reported receiving no child support payments, with the mean monthly child support payment being only $72 across the entire sample. Less than ten percent of households reported monthly income from each of the following sources: 1) selling things that you make, 2) doing work for other people like laundry, sewing or child care, 3) taking people places like work, shopping, or appointments, 4) investment income, and 5) other sources of income. For each of these five categories of income, the monthly contribution to household income was $10 or less. The above eight variables utilized to measure household income in the survey were combined into one composite variable, "total household earned monthly income" for the analysis. Most heads of household were employed full-time, with minimal income from other sources of income.

Total Household Debt

Values reported by heads of household for total household debt ranged from a low of zero (nine households) to a high of $80,000 (one household). The mean household debt reported is $12,514. Data for total household debt is positively skewed, with a median debt value of $7,480, due in large part to home mortgage debt incurred by ten households for an average home mortgage value of $35,600. Home equity loans (second mortgages) were reported by only two heads of household, with an average loan value of $12,500 between these two households.
Car loans range in value from zero (65 households) to $20,000 (one household). The mean car loan value across all households reporting is $2,558, although 59 percent of households report a balance of zero in this debt category. Seventy-eight percent of households report a balance of $5,000 or less for their car loan debt. However, for those households reporting a non-zero car loan balance, the median car loan debt is $5,500.

Credit card debt values range from zero (46 households) to $20,000 (one household). The mean credit card debt reported is $1,397. However, the median credit card debt value is only $200, indicating a positive skew in the data. Thirty-two percent of households reported from $1 to $1,000 debt, with 41 percent of households reporting no credit card debt. The median credit card debt for those who reported a non-zero balance is $900. Installment loans range in value from zero (99 households) to $11,000 (one household). Eighty-nine percent of households reported no installment loan balance. The mean household installment loan balance for all households reporting is $254, although the mean installment loan balance for the 12 households reporting non-zero values is $2,352.

Moving on to educational loans, values range from zero (80 households, 72 percent) to $60,000 (one household). The mean educational loan balance for the 28 percent of households reporting one is $3,218, although 77 percent of these households report having educational loans of $1,500 or less. Six percent or less of all households reported debt in the following categories: business loans from banks or credit unions (four percent), business loans from friends or relatives (three percent), loans for property besides your home (three percent), personal loans from banks or credit unions (six
percent) and debt consolidation loans (four percent). For the "personal loans from friends or relatives" category, 87 percent of households reported a zero balance, with the mean personal loan from friends/relatives being $155 across the entire sample. However, for the 14 households reporting non-zero balances, the mean personal loan from friends/relatives is $1,232.

For the category of "past-due utility bills," 62 percent of all households report a balance of zero. The mean balance for past-due utility bills for all households reporting is $141. Sixty-one percent of all households report a zero balance for "past-due phone bills," but the mean past-due phone bill for all households reporting is $123. However, half of the thirty-nine percent with some past due phone bills owe less than $200. In the "other bills owed more than one month" category, 80 percent of households report a balance of zero (with a mean "other bills" balance of $334 for all households). Finally, for medical bills, 57 percent of households report a zero balance, with eighty-two percent of all households reporting outstanding medical bills of $300 or less. A decision was made to substitute a zero for those debt categories left blank in the survey. Some categories, such as home mortgage loans, home equity loans, car loans, educational loans, business loans from banks or credit unions, business loans from friends or relatives, and loans for property besides your home were cross referenced with other survey questions to verify their zero balances. The above 16 variables utilized to measure household debt in the survey were combined into one composite variable, "total household debt," for the analysis (see Table 1).
Supportive Sources of Household Monthly Income

Sixty households (55 percent) reported receiving no supportive sources of income over the last month. As noted earlier, the majority (87 percent) of household monthly income comes from formal labor market participation in our sample. What follows is a description of other sources of "supportive" or non-labor market income. In general, less than ten percent of households responding to each supportive income category report income from each respective category, and for this reason "supportive income" was dropped from the final analysis. In terms of income from AFDC (or TANF), 94 percent of households report a zero balance. For the seven households reporting income from this category, the mean AFDC check totaled $309. Eighty-seven percent of all households responding report no food stamps received. Of the 14 households receiving food stamps, the mean food stamp value is $196. For the category of "Social Security Insurance" (SSI), 91 percent of households reported no income. The mean income from SSI for the ten households reporting SSI income is $755. Ninety-five percent of all households report no income from Social Security. However, for the six households reporting SS income, the mean monthly SS payment totaled $580. For unemployment income, 97 percent of households report no supportive income from unemployment over the last month. For the three households that did list unemployment payments, the mean monthly unemployment check is $280. Only one household reports income from Veteran's benefits ($95/mo.). No households report pensions or retirement income. Only two households report supportive income from alimony payments, with the mean
alimony payment for these two households being $368. Only three households report supportive income from their husband/wife or ex-spouse, yielding a mean monthly payment of $610 from this income source for these three households. Ninety-six percent of all respondents report zero income from their boyfriend, girlfriend, or partner. For the five households listing this source of supportive income, the mean monthly support from their boyfriend, girlfriend, or partner is $320. Ninety-six percent of all households report zero income from their children's fathers or mothers. For the five households reporting this category of supportive income, the mean monthly supportive payment from their children's father or mother is $302. Finally, the last category of supportive income in the survey is income from friends or family. Eighty-seven percent of all households responding report no income from their friends or family. For those 15 households reporting this category of supportive income, the mean monthly support payment is $129.

The above 12 variables utilized to measure household "supportive" income in the survey were combined into one composite variable, "**total household supportive monthly income,**" for the analysis. Fifty-five percent received no supportive income at all, and of those who do, the median was less than $200. Therefore, this independent variable was dropped from the analysis due to limited variance.

**Total Household Material Capital Assets**

A household's material capital assets were also measured utilizing several variables in the process. A decision was made to include checking account balances in
the process as a form of household material capital assets for working poor households as these households may not have any savings accounts/balances. Material capital assets are considered to be "long-term," providing households with financial stability and a "stakehold" in their lives and community. The first material capital asset measured is homeownership with only ten households surveyed reporting a value for their home. Ninety-one percent of all households surveyed are not homeowners. The mean home value for the ten homeowners is $67,800. Concerning car value, 27 percent of households report not owning a car. For those who do, the mean car value is $3,137. Half of the households which own a car have one valued at $3,000 or less. For checking account balances, 33 percent of households report a zero balance. The overall median checking account balance for the 67 percent of households with a checking account is $200. Less than five percent of households report $1,000 or more in their checking account.

Moving on to savings account balances, a variable directly correlated to homeownership, 52 percent of the working poor households surveyed report a zero balance. Values of savings for the other 48 percent ranged in value from $5 to $5,000. The overall median value of savings for these savers is $100. Six percent of households reporting a non-zero balance in their savings account have $1,000 - $5,000 in savings. Eighty-six percent of all households responding report a zero balance for retirement accounts like IRAs. However, values range from a low of $11 to a high of $74,000. For the 15 households with non-zero retirement account balances, the mean value of their retirement account is $8,752. For the "savings at home" category, 90 percent of
households responding report a zero balance. In the 11 households reporting a non-zero balance in this category, the mean "savings at home" is $134. For savings in the form of a Christmas Club or vacation account, 94 percent of households responding report a zero balance. However, for the seven households reporting a non-zero balance in this savings category, the mean balance is $287. In the following asset categories, five percent or less of all households responding report material capital assets, revealing the limited savings opportunities for working poor households: rental property/real estate (three percent), business assets (two percent), U.S. Savings Bonds (five percent), savings for education (four percent), CDs (three percent), stocks, bonds or mutual funds (five percent), insurance policies (five percent), savings held by trusted friends or family members (two percent), and "other" savings (five percent). The above variables utilized to measure household material capital assets in the survey were combined into one composite variable, "total household material capital assets," for the analysis. Ninety percent of households had some material capital assets.

Personal Efficacy

The range of values possible for the measure of a survey participant’s level of personal efficacy varies from a low of 3 to a high of 12. The total score for level of participant’s personal efficacy is a composite variable compiled by totaling their responses to three subjective questions (see Appendix A, items 37-39), with a range of response scores for each question being from four (indicating a higher level of personal
efficacy) to one (indicating a lower level of personal efficacy). The Cronbach’s alpha calculated for the personal efficacy scale utilized in the survey is .6756, indicating a moderate degree of internally consistent reliability in the scale. The mean score for all respondents (n = 110) is 9.23, with a median score of 9.00, and mode of 9.00, indicating a slightly positive skew in the scores. The standard deviation for the sample mean is 1.67 (see Table 2).

Future Orientation

The range of possible scores for a study participant’s level of future orientation varies from a possible low score of 0 to a high score of 17. The future orientation score is compiled from each participant’s response to two different sets of questions, a "yes" being scored as one and a "no" response as zero (see Appendix A, items 12a-j and 17a-g). The first set of ten questions relates to the head of household’s involvement in their children’s school/educational activities over the last month, such as "help with homework" and "attend parent/teacher conference?" The second set of seven questions relates to actions taken over the last month in their own educational/career development, such as "taken a course" or "learned a new skill?" The Cronbach’s alpha for the future orientation scale yielded a value of .6485, indicating a moderate degree of internal reliability. However, the measure of a participant’s level of future orientation is certainly influenced by the presence of children in household. Sixteen households have no children (from Table 1), potentially depressing the scores from these households.
However, three childless households did report varying degrees of involvement in the educational activities of neighbor's/extended family's children. Therefore, the thirteen cases not utilized in the calculation of the mean level of future orientation for all participants are those childless households who did not report any activity in any child’s educational activities. Due to the exclusion of 13 childless families surveyed in the calculation of the dependent variable future orientation, a decision was made to also exclude these same 13 childless families from the multiple linear regression and logistic regression analysis by utilizing listwise exclusion of cases. In this way, the "typical" household surveyed in this study will include children, making the sample more representative of welfare to work and working poor families reviewed in the literature. The mean level of future orientation reported by those households responding (n = 98) is 8.36 with a median and mode score of 9.00 and standard deviation of 3.13, indicating a slightly negatively skewed sample.

<table>
<thead>
<tr>
<th>Variable</th>
<th>n</th>
<th>Mean</th>
<th>Range</th>
<th>S.D.</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Efficacy</td>
<td>110</td>
<td>9.23</td>
<td>3-12</td>
<td>1.67</td>
<td>.6756</td>
</tr>
<tr>
<td>Future Orientation</td>
<td>98</td>
<td>8.36</td>
<td>0-17</td>
<td>3.13</td>
<td>.6485</td>
</tr>
<tr>
<td>Community Involvement</td>
<td>111</td>
<td>4.02</td>
<td>0-9</td>
<td>2.42</td>
<td>.7464</td>
</tr>
<tr>
<td>Community Assistance Given</td>
<td>111</td>
<td>5.65</td>
<td>0-9</td>
<td>2.03</td>
<td>.6350</td>
</tr>
<tr>
<td>Community Assistance Received</td>
<td>111</td>
<td>3.65</td>
<td>0-9</td>
<td>2.23</td>
<td>.7420</td>
</tr>
</tbody>
</table>

Table 2: Measures of personal efficacy, future orientation, community involvement, community assistance given and community assistance received
Community Involvement

The range of possible scores for a study participant’s level of community involvement over the last year varies from a possible low score of zero to a high score of nine. The composite score is the sum of yes or no responses to nine questions, such as "worked on a neighborhood project" or "voted in a local election" (see Appendix A, items 42a-l). A Cronbach’s alpha was calculated for the community involvement scale, yielding a value of .7464, indicating a moderately strong internal consistency reliability. Six percent of all households reported the lowest score possible, or no community involvement activities over the last year. The median and mode scores for level of household community involvement over the last year is 4.00, indicating a normal distribution of scores. Sixty-two percent of all households scored at the mean or below, indicating a "average or below" level of community involvement for the majority of households.

Community Assistance Given

The range of possible scores for a study participant’s level of community assistance given over the last month varies from a possible low score of zero to a high score of nine. The composite score is the sum of yes or no responses to nine questions, such as "helped with baby-sitting or child care" or "given someone a ride" (see Appendix A, items 40a-l). A Cronbach’s alpha was calculated for the community assistance given
scale, yielding a value of .6350, indicating a moderate degree of internal reliability. All study participants responded to this measure, with scores ranging from one to nine, with an overall sample mean score of 5.65 and a median score of 6.00, indicating a slightly negatively skewed sample. The standard deviation for the sample is 2.03.

Community Assistance Received

The range of possible scores for a study participant’s level of community assistance received over the last month varies from a possible low score of zero to a high score of nine. The composite score is the sum of yes or no responses to nine questions, such as have you received "help with baby-sitting or child care" or has someone "given you a ride" (see Appendix A, items 41a-l). A Cronbach’s alpha was calculated for the community assistance received scale, yielding a value of .7420, indicating a moderately strong degree of internal reliability. All households responded to this measure, yielding a sample mean average level of community assistance received of 3.65, with a median score of 3.00. The standard deviation of scores is 2.23.

Relationships Between Independent and Dependent Variables

A bivariate correlation matrix was generated utilizing the Pearson correlation coefficient (see Appendix B). Pearson correlation coefficient values are consistently below .500, indicating low levels of multicollinearity. One exception is the relationship
between the dependent variables, giving assistance and getting (receiving) assistance, with an $r = .598$, significant at the .01 level. Additional significant bivariate correlations at the .01 and .05 levels of significance are noted in Appendix B. In general, there does not appear to be a high level of multicollinearity between variables as indicated by the bivariate correlation matrix.

**Multiple Linear Regression Analysis**

A multiple linear regression (MLR) analysis with hierarchical - stepwise entry was utilized to test five hypotheses while controlling for race and age of head of household, and the number of adults and the number of children in household under age 17. Independent variables are entered into the regression equation in two hierarchical steps. In step one, four independent variables (age and race of head of household, number of adults and number of children in household) are entered simultaneously as control variables. Therefore, the variance in each respective dependent variable explained by the above four control variables can be partialled out (controlled). Then in step two, the remaining independent variables (education level of head of household, total household monthly earned income, total household debt, and total household capital assets) are entered in a stepwise fashion into the regression. In this way, the additional variance (after controlling for age and race of head of household, and number of adults
and children in household) explained by the level of household material capital and human assets for each dependent variable can be determined. For all the Multiple Linear Regression tables constructed, the full model is reported.

**Hypothesis 1:** The level of participant material/human assets is not significantly correlated with level of participant personal efficacy (see Model 1 and Table 3). No independent variables were entered in step two of the regression, indicating no statistically significant findings between the study participant's level of personal efficacy at the time of survey and the independent variables entered in the stepwise regression. Therefore, we fail to reject Hypothesis 1.
MODEL 1: Relationship between household assets and personal efficacy while controlling for race, age, # of adults, and # of children
<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.024</td>
<td>-.109</td>
<td>-.996</td>
<td>.322</td>
</tr>
<tr>
<td>Race</td>
<td>.141</td>
<td>.041</td>
<td>.388</td>
<td>.699</td>
</tr>
<tr>
<td>No. of Adults</td>
<td>-.041</td>
<td>-.018</td>
<td>-.167</td>
<td>.868</td>
</tr>
<tr>
<td>No. of Children</td>
<td>-.128</td>
<td>-.102</td>
<td>-.941</td>
<td>.349</td>
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</table>

Excluded Variables:

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<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>.073</td>
<td>.077</td>
<td>.690</td>
<td>.492</td>
</tr>
<tr>
<td>H.H. Debt</td>
<td>.144</td>
<td>.149</td>
<td>1.380</td>
<td>.171</td>
</tr>
<tr>
<td>H.H. Capital</td>
<td>.191</td>
<td>.194</td>
<td>1.847</td>
<td>.068</td>
</tr>
<tr>
<td>Education</td>
<td>.089</td>
<td>.098</td>
<td>.845</td>
<td>.400</td>
</tr>
</tbody>
</table>

R = .137
R-square = .019
F = .434
p = .783

b = Unstandardized partial regression coefficient (partial correlation for excluded variables)
Beta = Standardized partial regression coefficient (partial correlation for excluded variables)

Table 3: Multiple regression analysis of IDA survey participant level of personal efficacy and preselected independent variables (n = 96)
**Hypothesis 2:** The level of participant material/human assets is not significantly correlated with the level of participant future orientation (see Model 2 and Table 4). The statistical hypothesis tested is $R^2 = 0$. The full model is statistically significant at the alpha < .05 level, with the calculated test statistic $F = 3.128$, $p = .012$. Hypothesis 2 is therefore rejected and we conclude that the level of participant material/human assets at the time of survey is statistically significant in predicting their level of future orientation. The total variance in the level of participant future orientation (dependent variable) explained by the regression equation is .164 (R-square).

For each independent variable the calculated test statistic is "t," with the statistical hypothesis tested being that each partial regression coefficient (b) is equal to zero when all the other independent variables are held constant. Age of head of household \( b = -0.102, t = -2.091, p < .05 \) and the education level of head of household \( b = 1.122, t = 3.249, p < .01 \) were found to be statistically significant in predicting the head of household’s level of future orientation at the time of survey. The regression equation for the full model is:

\[
\text{Future Orientation} = 5.573 - 0.102 \text{ (Age*)} + 0.519 \text{ (Race)} + 0.481 \text{ (#Adults)} + 0.318 \text{ (#Children)} + 1.122 \text{ (Education Level**)}
\]
MODEL 2: Relationship between household assets and future orientation while controlling for race, age, # of adults, and # of children
<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.102</td>
<td>-.228</td>
<td>-2.091</td>
<td>.040*</td>
</tr>
<tr>
<td>Race</td>
<td>.519</td>
<td>.081</td>
<td>.761</td>
<td>.449</td>
</tr>
<tr>
<td>No. of Adults</td>
<td>.481</td>
<td>.091</td>
<td>.858</td>
<td>.394</td>
</tr>
<tr>
<td>No. of Children</td>
<td>.318</td>
<td>.133</td>
<td>1.252</td>
<td>.214</td>
</tr>
<tr>
<td>Education</td>
<td>1.122</td>
<td>.367</td>
<td>3.249</td>
<td>.002**</td>
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Excluded Variables:

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<th>p</th>
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</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>-.068</td>
<td>-.067</td>
<td>-.603</td>
<td>.548</td>
</tr>
<tr>
<td>H.H. Debt</td>
<td>-.007</td>
<td>-.006</td>
<td>-.058</td>
<td>.954</td>
</tr>
<tr>
<td>H.H. Capital</td>
<td>-.032</td>
<td>-.031</td>
<td>-.285</td>
<td>.776</td>
</tr>
</tbody>
</table>

R = .404
R-square = .164
F = 3.128
p = .012**
R-square change = .110
p = .002**
Tolerance Statistic (.818-.928)
VIF Statistic (1.078-1.223)
Durbin-Watson (1.796)
* Significant at .05 level
** Significant at .01 level

Table 4:  Multiple regression analysis of IDA survey participant level of future orientation and preselected independent variables (n = 86)
The standardized regression coefficients (Beta) are measures of the relative importance of the independent variables in predicting the level of future orientation. Therefore, education level of the head of household (Beta = .367) is the most important independent variable in predicting level of future orientation, with higher levels of education for the head of household being associated with higher levels of future orientation. The age of head of household, the other independent variable found to be statistically significant in predicting the level of future orientation, has an inverse relationship with future orientation (Beta = -.228), indicating that younger heads of household have higher levels of future orientation than older heads of household.

The additional variance in participant level of future orientation at the time of survey explained by the linear combination of education level of head of household, total household monthly earned income, total household debt and total household capital assets (step two of the regression) is .110 (R-square change). R-square change is also statistically significant at the .01 level.

Additional statistics for determining the degree of multicollinearity in the regression analysis (in addition to the examination of the bivariate correlation matrix) are the Tolerance statistic and the Variance Inflation Factor (VIF). Both the Tolerance and VIF statistics indicate that multicollinearity is not a problem in this regression analysis. Finally, to test for the assumption that the residuals are independent, the Durbin-Watson statistic was calculated, yielding a value of 1.796, indicating the independence of residuals in this regression analysis.
**Hypothesis 3:** The level of participant material/human assets is not significantly correlated with the level of participant community involvement (see Model 3 and Table 5). The regression model is statistically significant at the alpha < .01 level, with the calculated test statistic $F = 4.195$, $p = .004$. Hypothesis 3 is therefore rejected and we conclude that the level of participant material/human assets at the time of survey is statistically significant in predicting their level of community involvement. The total variance in the level of participant community involvement (dependent variable) explained by the regression equation is .156 (R-square).

No independent variables were entered in step two of the regression model. However, in step one of the model, while holding all the other control variables constant, the partial regression coefficient for age of head of household ($b = .103$, $t = 3.337$, $p = .001$) was found to be statistically significant (alpha < .01) in predicting the head of household’s level of community involvement at the time of survey. The regression equation for the full model is:

\[
\text{Community Involvement} = .233 + .103 \text{(Age**) + .751 (Race) - .125 (#Adults) - .022 (#Children)}
\]

The age of head of household is the most important independent variable in predicting level of community involvement, with a standardized regression coefficient (Beta) of .340.
MODEL 3: Relationship between household assets and community involvement while controlling for race, age, # of adults, and # of children
<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
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<tbody>
<tr>
<td>Age</td>
<td>.103</td>
<td>.340</td>
<td>3.337</td>
<td>.001**</td>
</tr>
<tr>
<td>Race</td>
<td>.751</td>
<td>.157</td>
<td>1.591</td>
<td>.115</td>
</tr>
<tr>
<td>No. of Adults</td>
<td>-.125</td>
<td>-.040</td>
<td>-.389</td>
<td>.698</td>
</tr>
<tr>
<td>No. of Children</td>
<td>-.022</td>
<td>.013</td>
<td>.125</td>
<td>.901</td>
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</table>

Excluded Variables:

<table>
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<th>t</th>
<th>p</th>
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</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>.031</td>
<td>.030</td>
<td>.291</td>
<td>.772</td>
</tr>
<tr>
<td>H.H. Debt</td>
<td>.015</td>
<td>.014</td>
<td>.143</td>
<td>.887</td>
</tr>
<tr>
<td>H.H. Capital</td>
<td>.115</td>
<td>.108</td>
<td>1.095</td>
<td>.277</td>
</tr>
<tr>
<td>Education</td>
<td>.175</td>
<td>.179</td>
<td>1.682</td>
<td>.096</td>
</tr>
</tbody>
</table>

R = .395  
R-square = .156  
F = 4.195  
p = .004**  
Tolerance Statistic (.893-.959)  
VIF Statistic (1.043-1.120)  
Durbin-Watson (1.881)  
Mean of Residuals (.014)

* Significant at .05 level  
** Significant at .01 level

Table 5: Multiple regression analysis of IDA survey participant level of community involvement and preselected independent variables (n = 96)
Both the Tolerance and VIF statistics indicate that multicollinearity is not a problem in this regression analysis. Finally, to test for the assumption that the residuals are independent, the Durbin-Watson statistic was calculated, yielding a value of 1.881, indicating the independence of residuals in this regression analysis. Also, the assumption that residuals for the full model have a mean of zero is also supported by the calculated value of the residual mean = .014.

**Hypothesis 4:** The level of participant material/human assets is not significantly correlated with the level of participant community assistance given (see Model 4 and Table 6). The full model is statistically significant at the alpha = .05 level, with the calculated test statistic $F = 2.283, p = .053$ (while the p value is slightly greater than alpha in this case, the results are reported at the alpha .05 level). Hypothesis 4 is therefore rejected and we conclude that the level of participant material/human assets at the time of survey is statistically significant in predicting their level of community assistance given. The total variance in the level of participant community assistance given (dependent variable) explained by the regression equation is .113 (R-square).

While holding all the other independent variables constant, the partial regression coefficients for number of adults in household ($b = .841, t = 2.902, p = .005$) and total household monthly earned income ($b = -.001, t = -2.182, p = .032$) were found to be statistically significant (alpha < .05) in predicting the head of household’s level of community assistance given at the time of survey. Note that the relationship between total household monthly earned income and level of participant community assistance
given is a negative one, indicating the higher the level of household earned income the lower their level of community assistance given. The regression equation for the full model is:

\[
\text{Com. Assistance Given} = 5.925 - .015 \text{ (Age)} - .531 \text{ (Race)} + \\
.841 \text{ (#Adults**) + .091 (#Children) -.001(Income*)}
\]
MODEL 4:  Relationship between household assets and community assistance given while controlling for race, age, # of adults, and # of children
<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>-.015</td>
<td>-.057</td>
<td>-543</td>
<td>.589</td>
</tr>
<tr>
<td>Race</td>
<td>-.531</td>
<td>-.129</td>
<td>-1222</td>
<td>.225</td>
</tr>
<tr>
<td>No. of Adults</td>
<td>.841</td>
<td>.312</td>
<td>2.902</td>
<td>.005**</td>
</tr>
<tr>
<td>No. of Children</td>
<td>.091</td>
<td>.060</td>
<td>.580</td>
<td>.563</td>
</tr>
</tbody>
</table>

| Total Earned Income | -.001 | -.233 | -2.182 | .032* |

Excluded Variables:

- H.H. Debt      | .098  | .097  | .924  | .358 |
- H.H. Capital    | .013  | .012  | .120  | .905 |
- Education       | .148  | .159  | 1.414 | .161 |

R = .336
R-square = .113
F = 2.283
p = .053*
R-square change = .047
p = .032*
Tolerance Statistic (.854-.920)
VIF Statistic (1.087-1.171)
Durbin-Watson (1.597)
Mean of Residuals (.007)
* Significant at .05 level
** Significant at .01 level

Table 6: Multiple regression analysis of IDA survey participant level of community assistance given and preselected independent variables (n = 96)
The number of adults in household is the most important independent variable in predicting level of community assistance given, with a standardized regression coefficient (Beta) of .312. Total household monthly earned income is the next relatively important independent variable with a Beta = -.233.

The additional variance in participant level of community assistance given at the time of survey explained by the linear combination of education level of head of household, total household monthly earned income, total household debt and total household capital assets (step two of the regression) is .047 (R-square change). R-square change is also statistically significant at the alpha < .05 level.

Both the Tolerance and VIF statistics indicate that multicollinearity is not a problem in this regression analysis. Finally, to test for the assumption that the residuals are independent, the Durbin-Watson statistic was calculated, yielding a value of 1.597, indicating the independence of residuals in this regression analysis. Also, the assumption that residuals for the full model have a mean of zero is also supported by the calculated value of the residual mean = -.007

Hypothesis 5: The level of participant material/human assets is not significantly correlated with the level of participant community assistance received (see Model 5 and Table 7). No independent variables were entered in step two of the regression, indicating no statistically significant findings between the study participant's level of community assistance received at the time of survey and the independent variables entered in the stepwise regression. Therefore, we failed to reject Hypothesis 5.
MODEL 5: Relationship between household assets and community assistance received while controlling for race, age, # of adults, and # of children
<table>
<thead>
<tr>
<th>Variable</th>
<th>b</th>
<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>.000</td>
<td>.001</td>
<td>.007</td>
<td>.994</td>
</tr>
<tr>
<td>Race</td>
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<td>-.050</td>
<td>-.464</td>
<td>.644</td>
</tr>
<tr>
<td>No. of Adults</td>
<td>.109</td>
<td>.037</td>
<td>.334</td>
<td>.739</td>
</tr>
<tr>
<td>No. of Children</td>
<td>.016</td>
<td>.010</td>
<td>.090</td>
<td>.928</td>
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Excluded Variables:

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<th>Beta</th>
<th>t</th>
<th>p</th>
</tr>
</thead>
<tbody>
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<td>Total Income</td>
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<td>-.072</td>
<td>-.641</td>
<td>.523</td>
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<tr>
<td>H.H. Debt</td>
<td>.057</td>
<td>.059</td>
<td>.540</td>
<td>.591</td>
</tr>
<tr>
<td>H.H. Capital</td>
<td>-.090</td>
<td>-.092</td>
<td>-.858</td>
<td>.393</td>
</tr>
<tr>
<td>Education</td>
<td>.093</td>
<td>.104</td>
<td>.886</td>
<td>.378</td>
</tr>
</tbody>
</table>

R = .060
R-square = .004
F = .082
p = .988

Table 7: Multiple regression analysis of IDA survey participant level of community assistance received and preselected independent variables (n = 96)
Logistic Regression Analysis

Three hypotheses were tested concerning the decision to join or not join an IDA program. The dependent variable in the following logistic regression analysis is a dichotomous variable based on the study participant’s decision to participate or not participate in an IDA program. In the logistic regression analysis, a forced entry of all independent variables simultaneously (see Model 6) was utilized. The results of the analysis appear in Table 8. The dependent variable is coded as "0" (survey participant not joining IDA program) or "1" (survey participant joining IDA program). The independent variables entered in the logistic regression analysis are the same as those utilized in the earlier multiple regression analysis: age and race of head of household, number of adults, and number of children in household, education level of head of household, total household monthly earned income, total household debt, and total household capital assets. The following hypotheses were then tested utilizing the logistic regression analysis:

**Hypothesis 6:** The level of participant material/human assets and their personal/household characteristics are not significantly correlated with their decision to join or not join an IDA. The test statistic calculated is the "Model" chi-square = 15.632, p = .048. We therefore reject Hypothesis 6 at the alpha = .05 level and conclude that the level of participant material/human assets and their personal/household characteristics are significantly correlated with their decision to join or not join an IDA.
MODEL 6: Relationship between household assets and the decision to join IDA while controlling for race, age, # of adults, and # of children
<table>
<thead>
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<th></th>
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<th></th>
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</thead>
<tbody>
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<td>-.0566</td>
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<tr>
<td>Race</td>
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<td>.8575</td>
<td>.0000</td>
<td>.9044</td>
</tr>
<tr>
<td># Adults</td>
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<td>.1043</td>
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<tr>
<td>#Children</td>
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<td>3.6381</td>
<td>.0565</td>
<td>.1189</td>
<td>1.5160</td>
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<td>8.3191</td>
<td>.0039</td>
<td>.2335</td>
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<td>Total Income</td>
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<td>.1312</td>
<td>.7171</td>
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<td>1.0001</td>
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<tr>
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<td>.2897</td>
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"Model" chi-square = 15.632, p = .048
Nagelkerke pseudo R-square = .214

**Classification Table: Predicting IDA Participation**

<table>
<thead>
<tr>
<th>Observed</th>
<th>Predicted</th>
<th>Percent Correct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not join IDA (0)</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td>Joined IDA</td>
<td>5</td>
<td>63</td>
</tr>
<tr>
<td>Overall Correct: 72.92%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Percent Correct w/o Model: 70.83%
Proportional Reduction in Error: 7.14%

Table 8: Logistic regression: predicting whether study participants join IDA program (n = 96)
A statistic analogous to R-square in multiple linear regression was calculated; the Nagelkerke pseudo R-square = .214, indicating the "goodness of fit" of the logistic regression model in predicting the probability of IDA participation.

The statistical significance of the logistic regression coefficients is determined by calculating the Wald test statistic, alpha = .05. The education level of head of household (Wald = 8.3191, p = .0039) is significant in predicting IDA participation. Both the number of children in household (Wald = 3.6381, p = .0565) and the number of adults in household (Wald = 3.2603, p = .0710) were found to be statistically significant (alpha = .10 level) in predicting IDA participation. The relative importance of the independent variables in predicting IDA participation is indicated by the "R" value, with education level being the most important, followed by the number of children and number of adults in the household respectively. Finally the relative effect of an independent variable on the probability of IDA participation occurring is determined by the value of Exp(B). If the value of Exp(B) for an independent variable is greater than one the probability of IDA participation increases by the value of Exp(B) for each one-unit increase in the independent variable. Therefore, with a one-unit increase in the level of education completed by the head of household, the probability of their participating in an IDA program increases 2.4048 times. A one-unit increase in the number of adults in household increases the probability of IDA participation by 2.0031 times. And a one-unit increase in the number of children in household increases the probability of IDA participation by 1.5160 times.
Finally, the overall percent of correct classifications is 72.92 percent for the logistic regression equation. The model is better at predicting joining an IDA program (92.65 percent) than at predicting not joining (25.0 percent). This is compared to a baseline of 70.83 percent correct classifications without the model. The proportional reduction in error for the logistic regression equation is .71. That is, there are 7.1 percent fewer errors of classification when utilizing the logistic regression model.

The next logistic regression analysis conducted utilizes a forced entry of all the dependent variables (from the previous multiple linear regression models) entered simultaneously as the new predictor variables (see Model 7). The results of the analysis appear in Table 9. Thus, the new independent variables entered in the logistic regression analysis are the same as those utilized in the earlier multiple regression analysis: personal efficacy, future orientation, community involvement, community assistance given, and community assistance received. The new dependent variable becomes IDA participation and is coded as "0" (survey participant not joining IDA program) or "1" (survey participant joining IDA program). The following hypothesis was then tested utilizing the logistic regression analysis:

**Hypothesis 7:** The level of participant personal efficacy, future orientation, community involvement, community assistance given and community assistance received at time of survey is not significantly correlated with their decision to join or not join an IDA.
MODEL 7: Relationship between head of household attitudes and behaviors and the decision to join IDA
<table>
<thead>
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</thead>
<tbody>
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<td>Pers. Efficacy</td>
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<td>.9268</td>
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<td>Com. Involve</td>
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<td>.0337</td>
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</tr>
<tr>
<td>Assist. Given</td>
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<td>.0182</td>
<td>-.1738</td>
<td>.6603</td>
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<tr>
<td>Assist. Recv.</td>
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<td>.1795</td>
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<td>.0000</td>
<td>.9422</td>
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</table>

"Model" chi-square = 16.448, p = .0057
Nagelkerke pseudo R-square = .221

Classification Table: Predicting IDA Participation

<table>
<thead>
<tr>
<th></th>
<th>Observed</th>
<th>Predicted</th>
<th>Percent Correct</th>
</tr>
</thead>
<tbody>
<tr>
<td>Did not join IDA (0)</td>
<td>9</td>
<td>20</td>
<td>31.03%</td>
</tr>
<tr>
<td>Joined IDA</td>
<td>7</td>
<td>61</td>
<td>89.71%</td>
</tr>
</tbody>
</table>

Overall Correct: 72.16%

Percent Correct w/o Model: 70.10%
Proportional Reduction in Error: 6.9%

Table 9: Logistic regression: predicting whether study participants join IDA program (n = 97)
The "Model" chi-square = 16.448, p = .0057. We therefore reject Hypothesis 7 at the alpha = .05 level and conclude that the level of participant personal efficacy, future orientation, community involvement, community assistance given and community assistance received at time of survey is significantly correlated with their decision to join or not join an IDA.

The Nagelkerke pseudo R-square calculated = .221, indicating the "goodness of fit" of the logistic regression model in predicting the probability of IDA participation.

The level of community involvement (Wald = 4.5103, p = .0337 and the level of community assistance given (Wald = 5.5746, p = .0182) were found to be statistically significant (alpha = .05 level) in predicting IDA participation. The relative importance of the dependent variables in predicting IDA participation is indicated by the "R" value, with the level of community assistance given being the most important, followed by the level of community involvement. The relationship between community assistance given and IDA participation is negative, indicating that those households giving higher levels of community assistance are less likely to join an IDA program. Finally, with a one-unit increase in the level of community involvement by head of household, the probability of their participating in an IDA program increases 1.3023 times. A one-unit increase in the level of community assistance given decreases the probability of IDA participation by .6603 times.

Finally, the overall percent of correct classifications is 72.16 percent for the logistic regression equation. The model is better at predicting joining an IDA program (89.71 percent) than at predicting not joining (31.03 percent). This is compared to a
baseline of 70.10 percent correct classifications without the model. The proportional reduction in error for the logistic regression equation is .69. That is, there are 6.9 percent fewer errors of classification when utilizing the logistic regression model.

The final logistic regression analysis conducted utilizes a forced entry of all the significant variables found in the first two logistic regression analyses above simultaneously entered into the model (see Model 8), resulting in a "combined" logistic regression model. The results of the analysis appear in Table 10. As before, the new dependent variable becomes IDA participation and is coded as "0" (survey participant not joining IDA program) or "1" (survey participant joining IDA program). The independent variables entered in the logistic regression analysis are: number of adults in household, number of children in household, education level of head of household, the level of community involvement, and the level of community assistance given. The following hypothesis was then tested utilizing the logistic regression analysis:

**Hypothesis 8:** The number of adults in household, number of children in household, education level of head of household, level of community involvement, and the level of community assistance given by head of household at time of survey are not significantly correlated with their decision to join or not join an IDA.
MODEL 8 (COMBINED MODEL): Relationship between significant household assets and head of household attitudes and behaviors and the decision to join IDA
<table>
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</thead>
<tbody>
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<td># Children</td>
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<td>5.5715</td>
<td>.0183</td>
<td>.1641</td>
<td>1.6523</td>
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<td>.0027</td>
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<td>Com. Involve</td>
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<td>.6484</td>
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</table>

"Model" chi-square = 25.283, p = .0001

Nagelkerke pseudo R-square = .293

Classification Table: Predicting IDA Participation

<table>
<thead>
<tr>
<th></th>
<th>Predicted</th>
</tr>
</thead>
<tbody>
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<td>Observed</td>
<td></td>
</tr>
<tr>
<td>Did not join IDA (0)</td>
<td>14</td>
</tr>
<tr>
<td>Joined IDA</td>
<td>9</td>
</tr>
</tbody>
</table>

Overall Correct: 75.45%

Percent Correct w/o Model: 70.91%
Proportional Reduction in Error: 15.63%

Table 10: Logistic regression: predicting whether study participants join IDA program (n = 110)
The "Model" chi-square = 25.283, p = .0001. We therefore reject Hypothesis 8 at the alpha < .001 level and conclude that the number of adults in household, number of children in household, education level of head of household, level of community involvement, and the level of community assistance given by head of household at time of survey are significantly correlated with their decision to join or not join an IDA.

The Nagelkerke pseudo R-square calculated = .293, indicating the "goodness of fit" of the logistic regression model in predicting the probability of IDA participation.

The number of adults in household (Wald = 5.0919, p = .0240), number of children in household (Wald = 5.5715, p = .0183), education level of head of household (Wald = 8.8859, p = .0027), and level of community assistance given (Wald = 8.8248, p = .0030) were all found to be statistically significant (alpha = .05 level) in predicting IDA participation. Once again, the relationship between community assistance given and IDA participation is negative, indicating that those households giving higher levels of community assistance are less likely to join an IDA program. The relative importance of the independent variables in predicting IDA participation is indicated by the "R" value, with the education level of head of household being the most important, followed by the level of community assistance given (negative relationship), number of children in household, and number of adults in household respectively. Level of community involvement was not found to be statistically significant in this "combined" logistic regression model. Finally, with a one-unit increase in the number of adults in household, the probability of their participating in an IDA program increases 2.6132 times. A one-unit increase in the education level of the head of household increases the probability of
IDA participation by 2.3739 times. A one-unit increase in the number of children in household increases the probability of IDA participation by 1.6523 times. And a one-unit increase in the level of community assistance given decreases the probability of IDA participation by .6484 times.

Finally, the overall percent of correct classifications is 75.45 percent for the logistic regression equation. The model is better at predicting joining an IDA program (88.46 percent) than at predicting not joining (43.75 percent). This is compared to a baseline of 70.91 percent correct classifications without the model. The proportional reduction in error for the logistic regression equation is .1563. That is, there are 15.6 percent fewer errors of classification when utilizing the logistic regression model.
CHAPTER 5

DISCUSSION

Introduction

Discussion is organized into two primary sections: 1) a summary of the independent variables utilized in the regression models and their contribution to both the multiple linear regression (Models 1 – 5) and logistic regression (Models 6 – 8) models, and, 2) a summary of the dependent variables utilized in both the multiple linear regression and logistic regression models. It should be noted here that this study’s findings are based on initial one-time measures of participant’s behaviors/attitudes at the time of possible entry into an IDA program. Therefore, causality is not inferred in the discussion that follows but rather correlations are revealed for evidence of possible causal linkages. Also, the findings, while significant, provide only modest explanations for the observed relationships. The findings in this study could be impacted by the depressed levels of household incomes and assets, with limited variance in these independent variables among the low-income households sampled. And finally, a larger sample size might also have provided more significant findings than those observed in this study. However, it should be noted here that in general, the household demographics of the
study sample are representative of welfare-to-work and working poor populations reported earlier in the literature review (Children's Defense Fund, 1997; Chilman, 1995; Halter, 1994).

Independent Variables

**Household Demographics/Control Variables**

**Race of Head of Household**

Sixty-percent of all heads of household surveyed are African American and thirty-nine percent are Caucasian. Race was not found to be a significant variable in any of the multiple linear regression or logistic regression models. While considered somewhat controversial, the work of William Julius Wilson (1978) lends some credibility to the lack of significant differences along racial lines found in this study. Perhaps when one is poor in America, race becomes less significant than class in explaining one's behaviors and attitudes as expounded by Wilson in his book, *The Declining Significance of Race*. The impact of poverty on human well-being, attitudes and behaviors across different racial, ethnic and cultural groups deserves greater attention in future research efforts.

**Age of Head of Household**

The age of heads of household ranges from 21 to 60, with the mean sample age being 34. Age was found to be a significant variable in predicting the level of participant
future orientation (multiple linear regression Model 2) and the level of participant
community involvement (multiple linear regression Model 3). In Model 2 the
relationship between the age of head of household and their corresponding level of future
orientation was a negative one. That is, older respondents reported significantly lower
levels of future orientation. This finding could be explained by the scale items utilized
for measuring future orientation, where the two primary components are the participant’s
1) involvement with their children’s educational activities, and 2) own educational/job
skills training efforts over the last year. Logic would indicate that older participants
might be less involved with their children’s educational activities as their children
progress through school and that their own educational/job skills training efforts would
decrease with age, depressing their overall future orientation scores.

In terms of age and community involvement, older participants reported
significantly higher levels of community involvement. A positive relationship was
reported by Rohe and Stegman (1994a) between age and life satisfaction. It is possible
that older participants have a greater sense of civic responsibility than younger
participants leading to greater involvement in their community/neighborhood governance.
This finding is congruent with Erikson’s (1963) life stages of development theory, with
the developmental crisis postulated by Erikson being generativity versus stagnation.
Thus with a mean age of 34 for our sample, significantly higher levels of community
involvement for older individuals could be attributed to their life stage of development.
However, age was not found to be significant in the participant’s decision on whether or
not to join and IDA.
Number of Adults in Household

Sixty-one percent of all households in the sample are headed by a single-parent. However, the number of adults in each household surveyed was found to be significant in predicting the level of community assistance given (Model 4) that was reported by the head of household. Once again, logic would indicate that households with more than one adult might have more opportunity to provide community assistance/services to their neighbors than single-parent households. While numerous researchers have shown the connection between single-parenthood, poverty, and reliance on community supports (Zaslow and Emig, 1997; Chilman, 1995; Hagen, 1992; Children’s Defense Fund, 1991), however, these findings indicate that the capacity to give community assistance might be more dependent upon the number of adults in the household than on the level of household assets among working poor families.

The number of adults in household was also found to be significant in predicting IDA participation (logistic regression Models 6 and 8), with those households with more adults being significantly more likely to join an IDA program. While the bivariate (Pearson) correlation coefficient between the number of adults and total household income is not large ($r = .251$), it is significant at the .05 level. This finding would indicate that those households with greater income potential due to more than one potential wage earner are more likely to join an IDA program. However, as will be discussed below, the level of total household earned income at the time of survey is not significant in predicting IDA participation.
Number of Children in Household

The mean household size in terms of number of children reported is approximately two children per family. The number of children in household is not significant in predicting the level of the head of household’s personal efficacy, future orientation, community involvement, or community assistance given or received. As noted earlier, those 13 households without children who did not respond to the future orientation scale were excluded from the final analyses via the listwise exclusion method.

The number of children in household was however significant in predicting IDA participation (logistic regression Models 6 and 8). Those households with more children are significantly more likely to join an IDA program. However, in the discussion to follow concerning the level of study participant’s future orientation, the number of children in household is not significant in predicting future orientation. It would appear as though the decision on whether or not to join an IDA is more influenced by household demographics (such as the number of adults and the number of children in household) than the personal attitudes/beliefs of heads of households (i.e., their personal efficacy or future orientation), as human capital theory would have one believe. Participation in an IDA program therefore favors those households with more than one adult. This suggests that single parent households are less likely to use the IDA option. And as discussed earlier, it is this single-parent population that is most likely to experience poverty and hardship in the current mandated welfare-to-work environment.
Total Household Earned Monthly Income

The mean monthly earned income reported across all households surveyed is $1200, which includes non-formal labor market activities such as provision of childcare and transportation services, self-employment, etc. However, the mean monthly take-home wages is $1,041 per household, indicating that the majority of household income reported (87 percent) comes from formal labor market participation. Only 5.5 percent of all heads of household are full-time homemakers, with 68 percent of heads of household reporting full-time working status and 17 percent reporting part-time work. Seventy-seven percent of households receive no child support payments. Once again, these sample statistics concerning working poor, female-headed, single-parent households are congruent with earlier findings reported in the literature review (Edin and Lein, 1997; Children’s Defense Fund of Ohio, 1995; Caputo, 1991), revealing that most households in the study sample are working full-time and that they continue to live at or near the poverty line. The federal poverty threshold for a family of three in the United States is an annual income of $12,931 (U.S. Bureau of Census, 1997).

The level of household monthly earned income was not found to be significant in predicting the level of the head of household’s personal efficacy, future orientation, community involvement, or community assistance received. It was however significant in predicting their level of giving assistance (Model 4), with higher levels of household earned income being associated with lower levels of giving assistance (an inverse relationship). This finding is not congruent with Sherraden’s hypothesis of higher
income leading to greater community assistance. However, upon closer examination of the community assistance given scale, one might interpret the findings as higher income households not requiring the kinds of assistance measured in the study. These households could simply afford to pay for these "neighborly" services rather than rely on the reciprocity of their neighbors.

**Total Household Debt**

The mean value for total household debt is $12,514 although a more representative figure is the median household debt value of $7,480. This reflects the positively skewed nature of household debt data due to home mortgages owed by ten study participants. The mean value for home mortgages is $35,600 for these ten home owners. Please refer to Chapter 4 for specific findings concerning the sub-categories of total household debt. Based on the mean total household earned monthly income reported above of $1,200, the estimated percentage of monthly income that is needed to service household debt can be calculated. Using the lower figure of median household debt ($7,480) divided by 12 months equals $623 per month (or more than 50 percent of income) needed to pay off household debt in one year. While conventional car loans and educational loans do extend beyond a one-year time limit for repayment, the households in this study do carry considerable debt load in relationship to their monthly incomes. This high debt load would certainly make it difficult for households to actually save money for the future. However, in the multiple linear regression models, total household
debt was not found to be significant in predicting the personal efficacy, future orientation, community involvement, community assistance given, or community assistance received of the study participants. Nor was household debt found to be significant in predicting the respondent’s decision on whether or not to join an IDA. The relationship between household debt loads and the above attributes of heads of working poor households warrants additional exploration, especially given the ease with which debt can be incurred in the current financial environment.

**Total Household Material Capital Assets**

The mean value for the material capital assets reported by all households (n = 111) is $13,725. This value is positively skewed however, primarily due to mean home values of $67,800 reported by 11 study respondents. A more representative "average" household material capital assets value is the median value of $2,850. The primary "asset" owned by the study participants is their car, the median value of which is $1,500. One-third of all respondents reported a zero balance in their checking accounts, with the mean checking account balance being $293. Savings were reported by 48 percent of all respondents, with the mean value reported being $245. Eighty-six percent of all heads of household reported a zero balance in their savings for retirement. However, for the 15 households with a non-zero retirement account balance, the mean value is $8,752. Finally, for the following categories of savings, ten percent or less of all respondents reported no savings: property other than home, business assets, savings bonds, savings for
education, CDs, stocks, bonds and mutual funds, insurance policies, savings held by trusted friends or relatives, savings kept at home, Christmas club savings, or "other savings."

Savings "behavior" is not the norm for most of the households surveyed. Given the low figure for mean total household monthly earned income above, perhaps this should come as no surprise, especially given the high debt load of most families also reported earlier. Indeed, the independent variables of total household material capital assets was not found to be significant in predicting the level of head of household personal efficacy, future orientation, community involvement, community assistance given or community assistance received in any of the multiple linear regression models. Nor was this variable found to be significant in predicting IDA participation in the logistic regression model. While Sherraden’s asset-based theory hypothesizes higher levels of personal efficacy, future orientation, community involvement and community assistance with higher levels of material capital assets (wealth), this was not found to be the case in this study. One could conjecture that the levels of household material capital assets in this study are just too low to begin to see the hypothesized benefits of asset holding postulated by Sherraden (1991). Indeed, with car ownership being the primary material capital "asset" reported by most households, the majority of households in this study have not yet begun to accumulate the financial and economic "stakehold" that is supposed to encourage and support higher levels of personal efficacy, future orientation, community involvement and community assistance. Perhaps the low levels of savings/assets, high debt loads and low incomes combined might also explain the
difficulty in recruiting IDA participants (reported to this researcher on numerous occasions by IDA program coordinators) across much of this study group, although none of these variables were found to be significant in predicting IDA participation in the logistic regression model. The preponderance of female-headed, single-parent households in the study sample is also congruent with earlier research concerning the relationship between poverty, gender and marital status (Children’s Defense Fund, 1998; Chilman, 1995; Miller, 1989).

Another point of interest was the efforts of some IDA participants to "adopt" the IDA program to other uses besides those allowed by the program (home ownership, education, or micro-enterprise). A primary "adoption" strategy (Rogers, 1962) advocated by IDA participants was the use of matched savings for repair or purchase of a car. This observation is congruent with earlier findings by Edin and Lein (1997), Wilson (1996) and Mayer and Jenks (1988) in their research with working poor households. Any surplus income/savings is needed for emergencies such as a car repair, making saving for a home, small business or education problematic for households living in poverty. This is especially critical in the current welfare-to-work initiative which mandates formal labor market participation by welfare recipients, making reliable transportation a necessity. While the proponents of the culture of poverty theory (Lewis, 1966; Mead, 1985; Murray, 1984) explain such behaviors as a lack of future orientation or the inability to delay gratification, the reality of working poor households cast this immediate consumption for basic needs as a survival strategy rather than an aversion to savings.
While not included in the analysis due to low-levels reported, the level of household "supportive" monthly income deserves discussion. Fifty-five percent of all households surveyed reported a zero value for total monthly supportive income, including fewer than ten percent of households reporting non-zero balances for AFDC, SSI, Social Security, unemployment benefits, veteran's benefits, pensions, alimony, payments from their ex-husband/wife, payments from a boyfriend or girlfriend or payments from a mother or father. Food stamps were only reported by 14 households, even though most households in the study would be eligible for this form of "in-kind" support. Finally, support income in the form of assistance received from other friends and family members was reported by 15 households. These findings do differ from those reported by Edin and Lein (1997) and Mayer and Jenks (1988) which revealed the importance of an informal economic support network for working poor households. Perhaps the nature of the relationship between this researcher and the study sites, or perhaps even more importantly, the relationship between the IDA program coordinators and the study participants could explain this under-reporting of "supportive" income. As one IDA program coordinator commented following a very low turn-out at an IDA recruitment meeting: "Many of our residents have 'situations' that they do not want anyone else to know about for fear that it will jeopardize their housing eligibility" (in personal conversation with IDA program coordinator). It would appear that these personal "situations" might only be made known via a longer-term, more trusting relationship between researcher and study participants. The other alternative is that these clients rely on support from outside resources not covered by the survey items.
Education Level of Head of Household

Forty-seven percent of all respondents, the single largest education level reported, have attended some college, with 13 percent having graduated from college (see Table 1). Education level of head of household was found to be significant in predicting their level of future orientation in multiple linear regression Model 2. That is, as the education level of the head of household increases there is also a significant increase in their level of future orientation. This finding is congruent with the survey items utilized to measure level of future orientation which measures the head of household's involvement in their children's education and in their own education/job skills training. This finding is also congruent with human capital theory (Becker, 1962), in that increases in human capital in the form of education are associated with increased levels of personal future orientation and the capacity to delay current consumption/gratification for anticipated increases in future satisfaction.

Education was also found to be significant in predicting IDA participation (logistic regression Models 6 and 8), with higher levels of education being associated with a greater probability of joining an IDA. Along with the significant household demographics discussed above (number of adults and children) which are associated with IDA participation, it would also appear as though the head of household's educational level is significant in predicting IDA participation. These findings indicate that households with more than one adult and those households with higher education levels are more likely to "cash-in" on the benefits of an IDA program. The studies by Rogers
(1962) and Brown (1981) discussed earlier in the literature review indicated that gross inequities in economic development effort outcomes can result from inherent programmatic biases based on pre-existing inequities in participant characteristics. Differences in participant characteristics that can lead to inequities in the distribution of programmatic benefits include already existing power and wealth differentials in the participant population based on race, gender, social capital and educational level. Brown (1981) documented how traditional development efforts based on an extension (educational) approach to technology transfer resulted in the better educated, wealthier participants "cashing-in" on the program benefits. Therefore, economic development efforts such as IDAs not targeted to the "poorest of the poor" could actually increase the gap between the "near poor" and the poor in economically depressed areas. While tentative, these findings do indicate a greater potential for IDA participation by households with more than one adult and with heads of household with higher levels of education. Additional research is needed to establish the relationship between participant characteristics and their degree of success in completing an IDA program.
Dependent Variables

**Personal Efficacy**

As noted earlier in the study findings, no independent variables in the multiple linear regression (Model 1) were found to be significant in predicting the level of the head of household’s personal efficacy at the time of survey. Also, the level of study participant’s personal efficacy was not significant in predicting their choice to join or not join an IDA program. From the literature review it was noted that Rosenberg (1979) claimed that self-esteem is formed primarily in our earlier years, becoming more resistant to change in adulthood. However, Rosenberg does suggest that part of self-esteem is based on the principle of self-attribution whereby self-observation of one’s behaviors and their outcomes contributes to one’s self-esteem. That is, if a person pursues their chosen life goals successfully (such as saving and buying a home, starting a small business, or going on to college), they then accept their success as proof of their competence and mastery over life’s problems (or what some researchers refer to as self-concept). Markus and Nurius (1984, p.147) emphasize the social significance of a person’s self-concept and refer to it as "the meeting ground of the individual and society." However, recall that confounding variables concerning the relationship between asset accumulation and resultant self-esteem/efficacy include other contextual variables such as; income, occupation, education and age, all of which have been found to be positively associated with self-esteem (Gecas and Seff, 1989). The relationship between household
demographics and socio-economic status and the corresponding levels of the head of household’s personal efficacy were noted in the longitudinal study by Downey and Moen, (1987), where women in their study did not associate their feelings of self efficacy solely with their income levels, but rather, also looked to non-formal labor market sources of income and various "family" survival strategies as indicators of their personal efficacy, findings also consistent with Edin and Lein (1997). The authors found this to be especially true for working poor, female-headed families such as those interviewed in this study. Also, recall Rohe and Stegman’s (1994a) finding that housing condition (not whether it was rented or owned) was more significant in predicting self-esteem and life satisfaction among their study participants than their income level, occupation or level of education. Therefore, numerous extraneous variables might explain this lack of significant findings concerning the level of personal efficacy among this study’s participants.

Future Orientation

Two independent variables in Model 2 were found to be significant in predicting the level of the study participant’s future orientation: their age and their level of education. Level of education of head of household was the most significant variable in predicting their level of future orientation (p = .002). As indicated by the unstandardized partial regression coefficient (b) for level of education (see Table 4), for a one-unit increase in level of education of the head of household, there is an expected increase in
their level of future orientation of 1.122 points, when all the other independent variables in the multiple linear regression are held constant. As noted in the earlier discussion concerning the independent variable education level, one would expect to see this positive relationship between education and future orientation.

Concerning the relationship between age and future orientation, as was noted in the earlier discussion above, this is a negative relationship. As indicated by the unstandardized partial regression coefficient (b) for age (see Table 4), for a one-unit increase in age of the head of household, there is an expected decrease in their level of future orientation of .102 points, when all the other independent variables in the multiple linear regression are held constant. On closer examination of the survey items 12a-j used to measure one aspect of the head of household’s future orientation (investment in their children’s education/school activities), it is logical that with the increasing age of the study participant, there will be a decline in their involvement in their child’s education as their child also ages. Study participants without children were not included in this analysis.

Finally, future orientation was not found to be significant in any of the logistic regression models for predicting IDA participation (Models 6-8). This indicates that the decision on whether or not to join an IDA for this study’s participants is based more on household demographic variables such as the number of adults in the household than their personal level of future orientation. As noted earlier in the discussion of the independent variable number of adults in household, an increase in this household characteristic could possibly lead to a higher income potential and ability to save, rather than a lack of future
orientation on the part of the study participant. This would indirectly support Sherraden’s theory concerning increases in assets leading to increases in future orientation. However, this finding does not support Lewis’ (1966) culture of poverty theory which would postulate that it is the individual’s lack of future orientation that explains their chronic poverty and unwillingness to delay today’s gratification for the promise of greater life satisfaction tomorrow via investment in education.

Community Involvement

One independent variable was found to be significant (Model 3) in predicting the level of the study participant’s community involvement: their age. As indicated by the unstandardized partial regression coefficient (b) for age (see Table 5), for a one-unit increase in the age of the head of household, there is an expected increase in their level of community involvement of .103 points, when all the other independent variables in the multiple linear regression are held constant. As noted in the earlier discussion concerning the independent variable age of head of household, one would expect to see this positive relationship between age and community involvement when applying Erikson’s (1963) life stages of development theory. With an increasing sense of generativity, older study participants would invest more in their neighborhoods and communities.

Community involvement was also found to be significant in predicting the study participant’s decision on whether or not to join an IDA program (Model 7). As noted in Chapter 5, with a one-unit increase in the level of community involvement by head of
household, the probability of their participating in an IDA program increases 1.3023 times. This finding is congruent with Rohe and Stegman’s (1994b) finding concerning the level of "neighboring" by Section 8 renters, with the perceived similarities between neighbors being significant to the level of neighborhood participation. The implementation of IDA programs in the seven study sites was dependent upon "word-of-mouth" dissemination and mailings of fliers. While it is beyond the scope of this study, this researcher observed that IDA participation/recruitment was more successful in those agency settings where IDAs were integrated into on-going agency/community activities. Therefore, it is those individuals who are already involved in their communities who are more likely to hear about the IDA program from someone they know and trust. This observation is also supported by Mingione’s (1991) embeddedness theory discussed earlier as well as Rogers’s (1962) theory of innovation diffusion.

Community Assistance Given

As noted in the discussion of total household earned monthly income, the relationship between household income and community assistance given is a negative one. Another interpretation of this finding is supported by Rohe and Stegman’s research (1994b) with a similar study population (125 low-income, predominately African American homeowners and 101 Section 8 renters with similar demographic characteristics) which found that homeowners were less likely to "neighbor" than the
control group of renters. In their study, Rohe and Stegman (1994b, p. 170) measured a concept they referred to as "neighboring," measured with and index consisting of five questions: 1) How many people on your block do you know by name, 2) how many people on your block would you recognize if you saw them outside your neighborhood, 3) how many people on your block do you have a neighborly relationship with, 4) how many people on your block do you see socially at least three times a year, and 5) how many people on your block do you consider as close friends? Utilizing Sherraden’s survey, the concept of a participant’s level of community assistance is measured by their giving and receiving of assistance in their neighborhood over the last month. While focused on the giving and receiving of neighborhood assistance, parallels to Rohe and Stegman’s "neighboring" measure can be seen, providing some degree of face and content validity to Sherraden’s measure of community assistance. Therefore, according to Rohe and Stegman’s findings and this study, higher asset levels do not necessarily lead to higher levels of neighboring/community assistance.

This rationale is also supported by historian Christopher Lasch’s (1995) research and that of communitarian Amitai Etzioni (1988) who both challenge the capitalistic market place paradigm with a call to civility and social responsibility. While there can be no doubt that profits have risen dramatically in many capitalistic economies (including the U.S.), the disparity between haves and have nots has also risen, findings congruent with Sherraden’s analysis of wealth/assets in American society. However, the above finding in this study, while preliminary, should provide a caution in the implementation of IDAs as an anti-poverty strategy. Unless efforts are made to extend the benefits of
asset ownership to the "poorest of the poor," a poverty program which is dependent upon participant savings from earned income may only "cream" those households who already are financially better off, leaving communities and neighborhoods even more divided along socio-economic lines. Or perhaps worse yet, these "successful" households could actually move out of poor neighbors, leading to an even greater concentration of poverty and limited economic resources in these areas as they pursue opportunity elsewhere. Sherraden’s asset-based theory accepts the neo-classical economic concept of the social mobility of capital, buying into the pursuit of wealth and "happiness" via following economic opportunity where ever it may lead. While this financial/economic strategy has proven successful for many middle and upper-class Americans, working poor households and communities may resist leaving the neighborhoods and communities where their trusted financial and economic survival strategies are established, findings consistent with other studies (Task Force on Persistent Rural Poverty, 1993; Mingione, 1991; McGranahan, 1988).

The level of study participant’s community assistance given is inversely related to their decision on whether or not to join an IDA program according to the logistic regression analysis (Model 7). Thus, the higher the study participant’s level of community assistance given the less likely they are to join an IDA program. Once again, closer interpretation of the community assistance given scale utilized in the study could lead one to associate greater need with those who have higher levels of community assistance given. Since wealthier households are less likely to give community assistance (findings from Model 4), it would appear as though poorer families, who are more likely
to give community assistance, might be less likely to have the savings required to benefit from IDA participation. These findings also contradict the culture of poverty theory, instead pointing towards the same "patchwork quilt" of survival strategies utilized by working poor families that Edin and Lein's (1997) study found. Far from being lazy, with no future orientation or ability to delay gratification, working poor families often depend on each other and their own resourcefulness to survive. Additional research is needed to illuminate this relationship between higher levels of community assistance given (especially in the forms measured in this study), such as providing childcare, elderly care, transportation, home/auto repair etc. in one's community and the survival strategies of working poor households.

**Community Assistance Received**

None of the independent variables in Model 5 were found to be significant in predicting the head of household's level of community assistance received. Also, community assistance received was not significant in predicting IDA participation, whereas community assistance given was. One can only conjecture as to the reason for this finding. Upon closer examination of the survey items utilized in the community assistance received scale (items 41a-i), perhaps study participants were unwilling to acknowledge the degree of community assistance they rely upon from their neighbors? This important area of the economic/financial survival strategies of working poor households deserves more attention in future research. One promising area concerning
the contribution of community support networks towards the economic survival of poor households is the work of Putnam (1995) and the concept of social capital. Also, the work of Mingione (1991) and the concepts of economic life beyond the market paradigm, "embeddedness theory" and the informal labor market activities of poor households and communities warrants continued research efforts.

Decision to Join an IDA Program

Concerning the decision to join or not join an IDA program, the education level of head of household, number of adults in household and number of children in household were found to be significant in predicting IDA participation (Model 6). These findings suggest that those households with higher levels of education for head of household and with more adults are significantly more likely to join an IDA program. Both of these household characteristics are related to the income potential of a household, with higher education levels and more breadwinners per household being associated with higher household income (U.S. Bureau of the Census, 1997). These findings also concur with Brown’s (1980) analysis of program selection bias based on the potential participant’s characteristics. It would appear that at this juncture, the IDA programs surveyed are not attracting the poorly educated, single-parent households that comprise the chronically poor population. Instead, those heads of household who are choosing to join an IDA have a higher income potential and likelihood of saving. However, the current income level of household was not found to be significant in predicting IDA participation.
Concerning those households with more children being significantly more likely to join an IDA program, it would appear as though this finding is not congruent with the above discussion. Perhaps households with more children are more likely to be involved in neighborhood/community activities which increases their likelihood of finding out about and joining an IDA program. This finding is however congruent with Erickson (1963), with heads of household with children perhaps being more likely to invest in their children's future well-being. More research is needed to explore this possible relationship between number of children and decision to join an IDA program, especially concerning possible programmatic variables that might explain this relationship.

In logistic regression Model 7, the level of head of household’s community assistance given and their level of community involvement were found to be significant in predicting their decision on whether or not to join an IDA program. As discussed in the earlier section concerning these two variables, the level of community assistance given could be related to the head of household’s propensity for "neighboring," with lower-income households being more likely to give assistance in their communities (from Model 4). As observed in Model 7, those households that are less likely to give assistance (higher income households) are also more likely to join an IDA, indicating the inverse relationship between these two variables. Once again, if IDAs are intended to reach chronically poor households, these findings would suggest that they are not doing so for this study population. The level of head of household’s community involvement was also found to be significant in predicting their decision on whether or not to join an
IDA (Model 7). As noted in the earlier discussion concerning community involvement, perhaps those households who are more actively engaged in community/agency activities are more likely to hear about and join an IDA program.

Finally, the last logistic regression (Model 8 or the combined model), the education level of head of household, their level of community assistance given (inverse relationship), the number of children in the household, and the number of adults in the household were all found to be significant in predicting the decision to join an IDA program. As noted in the above discussion of these variables, this finding would indicate that for this study, the decision on whether or not to join an IDA is more related to the human capital of the head of household (their education level) and household demographic variables (number of adults and number of children), rather than to their individual attitudes or behaviors. The only individual attitude or behavior related to IDA participation is the level of community assistance given reported by the head of household, and as noted above, this may be more due to their income level than to a personal attitude/behavior. While the human capital (education level) finding is congruent with Sherraden’s hypothesis, this study suggests that IDA participation is more related to household demographics and the income potential of participating households: the higher the income (and savings) potential, the more likely the decision to join an IDA.
CHAPTER 6

IMPLICATIONS AND RECOMMENDATIONS

Introduction

The primary research question addressed by this study is whether or not the relationships between assets and individual behaviors/attitudes hypothesized by Michael Sherraden via his asset-based theory of social and economic development exist in working poor households at their time of possible entry into an IDA program. An additional research question was asked concerning the level of household assets and the level of personal efficacy, future orientation, community involvement, community assistance given, and community assistance received of study participants and their decision on whether or not to join an IDA program. The relationship between an individual’s level of material and human assets and their attitudes/behaviors (personal efficacy, future orientation, community involvement, community assistance given, and community assistance received) is a complex one with the possibility of causality running in both directions: is it higher levels of material and human assets that cause these individual behaviors/attitudes to develop or do the attitudes and behaviors of the individual bring about higher levels of asset accumulation?
Recommendations for Research

This study is exploratory in nature and the research design, instrumentation and conceptual ambiguities do limit the validity of interpretation. The cross-sectional survey research design cannot be used to infer causality. However, this researcher's numerous contacts with the seven agencies implementing IDAs over a two-year period and frequent feedback from IDA program coordinators do provide the opportunity to explore this complex relationship between assets and human attitudes/behaviors.

While the findings of this study are preliminary, they do point towards the following areas of future research:

1) The need for a longitudinal study to explore the causality and directionality of the relationship between levels of household assets and resultant attitudes and behaviors of individuals. A multivariate model is indicated, due to the complexity of the relationships between material and human capital assets and individual attitudes and behaviors. Data collection that incorporates IDA participant values, beliefs, and attitudes towards assets and savings in the natural environment (household setting and community) via face-to-face interviewing techniques would also enhance our understanding of working poor households and their survival strategies. The establishment of a trusting relationship between researcher and IDA participant is vital for an accurate assessment of participant financial reality and their attitudes and beliefs concerning asset accumulation. This is especially true for working poor, female-headed households such as those in this study, and as mentioned earlier, it is this population that is most likely to experience
poverty and rely on a "patchwork quilt" of survival strategies. Participatory action research (Kondrat and Julia, 1997), in tandem with a longitudinal study utilizing multivariate analysis, could provide a much richer data base for exploring the complex relationships between asset accumulation and human well-being, attitudes and behaviors.

2) The efficacy of a human capital/education strategy for poverty alleviation needs additional exploration, especially for single-parent, female-headed households and minority populations who may have limited educational opportunities. While human capital was shown to significantly impact a study participant's level of future orientation and decision on whether or not to join an IDA program, level of head of household’s education was not significantly related to their level of personal efficacy, community involvement, community assistance given or received. Educational strategies, as well as home ownership and micro-enterprise strategies, must be researched, developed and assessed for their capacity to actually benefit working poor households. This is an especially critical area for additional research since the current economic and political environment favors an individual responsibility approach to poverty alleviation.

3) Community-level and supply-side economic development strategies need to be researched and developed along with the above demand-side human development strategies. This study’s findings suggest that without local economic opportunity, the efficacy of human development strategies is suspect, especially for working poor, female-headed households. Potential areas of fruitful research in community economic development include the use of a sustainable, basic needs approach to economic and social development (Midgley, 1994) as well as a capacity or strengths-focused
community development approach (Kretzmann and McKnight, 1993). Without a community-level social and economic development strategy, disenfranchised individuals, families and communities could actually suffer greater hardship due to the out migration of human capital when an individual-level (human capital) development strategy is followed. This point is especially critical for economically depressed neighborhoods, communities, and regions struggling to compete in the current global economy. Research efforts need to address the community level contextual variables within which the economic survival strategies of working poor households are embedded. The efficacy of worker-owned businesses and cooperative economic ventures needs to be assessed for those communities that have been marginalized and "left behind" by the global economy. The works of Smith and Wallerstein (p. 254, 1992) elucidate the complex relationship between formal labor market participation and the rise in poverty of the working class as a result of the world systems economy. As a result of their historical economic systems analysis, the authors conclude that "in a capitalist system, wages can never be the sole or even principal mode of payment of the vast majority of the world workforce. Wages must always be combined with other forms of income" if the working class is to escape poverty (or even survive). The role of the informal economy and the State in providing economic survival options for the poor is a critical area of research as we enter the new millennia.

The rapid rise in working poor households in the U.S. and abroad indicates the growing economic and social inequities that exist in a post-Fordist world economy that results in "uneven" development. In his book, The Reinvention of Work, Fox (1994)

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speaks to a new paradigm of work as opposed to the old, capitalist notion of "job."

According to Fox, true work is an expression of human creativity and that with nearly one billion human beings out of work today, the real crisis is not one of "jobs" but rather of humanity's relationship to work and the challenge to our species to reinvent this relationship.

4) IDA programmatic/agency variables concerning the implementation of IDAs need to be researched and evaluated. If the current implementation of IDAs via psycho-educational/extension methods inherently favors the better educated heads of household and households with a greater potential for income/savings, then efforts must be made to research, develop and evaluate IDA programming that truly reaches the most vulnerable and poorest households and communities.

Implications for Individuals, Families, Communities, and Society

As with all potential solutions to a multi-dimensional social problem such as poverty, IDAs must address the individual, familial, community, and societal-level aspects of poverty. The proponents of IDAs range from the politically conservative to the politically liberal ideologies of social welfare. As was discussed earlier in this researcher's theoretical conceptualization of Sherraden's asset-based theory, IDAs attempt to "bridge the gap" between individuals and society, providing "life chances" (Darendorf, 1979) for the poor in America. These life chances take the form of material and human asset accumulation accounts (IDAs) made possible via matched savings.
accounts for working poor households. And in the words of Sherraden (1991, p. 6):

"while incomes feed people's stomachs, assets change their heads."

While visionary in his conceptualization of asset-based social welfare policy, how realistic is Sherraden in his program for working poor households that proposes they save money before benefitting from IDA participation and the benefits of assets? What follows are the individual, family, community, and societal level implications concerning the implementation of IDAs as an anti-poverty strategy, as well as this researcher's proposal for integrating community economic development into social work education and practice.

Individual and Household (Family) Implications of Asset-Based Social Welfare

The findings from this study indicate that the educational level of the head of household impacts their level of future orientation and their decision on whether or not to join an IDA program. This finding is congruent with Sherraden's asset based theory and its human capital theoretical (Becker, 1962) underpinnings. The only individual behavior/attitude significant in predicting IDA participation in the combined model (Model 8) is the level of community assistance given as reported by the head of household. The level of community assistance given was found to be inversely related to total household earned income (Model 7), indicating that higher income households were less likely to give community assistance (findings congruent with Rohe and Stegman, 1994b). However, these same higher income households who are less likely to give
community assistance are more likely to join an IDA program. This finding is not supportive of Sherraden’s theory. Therefore, according to this study’s findings, those heads of households who have higher incomes and higher levels of education are more likely to benefit from the benefits of IDA participation. This is an especially noteworthy finding with critical implications for working poor individuals and households. As was noted in the literature review, the poverty population in America is predominately made up of women and children, with the likelihood of poverty increasing dramatically with female-headed, single-parent households (Children’s Defense Fund, 1997, 1991; U.S. Bureau of Census, 1997), households similar to those surveyed in this study. This probability becomes even greater with minority populations of female-headed, single-parent households struggling to make ends meet (Welfare Law Center, 1998; Edin and Lein, 1997). This finding, while tentative, would indicate that those households in the most need of assistance (women and children) could possibly be left out of an asset-based social welfare approach to alleviating poverty which requires households saving part of their incomes before the benefits of an IDA can be realized.

An additional finding with important implications to an asset-based approach to social welfare is that households with more than one adult were found to be more likely to join an IDA program. Once again, it is those households headed by single-parents who are more likely to experience poverty in America. Households with more than one adult have the potential for higher income and labor market participation levels. Therefore, their potential to benefit from the matched savings provided by participating in an IDA program is also more likely. Finally, studies (Edin and Lein, 1997; Mingione, 1991)
indicate that the benefits from formal labor market participation by female-headed, single-parent households must be weighed against the benefits of an informal support network. In the "patchwork quilt" of survival strategies utilized by working poor, female-headed households, does formal labor market participation at minimum wage "make sense?" Additional research concerning the applicability of asset-based social welfare to working poor households, especially female-headed, single-parent households, warrants consideration. Unless IDAs reach those households most likely to be "stuck" in poverty, they will only benefit the "near-poor" who are most likely to leave the ranks of poverty on their own (Gueron and Pauly, 1991).

Finally, while the race of head of household was not found to be significant in this study, one cannot overlook the overwhelming research findings indicating the disparity of wealth among households of different racial and ethnic backgrounds (Oliver and Shapiro, 1995). While some minority researchers associate poverty more with class than with race (Wilson, 1996), the vulnerability of minority households, especially female-headed minority households must be considered in any anti-poverty social welfare program.

Community and Society-Level Implications of Asset-Based Social Welfare

Sherraden makes the assumption that individuals who are provided the "life chances" to accumulate material and human capital assets will develop personal attitudes and behaviors such as higher levels of personal efficacy, future orientation, community
involvement, community assistance given, and community assistance received. This "stakehold" in their financial and economic well-being will provide numerous benefits, not only to individuals and families, but also to the greater community and society. This neo-classical economic perspective postulates that the mobility of capital will result in an "equilibrium" in the distribution of wealth in society, with capital following the cheapest labor markets, and with workers needing to have assets which allow them to follow more favorable labor market opportunities. Sherraden (1998) points to the reality of the current global economy as an indication of the need to "get assets" if one is to be successful in today's world economy. Once again, this study's findings would tend to support Sherraden's theory, in that those households with higher levels of education and the potential for higher incomes (more than one adult) are more likely to participate in IDA programs and perhaps be more "successful" in pursuing opportunity in the current economic environment.

As noted above, unless additional measures are implemented to insure the participation of single-parent, female-headed households with lower levels of education, the "opportunity" to pursue capital is limited. However, this is not due to their lack of personal efficacy, future orientation, community involvement, or community assistance (personal attitudes and behaviors), but rather their lack of higher levels of educational and income opportunities. These limited economic opportunities may quite possibly be due to their single-parent and/or minority status, as well as the poverty environments in which they live. The challenge of how to reach this population of poor remains, not only for IDAs, but for all anti-poverty programs. Also, a reliance on the "logic of the
marketplace," that is the focus on the demand-side variables, such as human capital development, has been shown by numerous researchers to not necessarily lead to higher levels of community economic development (Killian and Parker, 1991; McGranahan, 1988; Edwards, Reich, and Gordon, 1975). Once again, this is particularly true for women, whose human capital development has not necessarily led to reciprocal gains in their level of economic and political resources (United Nations, 1995; Downey and Moen, 1987). The preponderance of minimum-wage, service sector jobs, without medical benefits or pension plans, which working poor households and mandated welfare-to-work participation often results in (Children’s Defense Fund, 1998; Chilman, 1995), does not make the "logic of the marketplace" a profitable experience for many households. However, as this study illustrates, along with other researchers (Halter, 1994; Gureon and Pauly, 1991), education and job skills training is an important component of effective anti-poverty and welfare-to-work efforts. In addition, U.S. Bureau of Census data (1997, 1988) validates this relationship between educational attainment and higher levels of income.

However, a social welfare policy based on human capital development must also incorporate supply-side economic variables via community economic development efforts. Otherwise, human capital development strategies may result in an "outmigration" of the better educated as they pursue economic opportunity elsewhere, leaving the most vulnerable populations behind. The findings of this study would suggest that an effective anti-poverty social welfare policy must incorporate both Micro (individual/family) and Macro (community/society) - level practice modalities, integrating both individual and
societal responsibility for poverty alleviation. What follows is a discussion of the implications for social work of an asset-based social welfare policy as well as this researcher’s proposal for integrating community economic development into social work education and practice. While the discussion that follows is not totally derived from this study’s findings, the implications suggest a need for a community-level economic development strategy in social work.

Implications for Social Work

Social Work Education and Practice

Person-in-situation assessment and intervention has long been a hallmark of social work practice (Compton and Gallaway, 1979; Rogers, 1974). However, much of social work treatment has been focused on individual-level change rather than community/societal-level change, looking to changes in individual behaviors/attitudes as the key to successful intervention. This has resulted in the victims of poverty, especially women, children, and minorities, being blamed for the very condition created by limited economic opportunities. As this study found, with the exception of future orientation, the individual’s attitudes and behaviors do not predict the decision of whether or not to join an IDA program, rather their household situation/circumstances do. Add to this the "reality" of limited opportunities for successful labor market participation and individuals (especially single-parent females) can experience very limited "life chances."
On the Macro (community/society) policy level, Sherraden (1991, p.7) artfully points out the "failure" of the historical welfare system, based on income maintenance, stating that "wealth is not income, spending and consumption, but rather savings, investment, and accumulation of assets. Very few people manage to spend their way out of poverty." An income maintenance welfare system simply "maintained" people in poverty. However, labor market participation by the individual is not a guarantee of non-poverty status in America either. As the recent welfare law indicates by its very title (The Personal Responsibility, Work Opportunity, and Medicaid Restructuring Act of 1996), individual responsibility via formal labor market participation is the mandate for receipt of assistance. The working poor population continues to grow in American society. Minimum wage and workplace benefits have not kept pace with the cost of living for those households working at or near the minimum wage level. Sherraden's proposal for an asset-based social welfare policy attempts to provide the economic and financial "stakehold" that families need to escape poverty. However, as discussed above and as this study's findings indicate, the likelihood of working poor households (especially female-headed households) "cashing-in" on the benefits of IDA participation is slim. This study's findings do not support Sherraden's hypothesis that individuals with higher levels of assets experience higher levels of personal efficacy (Model 1). This "meeting ground of the individual in society" (Markus and Nurius, 1984, p. 147) embodied in the concept of personal efficacy, appears to be quite complex for working poor households. As the findings by Edin and Lein (1997) and Downey and Moen (1987) indicate, and this study supports, personal efficacy may be more attributable to the overall survival
strategies of working poor households than to their formal labor market participation. Additional research is needed in this vital area of household survival strategies for working poor families.

Going beyond this study’s finding, this researcher perceives a need for social workers to intervene at the individual and community level, with practice skills that adequately address individual/family-level issues brought on by poverty as well as the community-level skills needed to bring about positive economic change in poor neighborhoods and communities. This synthesis of Micro and Macro-level social work skills, which addresses poverty and its effects on individuals, families, communities, and society, is found in a community economic development model of social work education and practice.

Barring a major shift in U.S. domestic social welfare policy and the global economic environment, social workers will be called upon to deliver the services required to assist working poor families in their struggle to not only meet basic needs but also insure the growth and development of their children. Community economic development provides social workers with some of the skills required to assist communities and working poor families in their struggle to escape poverty. Why then has community economic development and Macro social work practice in general been on a downward spiral within social work curriculum, from 16 percent in 1978 to 10 percent in 1984? (Statistics on Social Work Education, 1984). Even more significant, is that students enrolled in community organization specializations in M.S.W. Macro practice programs
during this same time period declined from a mere six percent to only three percent!

Community organization is certainly on hard times within the social work discipline/profession.

In his analysis of 44 macro practice M.S.W. programs in the United States, McNutt (1995) found that coursework in community organization was only required in ten schools (22.7 percent) and that community organization was reported as an elective in only seven schools (15.9 percent). Also, McNutt had only eight schools (18.2 percent) reporting economic development techniques offered in their Macro concentrations. Given the tremendous need for community organization and economic development for working poor households at the local level, both internationally and abroad, why isn't this vital discipline being taught in our M.S.W. programs?


Community economic development has long been a part of social work practice since its "professional" conception, beginning with the Settlement House Movement and the group work model of social work practice that evolved from it. In their article "Interorganizational community-based collaboratives: a strategic response to shape the social work agenda," Bailey and Koney (1996) propose a social work response to the current political emphasis on decentralizing social welfare policy implementation. Of particular concern to the authors is the impact of a federal level "devoijution revolution" (reminiscent of the Regan years) during periods of economic recession which would most
likely result in major threats to community-based service because states would have to spend more money to maintain current levels of social programs, or 1) restrict program eligibility, and 2) reduce benefits.

Collaboration is the key operative word in this social work response to drastic federal budget cuts, $55 billion over the next seven years (Center on Budget and Policy Priorities, 1995). As defined by Gray (1989, p.5), "collaboration is a process through which parties who see different aspects of a problem can constructively explore their differences and search for solutions that go beyond their own limited visions of what is possible." The Encyclopedia of Social Work (1995, p. 1479) goes on to define collaboration as:

characterized by mutual benefit, interdependence, reciprocity, concerted action, and joint production. Ideally, collaboration entails a common vision; a jointly developed structure; and the sharing of work, resources, and rewards . . . An interorganizational collaboration is a group of independent organizations who are committed to working together for specific purposes and tangible outcomes while maintaining their own autonomy.

In her article, "Community building: building community practice," Marie Weil (1996) advocates a reclamation of inter-group, group-community problem solving social work practice with social workers serving as intermediaries to support families and communities. Weil criticizes social work educators for not giving sufficient attention to community-level practice in our curriculum, echoing the findings of McNutt previously mentioned. Weil makes a strong argument for community practice in the information age, a time of rapid change in technologies, which must be navigated successfully by
individuals and communities to help diminish the "digital divide," or the technological rift between those with access to new technologies and the jobs they bring and those communities left behind. Weil points to the "traditional" social work values of client self-determination, human (individual, family, and community) potential, social justice and interdependence, which provide a normative foundation from which social work can contribute to the transformation of society.

What model of knowledge building in social work will embody these concepts of interdependence, mutual benefit, and common vision, with a balance between autonomy and shared goals (or the individual and the community)? Certainly a model of social work knowledge building at the community level, involving strategies of implementation, mobilization, and the management of resources. A model that is not only informed by practice knowledge at the Micro level but also is informed by and concurrently impacts the "common vision" of social policy at the Macro level. All the components of this model would by definition be on an "equal playing field," with information and communication (and therefore knowledge and power) flowing unimpeded from one component to the next. This "empowerment" model of community organization would incorporate the following five elements:

1. Collaborative partnerships with clients, client groups and constituents,

2. A central practice emphasis on the expansion of client's capacities, strengths, and resources,

3. A dual working focus on individuals and their social and physical environments,

4. The operating assumption that clients are active subjects and claimants,
The selective channeling of one's professional energies toward historically disempowered groups and individuals (Simon, 1994, p.3).

Social work professional practice and the discipline of social work education that underpins it could contribute much to the alleviation of poverty via the development, research, and practice of effective community economic development models. IDAs could prove to be one of the community economic development tools that indeed provide economic opportunities to the disenfranchised in America, especially if the community and societal-level barriers to economic opportunity for vulnerable populations are identified and reduced.
Summary

Unfortunately, the current economic and political consensus in the United States continues to stigmatize the poor and blame them for their poverty rather than the social, economic, and political structures which promote "production for profit" rather than investment in human potential. The same economic environment has pervaded the global economy, placing vulnerable populations, especially poor women and children, at risk. How to manage this paradox of the responsibility of society, on the one hand, and the responsibility of the individual on the other, in bringing about a "common vision" of economic and social justice is, in this researcher's mind, the synthesis of knowledge building in social work which now calls the profession to task.

As this society enters the new millennia, IDAs might provide the "life chances" for working poor households in America, if they are integrated into a broader community economic development intervention strategy that targets the reality of the poor. However, as this study suggests, greater efforts are needed to bring IDAs within the reach of working poor households, especially single-parent households with limited formal education. This and other studies give beginning data which suggests the current policy may not reach the poorest citizens. Much work is yet to be done to bring about a society that values human potential in all its diversity. Hopefully social workers will answer this
call and make their contribution to alleviating this age-old social problem of poverty by advocating for social work education and practice models that empower working poor/vulnerable populations via community economic development methods that contribute to social and economic justice in America and abroad.
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APPENDIX A

OHIO CAPITAL CORPORATION FOR HOUSING
RESIDENT DEVELOPMENT PROGRAM EVALUATION
(as adapted from the Center for Social Development)
INSTRUCTIONS: Please circle the correct response when applicable or provide written information. Thank-you for your cooperation in this important research effort.

1. GENDER OF PARTICIPANT: 1. MALE  2. FEMALE

2. What is your age in years?  
   Age_____

3. RECORD RACE/ETHNICITY AS OBSERVED, IF UNSURE ASK:  
   How would you describe yourself in terms of race or ethnicity?

   1. Black/African American  
   2. White/Caucasian  
   3. Hispanic/Latino/Latina  
   4. Asian/Asian American  
   5. Native American  
   6. Other___________

4. Which of the following best describes your current marital status? Are you currently:

   1. Single?  
   2. Cohabiting?  
   3. Married?  
   4. Separated?  
   5. Divorced?  
   6. Widowed?

5. IF R IS MARRIED, ASK: Is this your first marriage?  
   1 Yes  0 No
6. How many people currently live in your household, counting all adults and children who stay with you most of the time?

NOTE: INCLUDE RESPONDENT

Total in Household

7. How many of the people who live in your household are adults. Please include all of the people 18 years old or older who stay with you most of the time?

Total Adults

8. What are the ages of the adults in the household, starting with the youngest person who is 18 years old or older?

Ages

9. Now, turning to the children, how many of the people who live in your household are 17 years old or younger?

Total Children

10. What are the ages of the children in the household, starting with the youngest person who is 17 years old or younger?

Ages

11. How many of the children in the household are you legally responsible for?

Own Children

12. Some schools really work to get adults involved. Thinking about your involvement in the schools that children in your household attend, have you done any of the following since the beginning of this last school year. Have you:

a. Talked with the children about things they studied? 1 Yes 0 No

b. Helped the children with their homework? 1 Yes 0 No

c. Attended a parent/teacher conference? 1 Yes 0 No

d. Attended any school events like concerts or sports? 1 Yes 0 No

e. Visited or helped in one of the classrooms? 1 Yes 0 No

f. Attended a PTA/PTO meeting? 1 Yes 0 No

g. Helped with a school or PTA/PTO fundraiser? 1 Yes 0 No

h. Volunteered to be a room parent? 1 Yes 0 No
i. Volunteered to be a school crossing guard? 1 Yes 0 No
j. Agreed to serve as a PTA/PTO officer? 1 Yes 0 No

13. Now, this next question is about your youngest child/the youngest child in your household. How far do you expect this child to go in school?

1. Some high school
2. Graduate from HS or GED
3. Some college
4. Graduate from college
5. Some graduate school
6. Finish graduate school

Turning to your own education and training, I have a couple of questions about your schooling and any special training you may have had.

14. Please indicate the level of education you completed?

1. Grade school, middle school, jr. high
2. Attended high school
3. Graduated from high school or GED
4. Attended some college
5. Graduated from college
6. Attended graduate school
7. Finished graduate school

15. Have you completed a job training program? 1 Yes 0 No

IF YES, What kind of training is that? ________________________________

16. What is your current employment situation? Are you:

1. A homemaker?
2. Employed part-time?
3. Employed full-time?
4. Working more than one job?
5. Laid off, waiting for call back?
6. Currently seeking employment?
7. Disabled?
8. Retired?
17. During the past year, have you:

a. Thought about getting additional education or training? 1 Yes 0 No
b. Contacted a school or training center about classes? 1 Yes 0 No
c. Talked with an education or training counselor? 1 Yes 0 No
d. Taken a course toward a degree or certificate? 1 Yes 0 No
e. Finished a training program with a certificate? 1 Yes 0 No
f. Graduated from school with a degree? 1 Yes 0 No
g. Learned a new skill on your own that might help you in the future? 1 Yes 0 No

IF YES, ASK: What is that new skill?

Now I have some questions about how you feel about yourself. I'll read several statements to you. I want you to tell me whether you strongly agree, agree, disagree, or strongly disagree with each.

18. I feel that I'm a person of worth, at least on an equal plane with others.

4. Strongly agree
3. Agree
2. Disagree
1. Strongly disagree

19. All in all, I am inclined to feel that I am a failure.

1. Strongly agree
2. Agree
3. Disagree
4. Strongly disagree.

20. I feel that I have a number of good qualities.

4. Strongly agree
3. Agree
2. Disagree
1. Strongly disagree

21. I feel I do not have much to be proud of.

1. Strongly agree
2. Agree
3. Disagree
4. Strongly disagree
22. I am able to do things as well as most other people.

   1. Strongly disagree
   2. Disagree
   3. Agree
   4. Strongly agree

23. I wish I could have more respect for myself.

   1. Strongly agree
   2. Agree
   3. Disagree
   4. Strongly disagree

24. I certainly feel useless at times.

   1. Strongly agree
   2. Agree
   3. Disagree
   4. Strongly disagree

25. I take a positive attitude toward myself.

   4. Strongly agree
   3. Agree
   2. Disagree
   1. Strongly disagree

26. At times I think I am no good at all.

   1. Strongly agree
   2. Agree
   3. Disagree
   4. Strongly disagree

27. On the whole, I am satisfied with myself.

   4. Strongly agree
   3. Agree
   2. Disagree
   1. Strongly disagree

Next there are some questions about family matters and your relationships with other people in your household.

28. During the past year, did any of the following things happen?

   a. A new adult moved into your household
      1 Yes
      0 No
   b. A child was born to someone in your household
      1 Yes
      0 No
   c. A new child moved into your household
      1 Yes
      0 No
   d. An adult moved out of your household
      1 Yes
      0 No
   e. A child moved out of your household
      1 Yes
      0 No
   f. You moved because you bought a new home
      1 Yes
      0 No
   g. You moved for any other reason
      1 Yes
      0 No

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29. During the past year, did anyone in your household:
   a. Get married? 1 Yes 0 No
   b. Get separated? 1 Yes 0 No
   c. Get divorced? 1 Yes 0 No
   d. Get back together after a separation or divorce? 1 Yes 0 No

30. Taking all things together, how would you describe your relationships with the following people during the past six months?

   a. with your husband/wife/partner?
      5. Very good
      4. Good
      3. Neither good nor bad
      2. Bad
      1. Very bad
      9. Not Applicable

   b. with other adults in your household?
      5. Very good
      4. Good
      3. Neither good nor bad
      2. Bad
      1. Very bad
      9. Not applicable

   c. with the children in your household?
      5. Very good
      4. Good
      3. Neither good nor bad
      2. Bad
      1. Very bad
      9. Not applicable

31. No matter how well people get along, sometimes there are going to be conflicts between people who live under one roof. There are various ways that people who share a home settle their differences. When there is a serious disagreement in your household, how often do people:

   a. just keep their opinions to themselves?
      1. Never
      2. Seldom
      3. Sometimes
      4. Often
      5. Always
b. discuss their disagreements calmly?

1. Never
2. Seldom
3. Sometimes
4. Often
5. Always

c. argue heatedly or shout at each other?

5. Never
4. Seldom
3. Sometimes
2. Often
1. Always

Now I have some questions about your physical health.

32. Compared with other people your age, how would you describe your general physical health? Would you say your physical health is:

1. Very poor?
2. Poor?
3. Fair?
4. Good?
5. Excellent?

33. How often do you get at least 20 minutes of physical exercise?

1. Almost never
2. About once a month
3. About once a week
4. 2-3 times a week
5. Almost every day

34. How satisfied are you with your life as a whole these days? Are you:

4. Very satisfied?
3. Satisfied?
2. Dissatisfied?
1. Very dissatisfied?

35. Do you do any volunteer work, or work without pay?

1 Yes 0 No

IF YES, ASK: What kind of volunteer work is that?

36. How much respect do you think you have among the people in your community? Would you say you are:

1. Not respected at all
2. Respected a little
3. Respected a lot
How much do you agree or disagree with the following statements.

37. I usually feel pretty sure that my life will work out the way I want it to.

   4. Strongly agree
   3. Agree
   2. Disagree
   1. Strongly disagree

38. When I make plans ahead, I usually get to carry things out the way I expect to.

   4. Strongly agree
   3. Agree
   2. Disagree
   1. Strongly disagree

39. I nearly always finish things once I start them.

   4. Strongly agree
   3. Agree
   2. Disagree
   1. Strongly disagree

Next, there are some questions about your involvement with other people. Let’s start with some kinds of help and support that you may give to or get from other people. We are talking here about help that is not paid for.

40. During the past month, have you GIVEN the following kinds of help TO anyone in your community. Have you:

   a. Helped with babysitting or child care?  1 Yes  0 No
   b. Cared for or stayed with an older or disabled adult?  1 Yes  0 No
   c. Given someone a ride?  1 Yes  0 No
   d. Helped with repairs to someone’s home or car?  1 Yes  0 No
   e. Made phone calls or written/interpreted letters?  1 Yes  0 No
   f. Given someone food or loaned someone a tool?  1 Yes  0 No
   g. Helped with other kinds of work around the house?  1 Yes  0 No
   h. Watched someone’s home or helped care for a pet?  1 Yes  0 No
   i. Given advice, encouragement, or emotional support?  1 Yes  0 No

41. During the past month, have you RECEIVED the following kinds of help FROM anyone in your community. Has anyone:

   a. Helped with babysitting or child care?  1 Yes  0 No
   b. Cared for or stayed with an older or disabled adult?  1 Yes  0 No
   c. Given you a ride?  1 Yes  0 No
   d. Helped with repairs to your home or car?  1 Yes  0 No
e. Made phone calls or written/interpreted letters? 1 Yes 0 No
f. Given you food or loaned you a tool? 1 Yes 0 No
g. Helped with other kinds of work around the house? 1 Yes 0 No
h. Watched your home or helped care for a pet? 1 Yes 0 No
i. Given advice, encouragement, or emotional support? 1 Yes 0 No

42. During the past year, have you:

a. Attended a meeting about a school in your area? 1 Yes 0 No
b. Participated in a church-related community event? 1 Yes 0 No
c. Helped raise money for a church, a school, or any other community organization? 1 Yes 0 No
d. Discussed crime or any other neighborhood issue with a neighbor? 1 Yes 0 No
e. Participated in a neighborhood association or any other community organization? 1 Yes 0 No
f. Worked on a neighborhood project? 1 Yes 0 No
g. Voted in a local election? 1 Yes 0 No
h. Called or written a letter to a public official? 1 Yes 0 No
i. Supported a candidate for office with your time or your money? 1 Yes 0 No

43. How much influence do you feel you have in getting your neighborhood to be the way you want it to be?

1. No influence at all
2. A little influence
3. Some influence
4. A fair amount of influence
5. A lot of influence

Now let's move on to some questions about your financial situation. I want to remind you that all of your answers are strictly confidential. I'll start with some questions about whether you are able to afford some things you and your family may need.

44. At the present time:

a. Are you able to afford a home suitable for yourself/your family? 1 Yes 0 No

b. Are you able to afford furniture or household equipment that needs to be replaced? 1 Yes 0 No

c. Are you able to afford the kind of car you need? 1 Yes 0 No

d. Do you have enough money for the kind of food you/your family should have? 1 Yes 0 No
e. Do you have enough money for the kind of medical care you/your family should have?  
   1 Yes  0 No

f. Do you have enough money for the kind of clothing you/your family should have?  
   1 Yes  0 No

g. Do you have enough money for the leisure activities you/your family want(s)?  
   1 Yes  0 No

h. Do you have a great deal of difficulty paying your bills?  
   1 Yes  0 No

i. At the end of the month, do you end up with money left over?  
   1 Yes  0 No

45. Financially, how hard is it to make ends meet?  

46. There are so many ways for people to get money to make ends meet. I'm going to read a list that includes all kinds of ways to make money. I'll read it slowly, so you can tell me about how much money, if any, you and others in your household got from these sources during the past month to help you make ends meet. Again, all of your answers are strictly confidential. About how much money did your household get during the past month from: NOTE: IF NONE, ENTER 50

   a. Employment or working for others? $__________
   b. Self-employment or working for yourself? $__________
   c. AFDC? $__________
   d. Food stamps? $__________
   o. SSI? $__________
   p. Social Security? $__________
   q. Unemployment Benefits? $__________
   r. Veteran's Benefits? $__________
   s. Pensions or retirement income? $__________
e. Child support payments? $________
f. Alimony/maintenance payments? $________
g. Husband/wife/ex-spouse? $________
h. Boyfriend/girlfriend/partner? $________
i. Children’s fathers/mothers? $________
j. Friends or family? $________
k. Selling things that you make? $________
l. Doing work for other people like
   laundry, sewing, or child care? $________
m. Taking people places like work,
   shopping, or appointments? $________
t. Investment income? $________
u. Other sources of income? $________

Now I have some questions for you about your housing situation.

47. Do you own your own home? 1 Yes 0 No

48. IF YES, How much do you think your home would sell for now? $________

49. IF NO, Do you live in public housing? 1 Yes 0 No

50. IF NO, Do you get help with your rent from the Section 8 program? 1 Yes 0 No

51. During the past year, did you or anyone in your household:
   a. Paint a room, replace a window, or repair an appliance? 1 Yes 0 No
   b. Make a more major improvement to your home? 1 Yes 0 No
   c. Contact a contractor about home improvements? 1 Yes 0 No

52. IF R DOES NOT OWN HOME, ASK:
   During the past year, has anyone in your household:
   a. Looked through home listings in the newspaper? 1 Yes 0 No
   b. Cleared up old debts in order to apply for a home loan? 1 Yes 0 No
   c. Talked with a realtor about buying a home? 1 Yes 0 No
   d. Talked to anyone about borrowing money for a home? 1 Yes 0 No
Next I'll ask you about things (besides your home) that you may own and things that you may owe money on. Remember that your answers to all of the questions in this survey are confidential. Let's start with your assets, or some things you may own.

52. Do you own a car or another motor vehicle?  
   1 Yes  
   0 No

54. IF YES, How much do you think your (CAR) would sell for now? $________

55. Do you own any rental property or other real estate?  
   1 Yes  
   0 No

56. IF YES, How much do you think the property would sell for now? $________

57. Do you own a business?  
   1 Yes  
   0 No

58. IF YES, ASK: What kind of business is that?________________________

59. IF R HAS A BUSINESS, ASK:  
   How much do you think your business assets are worth? $________

60. During the past year, has anyone in your household:

   a. Talked about starting his/her own business?  
      1 Yes  
      0 No

   b. Prepared a business plan or similar document?  
      1 Yes  
      0 No

   c. Applied for a business license?  
      1 Yes  
      0 No

   d. Talked to a banker or anyone about a business loan?  
      1 Yes  
      0 No

61. Turning to money that you may have in the bank, what is the approximate total value of your checking and savings accounts, not including money in IDAs: (IF NO ACCOUNT, RECORD NA)

   a. Checking account(s) $________

   b. Savings account(s) $________

62. Besides having savings accounts, there are many ways that people save money. About how much money do you and others in your household have:

   a. In U.S. savings bonds? $________

   b. In retirement accounts like IRAs? $________

   c. In special educational accounts for your/the child(ren)? $________

   d. In certificates of deposit (CDs)? $________
e. In stocks, bonds, or mutual funds? $_______

f. In insurance policies taken out for specific purposes such as college tuition? $_______

g. With trusted friends or family members who are keeping money safe for you? $_______

h. In Christmas Club or vacation accounts? $_______

i. In other kinds of savings? $_______

63. How much of this, if any, do you have saved specifically for your own education? $_______

64. How much of your savings, if any, do you have set aside for your/the children's education? $_______

65. Now we'll turn to debts or things that people often owe money on. I want to remind you that these answers, too, will be kept in confidence. About how much, if anything, do you owe on: (IF NO LOAN, RECORD NA)

   a. Home (mortgage) loans? $_______

   b. Home improvement or equity loans? $_______

   d. Car (or other vehicle) loans? $_______

66. Besides mortgages and cars. I want to ask you about some other things that many people owe money on. How much do you owe on:

   a. Credit cards or charge accounts? $_______

   b. Installment loans for major purchases like furniture or appliances? $_______

   c. Educational or school loans? $_______

   d. Business loans from banks or credit unions $_______

   e. Business loans from friends or relatives $_______

   f. Loans for property besides your home? $_______
f. Personal loans from banks or credit unions? $________
g. Personal loans from friends or relatives? $________
h. Past-due utility bills? $________
i. Past-due phone bills? $________
j. Other bills owed more than one month? $________
k. Debt consolidation loans? $________
l. Medical bills? $________

The next few questions are about where you shop and do business.

67. First of all, where do you usually shop for food? Is that at a:

   4. Wholesale food outlet (Aldi’s/Sam’s)?
   3. Supermarket?
   2. Neighborhood grocery store (Mom & Pop)?
   1. Convenience store (7-11)?

68. Where do you usually get furniture, appliances, and other durable goods?

   4. Resale shops or used furniture stores
   3. Large discount stores that sell new items
   2. Small stores selling new items
   1. Rent-to-own stores

69. Turning to your financial business, do you usually cash checks at:

   4. A bank or credit union?
   3. A grocery store?
   2. A check cashing service?
   1. Other________

70. During the last few years, has your financial situation been getting better, getting worse, or has it stayed the same?

   1. Getting worse
   2. Stayed the same
   3. Getting better
71. So far as you and your family are concerned, would you say that you are pretty well satisfied with your current financial situation, more or less satisfied, or not satisfied at all?
   1. Not satisfied at all
   2. More or less satisfied
   3. Pretty well satisfied

72. Would you say your financial situation looks pretty hopeful, more or less hopeful, or not hopeful at all?
   1. Not hopeful at all
   2. More or less hopeful
   3. Pretty hopeful

73. When your/the children are grown, do you expect that their financial situation will be better than yours, about the same as yours, or worse than yours?
   1. Worse than Rs
   2. About the same as Rs
   3. Better than Rs

74. When your/the children are grown, do you expect that they will own:
   a. their own cars or other vehicles?
   b. their own homes?
   c. their own businesses?

    1 Yes  0 No

Now I want to ask you about the Individual Development Account (IDA) program.

75. First of all, how much do you know about the IDA program?
   1. Nothing at all
   2. Very little
   3. A little
   4. Some
   5. Quite a lot

76. Do you have an IDA?
   IF YES, CONTINUE WITH NEXT QUESTION
   IF NO, SKIP TO QUESTION #85
   1 Yes  0 No

77. How many months have you been participating in the IDA program?
   NOTE: IF NOT YET STARTED, RECORD 00. IF R GIVES DATE RECORD HERE
   Months__________
APPENDIX B

BIVARIATE CORRELATION MATRIX
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<th>number of adults in household</th>
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**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

a. License N=30