

CALIFORNIA STATE UNIVERSITY, NORTHRIDGE

Families Undergoing Economic Burden

A graduate project submitted in partial fulfillment of the requirements

For the degree of Master of Social Work

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## Dedication

This graduate project is in dedication to the friends and family whom supported us in our journey to pursue a higher education. Without the endless support from them we would not have been able to accomplish obtaining our Master's degree in Social Work. A special thanks to Dr. Hyun-Sun Park, for the commitment she provided her students' learning via endless support, encouragement, and patience throughout this entire process.

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## Abstract

### Families Undergoing Economic Burden

By

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Master of Social Work

Families throughout the income spectrum experienced economic strain during the 2007 Recession. This then resulted in stress and worry regarding financial stability needed to in order to meet their basic needs. The Stress Process Model was used to guide the research on how the social climate affects families, not only financially but also emotionally and physically. Purpose: This study aimed to examine how families respond to financial instability and economic pressures during the time of the recession. Method: This study utilizes data from “Familial Responses to Financial Instability and How the Family Responds to Economic Pressure: A Comparative Study, 2009 (United States)” in order to address this studies research question. The research question is, “How do families facing economic burden respond to financial hardships?” The data collected in these surveys were completed by 1,169 respondents. Results: The study identified that although the respondent’s expenditures remained the same, nearly 66% of respondents stated they were getting by with their family’s income with great difficulty and nearly 69% often worried about their family’s income. Discussion: In identifying how economic stressors affect individuals throughout the income spectrum, social workers can provide these families with resources that will assist with managing those hardships. It is important to understand the role social climate has on families’ economic stability.

Search terms: Stress, Economic Burden, Social Climate, Expenditures, Family

## **Introduction**

Between 2008 and 2010, there was an economic downfall that led many individuals to worry about their economic security. This economic insecurity manifested itself in many different ways such as job loss, low salaries due to unequal compensation for skills or educational background, and underemployment (Momjian & Munroe, 2011). This negative life event has been a harmful impact on parent's mental health. During these times of economic strain due to economic burden many families were facing financial worries, adjustments of changes in one's financial situation, and meeting future financial expectations (Jeanne Leininger & Kalil, 2014). Economic burden can also be related indirectly to children's adjustment through the influence of the emotional and behavioral functioning of the parents.

Economic pressure can be quite devastating for families, it is often a very strong predictor of psychological maladjustment for children, and their parents. Economically unstable parents find it hard not only to provide but to take care of their children. Studies have found that stress that comes from economic pressure correlate with depression amongst parents. That then creates parents that are left with very little energy to be involved in their child's education (Anderson, 2017). Economic instability can cause friction in the family system that can lead to limited opportunities for the child to learn how to build relationships, or how to self-manage (Lindsey, Colwel, Frabutt, Chambers, & MacKinnon-Lewis, 2008). Economic instability can be linked with poor social-emotional learning for children, they may also lack social awareness, self-management, self-awareness, and relationship skills that could help them make better decisions. (Anderson, 2017)

Parents who undergo economic burden are likely to have unmet material needs (e.g., inadequate food or clothing), the inability to pay bills or make ends meet, and needing to cut back on necessary expenses (e.g., health insurance, medical care) causing psychological manifestations and responses to economic hardships.” (Neppl, Senia, Donnellan, 2016, p.13).

## Literature Review

### *History*

The United States took an economic downfall starting in 2008 and lasting through 2010 causing many individuals to face economic insecurity. Job insecurity is referred to “the overall apprehension of the continuing of one’s job” (Minnotte & Yucel, 2018). This macro-economic distress heightens people’s feelings of job insecurity due to high unemployment rates, layoffs, and increases in mortgage foreclosures (Minnotte & Yucel, 2018). During this time of crisis, the unemployment rate jumped from 6.5% at the start of the recession in 2008 to 9.4% in December 2010 (Momjian & Munroe, 2011). Many individuals worry about their economic security due to being unable to keep their jobs, finding a job, or becoming underemployed. According to the American Psychological Association, in 2010 49% of respondents reported job insecurity as a prevalent stressor (Jiang, Probst, & Chen, 2017). Research has shown that individuals who have faced job loss for other reasons than job performance tend to be more frustrated and can then turn into harmful habits or become more aggressive (Jiang, Probst, & Chen, 2017). Those affected by this economic downfall tend to be from the working and lower socioeconomic classes. There is current income inequality occurring within the country and state level (Jiang, Probst, & Chen, 2017). This threatens one’s obtainment of object such as material goods and threatens one’s living condition resources. This inequality can also serve as an environmental stressor that can exacerbate an individual’s burnout reaction to job insecurity. Financial stress can be a combination of “financial need (difficulties affording much more than the basics, financial burden (costs which impose a financial burden or struggle) and financial insecurity (concerns about the future financial situation) (Ponnet, 2014). Due to societal distribution injustices, greater income inequality may inhibit the obtainment of resources for those who are faced with the possibility of job loss (Jiang, Probst, & Chen, 2017).

### *Children & Family*

There are many responses to economic burden, most of them seem to be detrimental for families. Research shows that economic burden contributes to children, and adults developing, emotional, and social problems. Having financial hardships can also exacerbate familial conflict, amongst couples

(Ponnet, 2014). It has been found that economic burden affects couples' psychological distress due to them not being able to make enough to cover the bare necessities, which then leads to problems in the relationship (Ponnet, 2014). There have also been studies that show that economic burden, and low income are associated with poor marital qualities. In the Conger study it is shown that economic burden such as lower incomes, occupational prestige, and educational attainment was found to be associated with high instability, lower marital happiness, and divorce (Conger, Conger, & Martin, 2010).

Studies have shown that economic strain has a positive correlation in family economic distress and marital dissolution, family conflict, and child abuse and neglect (Jeanne Leininger & Kalil, 2014). This positive correlation can be described through work-family conflict which is a "broad construct referring to the experiences and responsibilities of one domain creating difficulties in the other domain" (Minnotte & Yucel, 2018). This conflict takes place when job responsibilities and demands create a negative experience which in turn spill over into family life. This causing heightened stress in the home leading to conflict with children and spouse. Work-conflict has been linked to reduce physical health, subjective negative health symptoms, poor mental health, depression, and psychological distress (Minnotte & Yucel, 2018). These effects can be caused by constant economic burdens due to an individual continuously experiencing job insecurity in the workplace. Due to organizations being embedded within society, the workplace and the employees can be affected by the inequality present within society.

In a study by Wu and Pollard (2000) they researched the role that economic burdens, have in the stability of couples who are cohabitating. One of the things they found was that economic burden or deprivation had a big effect in relationship instability amongst the cohabiting couples. It went hand in hand with research of married couples. Separation was more plausible when the household income decreased. Some of the markers of economic burden include, negative financial events like loss of income, work instability, high economic demand, and high debt relative to assets. These economic burdens affect couples through the economic pressures they create like not being able to pay the bills, or make enough money to make ends meet, not being able to afford enough food or adequate amount of

clothing, having to cut on expenses that are necessary like medical care, health insurance, or child care. Going through those strains, and pressures come with psychological implications for couples, for they are tangible events that significantly impact couples functioning (Conger, Conger, & Martin, 2010).

When economic pressures are high couples are found to be in an increased risk for emotional distress like anxiety, depression, anger, and alienation, as well as an increase in behavioral problems, like anti-social behavior, or substance use. When responses to economic pressures are negative it increases the despondency, and increased couples' conflict, that then leads to the reduction of positive interaction, and the withdrawal of supportive behaviors amongst the couple, that then leads to lower relationship stability, and quality (Conger, Conger, & Martin, 2010). Various studies have produced similar findings, in a study of urban African American couples it was found that economic burdens helped predict economic pressures, that increase emotional problems in couples, that then increases conflict in those relationships (Conger et al. 2002). A study in southern California found the same results in both Mexican American couples, and European American couples (Parke et al., 2004).

The development of Children is also greatly influenced by economic burden, and economic pressures that their parents go through, for it places children at greater risk for a variety of childhood outcomes (Neppl, Senia, & Donnellan, 2016). There is a wide variety of childhood outcomes, this includes adjustment difficulties, higher risk for behavior problems, reduced cognitive ability, lower social competence, and heighten ideological markers of stress (Neppl, Senia, & Donnellan, 2016). Two of the ways that the child's development can be disrupted is through the process of harsh parenting, or through parental distress. Parental distress, and harsh parenting come about through economic pressures, some of those pressures are like the ones stated previously like not being able to pay the bills, having to cut back on necessary expenses. These economic pressures increase the emotional distress of parents, leading to an increase of parent conflict, that then leads to negative effect on parenting. When parents are preoccupied by their economic pressures, and parental distress they demonstrate more hostile behaviors toward their partners, and less affection as well. Those disruptions in the interactions amongst parents usually go over to the parent child interactions, that ends up leading parents into a cycle of inconsistent and harsh

parenting, which is found to be a key influence on the social and emotional aspect of children's life (Neppl, Senia, & Donnellan, 2016).

When children become older economic pressures can become higher for the expenses that come from raising older children can be more expensive. It was found that families have more difficulties affording services that benefit the development of their children, and lack the support of institutional, and social networks (Neppl, Senia, & Donnellan, 2016). When older children become more aware of the implications that come from their parents' economic pressures and start realizing that that they need to have limits they start to externalize more problems behaviors, and hostility arises (Taylor et al., 2014). Studies have been replicated producing similar findings that economic pressures are connected to parental conflict and increase of harsh parenting for White (2015) found that in mothers of Mexican origin harsh parenting was connected to higher externalize behavior in older children. In another study it was found that economic pressures mediated the relation between economic burden, and children behaviors, in families of all SES levels (Ponnet, 2014). Lastly a study found that economic pressures was tied to depression, and somatization, that then led to less sensitive and positive parenting practices (Newland et al., 2013)

### *The Role of Gender*

In understanding the family dynamic, it is also important to take into account that gender plays a role on whom may carry the stress of economic burden. Men are especially troubled with job loss and insecurity because it hinders one's ability to provide financially for one's family (Minnotte & Yucel, 2018). Due to men traditionally being the ones expected to be the sole providers they also carry a societal expectation. In analyzing this concept of social expectation, the inability to provide for one's family can pose a threat on how people may view them. Men are burdened with higher levels of job insecurity which impacts their self-worth and mental health (Minnotte & Yucel, 2018). For example, a study found that "unemployed men suffered on a deep emotional level from job loss, as reflected in struggles with feelings of being worthless and the challenges of coming to terms with threats to their identities" (Minnotte &

Yucel, 2018). This ties in to explain key factors as to the reason men exhibit higher health disparities tied to socio-economic status and how it can manifest into family dynamics.

### *Social Capital*

Research has shown that during times of economic hardship social capital have been a basis of support. Social capital is defined as “the accumulation of the actual or potential resources that are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition” (Jiang, Probst, & Chen, 2017). This is important to take into account because it is able to provide information regarding how families have faced economic burdens. A family can be better equipped to cope with major life events if they have a strong support network; it has been tested that those whom have a strong social support produce less distress in the presence of changing events such unemployment (Jiang, Probst, & Chen, 2017).

### *Conceptual Framework*

The theoretical framework that will be utilized to guide this study is the Stress Process Model. This theoretical perspective explores the three components of stress which are “the sources of stress, the mediators of stress, and the manifestations of stress” (Minnotte & Yucel, 2018). In understanding the Stress Process Model, it is important to highlight the concept of possible “life strains”; These are anticipatory stressors in which people react to possible stressors that have not occurred. An example of a possible anticipatory stress is the fear of a possible job loss (Minnotte & Yucel, 2018). This theoretical framework is being utilized because it looks at the social climate and how it relates to stress (Minnotte & Yucel, 2018). This model also highlights how social statuses can “shape people's experiences of stress, with those occupying more marginal statuses often experiencing intensified impacts of stress” (Minnotte & Yucel, 2018).

## Method

The study utilized data from “*Familial Responses to Financial Instability, How the Family Responds to Economic Pressure: A Comparative Study, 2009 (United States)*” in order to address this studies research question. This data set was collected by Knowledge Networks on behalf of National Center for Family and Marriage Research. The data was collected between August 7, 2009 and September 22, 2009. This study focused on how families responded to economic burden and economic pressures. The study surveyed adults aged 18 years and older who had a child younger than 18 years in the home. These surveys were completed by 1,169 respondents out of 1,855 cases; meaning it had a cooperation rate of 63 percent. Additionally, the respondents of the study were followed up with a one question survey regarding insurance which had a response rate of 85.8 percent.

Knowledge Networks recruited panel members through probability-based sampling, and households were provided with access to the internet and hardware if needed. Knowledge Networks utilized random-digit dial and address based sampling methods. Once the person was recruited, they were contacted via email instead of phone or mail. They chose email due to being less burdensome than phone calls and could possibly be more engaging than a paper survey.

### *Study Variables*

The variables that will be utilized as descriptive characteristics of the respondents are age, demographics, education, marital status, and income. The age is clustered in four categories: 18-29, 30-44, 45-59, and 60 and over. The education is clustered in four different categories: Less than high school, high school, some college, and bachelor’s degree or higher. For the purpose of this study only traditional heterosexual couples will be utilized therefore only utilizing male and female data. Demographics is clustered in five different categories: White Non-Hispanic, Black Non-Hispanic, Other Non-Hispanic, Hispanic, and 2 or more races Non-Hispanic. Lastly, Income will be clustered in eight categories: less than \$14,999, \$15,000-\$29,999, \$30,000-\$49,999, \$50,000-\$74,999, \$75,000-\$99,999, \$100,000-

\$124,000, \$150,000-\$174,000, and \$175,000 and more. Marital status is clustered in six categories: married, widowed, divorced, separated, never married, and living with a partner.

The variables that will be utilized for the purpose of the study are access to health care, financial security, accessibility of social resources to financial resources, ability to finance other expenses/loss of possessions, perception of economic status, and family secondary effects caused by financial climate.

The variable health care will be measured through the access of health insurance coverage or other health care plan. The variable financial contribution will be evaluated by assessing the employment status of their partner or spouse. The variable financial security will be measured through a Likert Scale in order to measure family's income sources. The variable for accessibility/ability of social resources to financial resources will utilize nominal scale responses to measure family's ability to pay bills and their need of accessing a loan. The variable for the first part of the ability to finance other expenses/ and loss of possessions will also utilize nominal scale responses to measure family's ability to fund future expenditures and evaluate their loss of possession such as losing their home. The second part of the variable will measure the ability to finance other expenses and loss of possessions through the use of a Likert scale. The variable will utilize a rating scale to measure respondent's perception of their economic status in comparison to other American families. Lastly, the variable will utilize a Likert scale to measure family's secondary effects caused by the financial climate.

## Results

In analyzing the data, SPSS was utilized to conduct a descriptive analysis. Descriptive analysis was utilized in order to analyze the frequencies and valid percent of each variable. These variables were analyzed in order to examine what family's responses are to financial instability and economic pressures.

Table A discusses the demographics of the participants in the study. The census region representative of the sample population are 17% from Northeast, 29% from the Midwest, 30% from the South, and 24% from the West. The sample was mostly composed of White-Non-Hispanic (74%) participants. The majority of participants identified as married (75%). The population sample that was surveyed ranged from ages 18 to 55 and older, nearly half (47%) of the participants are aged between 35 and 44 years old. The sample was composed of an equal representative sample of male (46%) and female (54%) participants. In identifying their educational level, the majority of participants attained a higher education such as a college (36%) and bachelor's or higher educational degree (32%). Lastly, various employment statuses such as working-paid employee, working self-employed, laid-off, seeking work, and not working were inquired; the majority of participants stated they were working- paid employees (63%).

Table B discusses the results regarding respondent's perception of their financial stability within the last twelve months, nearly more than half (66%) of the respondents stated they were getting by with their family's income with great difficulty. Nearly 69% of the respondents stated they often worried about their family's income. In regard to hypothetically losing their job, 70% of respondents stated they would be able to financially manage for only 3 months or less. Lastly, 60% of the population stated they were concerned regarding themselves or another family member potentially losing their job within the next twelve months. Lastly, the survey utilized a

scaling question in which it inquired about the perception of their current financial situation scaling from 1- Extremely poor to 10 extremely rich. The majority of respondents self-identified in the middle between 4-6 in comparison to how they felt towards other American families.

Table C reports the population's responses regarding their cost in expenditures within the last twelve months, nearly over half the sample (64%) reported not needing to postpone an expenditure. The study reports that about 66% of people did not have to cancel planned holiday vacations. In inquiring regarding bankruptcy, 90% of respondents declined having needed to declare bankruptcy. The majority of respondents (83%) responded that they did not need to put their house up for sale nor refinance their mortgage (77%). The majority of respondents (84%) stated they did not experience foreclosure, nor did they have to sell an item (80%). In inquiring regarding planning a pregnancy, three quarters of respondents (75%) decided to go through with their plans of having a child. Most of the respondents (75%) stated they would be spending the same amount on their mortgage. Nearly half of the respondents (52%) stated they would be spending the same amount on retirement. Half of the respondents (52%) reported they would be spending the same amount on child education. More than half the respondents (62%) reported they would spend the same amount on health care.

Furthermore, table C reports the respondents' perception of an increase, an equivalent, or reduction in their expenditure costs during the next twelve months. Over half of the sample (65%) stated they would plan to utilize the same amount on utilities. Nearly, half of the respondents (53%) reported that they would need to use the same amount on loans or credit card repayments. In regard to educational savings plan (40%-same, 34%-NA) and child care (32%-same, 44%-NA) there was nearly an equal amount that reported it would remain the same or was not applicable. Slightly more than half of the respondents (54%) responded they would be

spending less on activities with partner. More than half of respondents (61%) reported they would be spending less on social gatherings. Lastly, 41% of the respondents stated they would continue to spend the same amount and 39.5% stated less on their savings accounts.

Table D reports participants loan attainment within the last twelve months, the majority of respondents (66.3%) stated they did not need to borrow money for bills. If needed to borrow money, the majority of respondents (69.5%) stated they borrowed money from family members. Most of the respondents (91%) declined borrowing money from extended family. The majority of the sample (86%) did not borrow money from a friend. Lastly, three quarters of the respondents (76%) did not have to borrow money from a bank.

## Discussion

This study examined how families respond to financial instability and economic pressures during the time of the recession. The study utilized data from “Familial Responses to Financial Instability and How the Family Responds to Economic Pressure: A Comparative Study, 2009 (United States)”. The Stress Process Model was used to guide the research on how the social climate affects families. It was found that financial instability and economic pressures were not as devastating for middle class families even though nearly 66% of the respondents perceived themselves having great difficulty getting by with their family’s income and 69% of the respondents reported often worried about their family’s income. The findings indicated something different. Regarding their cost in expenditures within the last twelve months, on average 77% of the sample size reported not needing to postpone an expenditure, cancel plans, declare bankruptcy, put up their house for sale, refinance their mortgage, experience foreclosure, sell items, 75% said they would go through with plans of having a child, on average 60% reported they would be spending the same on mortgage, retirement, child education, healthcare, utilities, and loan or credit card repayments. On average 75% of the sample would spend the same or it was not applicable when it came down to educational savings plan, or child care. On average 51% of the sample reported they would spend less on activities with partner, social gatherings, and savings accounts. On average 80% of the sample reported they did not need to borrow money from immediate or extended family, friends, or the bank. Based on all the responses around 70% of the sample were not having to cut expenses, spend less, change plans or borrow money during the recession.

These findings show that 70% of the middle-class sample surveyed in this study were not affected by financial instability, and economic pressure as lower-class communities were.

Studies have shown that lower-class communities that go through financial instability, and economic pressure do in fact suffer in many ways such as low salaries, job loss, little education, default on mortgage, bankruptcy, lack of savings, time and resources, burdens are more likely to have unmet material needs, they cannot pay bills, they find themselves needing to spend less on necessary expenses causing all sorts of problems in the family dynamic, including struggling to provide and take care of their children. These findings were different from other studies for this study focused on middle-class communities, unlike the other studies previously mentioned that focused on lower-class communities.

## **Implications**

In evaluating the findings of the study, several implications can be identified for social work practice. Although the study did not exhibit statistical significance, the study demonstrated that upper middle-class families undergo economic pressures through perceived fear of financial instability. In evaluating the high response rates of people experiencing economic and job insecurity, it is important to further research middle-class families and their perception of economic security. In researching middle-class families on this perception, it can provide more insight as to what resources may be needed to reduce perceived future financial instability. It would also allow to further research the strategies that middle-class families are utilizing to remain financially secure and reducing economic burden.

This study also provides insight into reframing from possible social worker bias, in which one assumes individuals that classify as middle socioeconomic status are not experiencing any type of economic burden, including perceived future financial instability. As social workers, resources such as workshops can be developed to benefit these individuals. These workshops could consist of money management, budgeting, credit score awareness, financial wellness, or retirement. Such workshops could psychoeducate families on the benefits of making informed decisions in regard to their finances. A second component would be to psychoeducate families on the importance of the impacts a recession can have on their finances. In becoming more aware of the social climate, families can begin to develop a safety financial plan in order to minimize economic burden through the development of economic strategies.

## **Limitations**

It is important to learn to address this disproportionality for lower-class communities are getting the shorter end of the stick. This data set could have easily been interpreted as if the U.S as a whole is not suffering from financial instability or economic pressures. Which brings up the limitation of the sample profile, for the study was compromised of 74% white non-Hispanics. This study found that the sample that was surveyed did not sufferer the effects of financial stability or economic pressures. The sample was predominantly white middle class, that had a positive mediating effect on the population not struggling as other studies have found in the lower-class community. Though this study has high experimental control, there were clear limits.

## **Conclusion**

Overall, this study focused on the participants responses to economic burden during the 2009 recession. Although, the study was not statistically significant it provided insight into the economic stress middle class families face. During the recession, many individuals were not impacted directly through losing property or belongings but rather had additional stress in regard to possibly losing their job or having the financial resources. Social climate affects an individual's stance on their economic security causing heightened stress levels. This study can bring awareness in regard to middle-class family's perception of economic burden; with further research, social workers can assess this impact during moments of economic downfall. Studies have shown economic burden causes a negative impact on families. These negative impacts affect parenting, child discipline, and intermarital conflict.

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## Appendix A

### The Findings Table

**Table A**  
**Characteristics of Demographic Variables (N=1,169)**

Variables	n	%
<i>Age</i>		
18- 24	20	1.7
25-34	300	25.7
35-44	546	46.7
45-54	266	22.8
55+	37	3.2
<i>Gender</i>		
Male	533	45.6
Female	636	54.4
<i>Highest Educational Level</i>		
Less than High School Diploma	61	5.2
High School Diploma	314	26.9
Some College	417	35.7
Bachelor's degree or Higher	377	32.2
<i>Employment Status</i>		
Working- Paid Employee	737	63
Working- Self Employed	140	12
Lay off	21	1.8
Seeking Work	68	5.8
Not Working	203	17.4
<i>Race/Ethnicity</i>		
White, Non-Hispanic	859	73.5
Black, Non-Hispanic	96	8.2
Other, Non-Hispanic	36	3.1
Hispanic	146	12.5
2+ Races, Non-Hispanic	32	2.7
<i>Marital Status</i>		
Married	879	75.2
Widowed	6	.5
Divorced	91	7.8
Separated	22	1.9
Never Married	75	6.4
Living with a Partner	96	8.2

State of Residence

Northeast	202	17.3
Midwest	342	29.3
South	348	29.8
West	277	23.7

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**Table B**  
**Characteristics of Financial Stability within 12 Months**

<u>Variables</u>	<u>n</u>	<u>%</u>
<u>Currently get by with Family's Income</u>		
With difficulty	765	65.5
Easily	402	34.5
<u>Worry about Family Income</u>		
Never	171	14.7
Often	797	68.5
Most of the time	197	16.9
<u>Months managing Job Loss</u>		
None	349	29.9
1-3	465	39.8
4-5	146	12.5
6 more	207	17.7
<u>Perception of current financial situation</u>		
Better	137	11.7
Worse	595	51
The same	435	37.3
<u>Perception of future financial situation</u>		
Better	314	26.9
Worse	202	17.3
The same	446	38.3
Unsure	204	17.5
<u>Concerned regarding Job Loss</u>		
Concerned	702	60.4
Not at all	377	32.4
Recently occurred	84	7.2

Perception of current situation Scale 1(extremely poor) -10 (extremely rich)

1	24	2.1
2	53	4.6
3	153	13.1
4	250	21.5
5	293	25.2
6	223	19.2
7	126	10.8
8	36	3.1
9	2	.2
10	4	.3

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**Table C**  
**Characteristics of Expenditures within 12 Months**

<u>Variables</u>	<u>n</u>	<u>%</u>
<u>Planned Expenditure and Postponed</u>		
Yes	272	23.3
No	748	64.1
Not Applicable	147	12.6
<u>Planned Holiday Vacation and canceled</u>		
Yes	279	23.9
No	776	66.5
Not Applicable	112	9.6
<u>Declare Personal Bankruptcy</u>		
Yes	27	2.3
No	1,046	89.9
Not Applicable	91	7.8
<u>Put House up for Sale</u>		
Yes	62	5.3
No	970	83.5
Not Applicable	129	11.1
<u>Refinance Mortgage</u>		
Yes	105	9
No	894	76.7
Not Applicable	166	14.2

Experience Foreclosure

Yes	25	2.1
No	980	84.2
Not Applicable	159	13.7

Sell an item

Yes	159	13.7
No	932	80.1
Not Applicable	73	6.3

Planned to have child decided to Postpone

Yes	46	4
No	881	75.7
Not Applicable	237	20.4

Mortgage or Rent Expenditure

More	115	9.9
Same	869	74.7
Less	110	9.5
Not Applicable	69	5.9

Retirement Savings Plan

More	98	8.4
Same	608	52.4
Less	226	19.5
Not Applicable	229	19.7

Education Savings Plan

More	76	6.5
Same	469	40.4
Less	225	19.4
Not Applicable	392	33.7

Child Care

More	77	6.6
Same	374	32.2
Less	194	16.7
Not Applicable	517	44.5

Child-Education Expenses

More	217	18.7
Same	600	51.6
Less	168	14.5
Not Applicable	177	15.2

<u>Health Care</u>		
More	231	19.9
Same	722	62.1
Less	155	13.3
Not Applicable	55	4.7
<u>Social Gatherings</u>		
More	17	1.5
Same	410	35.2
Less	713	61.1
Not Applicable	26	2.2
<u>Leisure Activities with Partner</u>		
More	29	2.5
Same	456	39.2
Less	630	54.1
Not Applicable	49	4.2
<u>Saving Account</u>		
More	140	12
Same	473	40.7
Less	459	39.5
Not Applicable	91	7.8
<u>Loan/ Credit Card Repayment</u>		
More	156	13.4
Same	619	53.2
Less	240	20.6
Not Applicable	148	12.7
<u>Utilities</u>		
More	180	15.4
Same	762	65.4
Less	211	18.1
Not Applicable	13	1.1

**Table D**  
**Characteristics of Loan Attainment within 12 Months**

Variables	n	%
<u>Borrow money for Bills</u>		
Yes	393	33.7
No	773	66.3

Borrow money from Family Member

Yes	273	69.5
No	120	30.5

Borrow money from Extended Family

Yes	37	9.4
No	356	90.6

Borrow money from Neighbor

Yes	2	.5
No	391	99.5

Borrow money from Friend

Yes	55	14
No	338	86

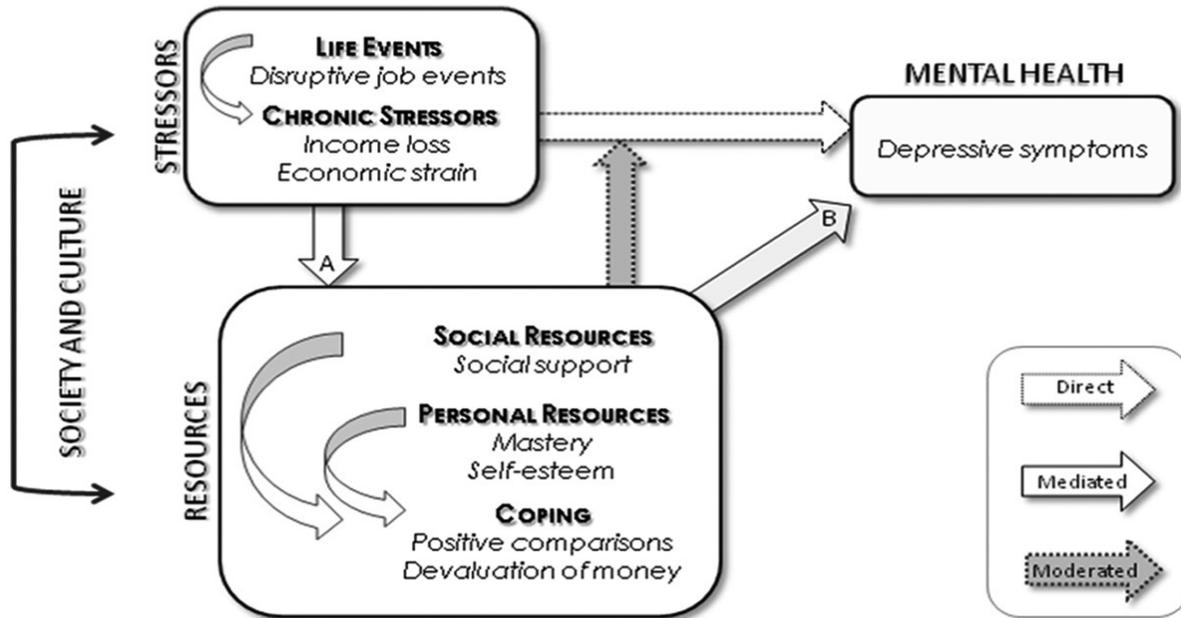
Borrow money from Bank

Yes	95	24.2
No	298	75.8

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## Appendix B

### The Stress Process Model



The Original Stress Process Model.

Based on Pearlin et al. (1981). (Aneshensel, 2015)

## Appendix C

### Main Survey Questionnaire

Thank you for continuing to be part of the KnowledgePanel®. This survey asks about financial management behaviors. This survey is being conducted by the National Center for Marriage Research. The study will help researchers understand how financial difficulties hinder or facilitate sound financial management behavior. The risk of participating in this study is no greater than what you would encounter in daily life. You must be 18 years or older to participate in this study. As with all Knowledge Networks surveys, your response to this survey, or any individual question on the survey, is completely voluntary. You are free to withdraw at any time. You will not be individually identified, and your responses will be used for research purposes only. The data file will not contain personally identifying information and will be stored in a secure location with access restricted only to project personnel. If you have questions about your right as a participant in this survey or are dissatisfied at any time with any aspect of the survey, you may contact Knowledge Networks at 800-782-6899. You may also contact the Chair, HSRB at 419-372-7716, [hsrb@bgsu.edu](mailto:hsrb@bgsu.edu) with questions about participants' rights. Questions about the study may also be directed to project director, Wendy Manning at 419-372-4910 or [ncmr@bgsu.edu](mailto:ncmr@bgsu.edu). Please remember that the Internet is not 100% secure so please clear your browser cache and page history after completing the survey. This survey will take approximately 14 minutes to complete. The completion of the survey constitutes consent to participate.

**Q1. How well do you currently get by with your family's income?**

- With great difficulty ..... 1
- With difficulty .....2
- Easily ..... 3
- Very Easily .....4

**Q2. How often do you worry that your current family income will not be enough to meet your children's needs?**

- Never ..... 1
- Hardly ever ..... 2
- Once in a while ..... 3
- Often ..... 4
- Almost all the time ..... 5

**Q3. If somebody in your household were to lose his/her job (including yourself), how many months do you think your family could manage without borrowing money?**

- None ..... 1
- 1 to 3 months ..... 2
- 4 to 5 months ..... 3
- 6 months or more ..... 4

**Q4. Have the last 12 months been better, worse or the same when it comes to the financial situation of your family?**

- Better .....1
- Worse ..... 2
- The same ..... 3

**Q5. Do you expect the next 12 months to be better, worse, or the same when it comes to the financial situation of your family?**

- Better ..... 1
- Worse ..... 2
- The same ..... 3
- Don't know ..... 4

**Q6. How concerned are you that in the next 12 months you or somebody else in your family might be out of work and looking for a job?**

- Very concerned ..... 1
- Somewhat concerned ..... 2
- Not at all ..... 3
- It has recently happened ..... 4

**Q7. In the past year, has anybody in your family needed to borrow money to make payments on a bill?**

- Yes ..... 1
- No ..... 2

**Q8. From whom did you borrow money?**

- Family member ..... 1
- Other relative ..... 2
- Neighbor ..... 3
- Friend ..... 4
- Bank ..... 5

**Q9. In the past 12 months, has your family done any of the following?**

	Yes	No	Not Applicable
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- We planned a big expenditure (e.g. a car, appliance) but decided to postpone it
- We planned a holiday but decided to cancel it
- We declared personal bankruptcy
- We put our house up for sale or had to move
- We had to refinance our mortgage
- We experienced a foreclosure on our house
- We had to sell something (e.g. car, television) to make other payments
- We were planning on having a child, but decided to postpone it

**Q10. In the coming 12 months, are you planning to spend the same, more, or less on these items?**

	<b>More</b>	<b>The Same</b>	<b>Less</b>	<b>Not Applicable</b>
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- Mortgage or rent
- Retirement savings plan
- Education savings plan
- Child/children’s out of school physical activities (e.g. soccer, hockey)
- Children’s out of school care (e.g. before/after school care, daycare, summer camp)
- School or education expenses for children (e.g. tuition, school trips, gym, band)
- Health care (e.g. dental, prescriptions, etc)
- Eating out
- Leisure activities for self or partner
- Savings account
- Loan or credit card repayment
- Utilities (including cable, internet or cellular bills)

**Q11. On a scale of 1 to 10, where ‘1’ is extremely poor and ‘10’ is extremely rich, where would you place the current situation of your household compared with that of other American families?**

1	2	3	4	5	6	7	8	9	10
Extremely Poor					Extremely Rich				

**Q12. How much does the current financial climate influence how much money you spend on your children?**

1	2	3	4	5
Not at all	A little	Moderately	Quite a Bit	Extremely

**Q13. How much does the current financial climate influence how much time you spend with your children?**

1	2	3	4	5
Not at all	A little	Moderately	Quite a Bit	Extremely

**Q14. What is the highest level of school your spouse or partner has completed?**

No formal education .....1  
1st, 2nd, 3rd, or 4th grade .....2  
5th or 6th grade .....3  
7th or 8th grade .....4  
9th grade .....5  
10th grade .....6  
11th grade .....7  
12th grade NO DIPLOMA ..... 8  
HIGH SCHOOL GRADUATE – high school DIPLOMA or the equivalent (GED) ..... 9  
Some college, no degree .....10  
Associate degree .....11  
Bachelor’s degree .....12  
Master’s degree .....13  
Professional or Doctorate degree .....14

**Q15. Which statement best describes the current employment status of your spouse or partner?**

Working – as a paid employee ..... 1  
Working – self-employed ..... 2  
Not working – on temporary layoff from a job ..... 3  
Not working – looking for work ..... 4  
Not working – retired ..... 5  
Not working – disabled ..... 6  
Not working – other ..... 7

## Appendix D

### ADDENDUM – Families Undergoing Economic Burden

**Families Undergoing Economic Burden** is a joint graduate project between **Cristal Amigon** and **Johnathan Molina**. This document will explain the division of responsibilities between the two parties. Any additional information can be included in a separate document attached to this Addendum page.

**Cristal Amigon** is responsible for all the following tasks/document sections:

- Condense and operationalize variables valuable to the purpose of the study in examining family’s responses to financial instability and economic pressures.
- Developed Descriptive Tables (attached in the Appendix section) for identified variables: Demographic Profile, Financial Stability, Borrow money, and Expenditures.
- Wrote out abstract in which summarizes the basis of the research paper, limitations, and conclusion sections.

**Johnathan Molina** is responsible for all the following tasks/document sections:

- Ran statistical analysis such as descriptive analysis test in order to write the result section of the Graduate Project.
- Reported the results of the descriptive statistics on the result section of the graduate project.
- Analyzed the data set from the study to complete the discussion and implication part of the paper.

Both parties shared responsibilities for the following tasks/document sections:

- Research articles that research economic burden, and the negative impact that it has on low income families
- Complete the literature review analysis portion of the graduate project
- Analyze data set “*Familial Responses to Financial Instability, How the Family Responds to Economic Pressure: A Comparative Study, 2009 (United States)*”
- Develop and present poster presentation for Graduate Project Presentation

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**Cristal Amigon**

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Date

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**Johnathan Molina**

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Date

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**Dr. Hyun-Sun Park**  
Committee Chair

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Date

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**Dr. Eli Bartle**  
Graduate Coordinator

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Date

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**Dr. Allen Lipscomb**  
Committee Member

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Date

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**Dr. Eli Bartle**  
Department Chair

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**Dr. Wendy Ashley**  
Committee Member

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Date