

INSTITUTE FOR
PUBLIC
ANTHROPOLOGY

—
CALIFORNIA
STATE
UNIVERSITY,
FRESNO

School, Work, and the Transition to Adulthood of Youth in the San Joaquin Valley

M. Anne Visser, Ph.D. -- University of California, Davis

RESEARCH BRIEF

AUGUST 2015

ABOUT THE BRIEF: This brief is part of a series of research and policy briefs on Youth Economic Opportunity in the San Joaquin Valley. The series is a result of an ongoing collaboration between researchers at the University of California, Davis and the California State University, Fresno. The goal of these publications is to highlight the socioeconomic realities facing young people in the San Joaquin Valley. The information contained in this brief are the results of a larger research project entitled *Pathways to Economic Inclusion: Social Economy Organizations and the Labor Market Integration of Disconnected Youth* (see information below).

ABOUT THE AUTHORS: This document was written for the Institute for Public Anthropology by Anne Visser, Assistant Professor of Community and Regional Development at the University of California, Davis. Data and other publication assistance were provided by J. Marcos Garcilazo, Project Research Assistant.

ABOUT THE PROJECT: The *Pathways to Economic Inclusion: Social Economy Organizations and the Labor Market Integration of Disconnected Youth* is a 5-year research project under the direction of Anne Visser, Assistant Professor at the University of California, Davis. The project examines the role and impact that institutions and policy networks available to young people in local community settings have on individual economic outcomes. The project seeks to support the development of data-driven policy and practices that support employment and educational opportunities for youth in the San Joaquin Valley and California. The project is supported by the USDA National Institute of Food and Agriculture, Hatch Project # 1002122.

The longstanding impact of the Great Recession on economic opportunity in the United States has generated increased focus on "disconnected youth" - individuals ages 16-24 who are not enrolled in school and not in the labor market. Much of this discussion has centered on the persistent growth of this youth population and, thus, the implications that an increasing number of young adults who are not enrolled in school and not employed presents for the strength and security of economies at the local, state, and national level.

According to the most recent data from the United States Census Bureau, in 2013 over 8.2% of young adults ages 16-24 in California were disconnected from formal education and labor market institutions.¹ In the 8 counties² that comprise California's San Joaquin Valley, rates of youth disconnection are 12.1%.³ Individual county rates of disconnection in the region are higher than state and national averages and range from 9.8 to 17.1%.⁴ High rates of disconnection from labor market and educational institutions among youth are not inconsequential. A report from the White House Council for Community Solutions projected that nationally "when lost revenue and direct costs for social supports are factored in, taxpayers will shoulder roughly \$1.6 trillion over the lifetimes of these young people".⁵ In addition, disconnected youth are more likely to experience difficult transitions to and negative outcomes in adulthood including: persistent poverty, long-term unemployment, poor health, substance abuse, and violence.⁶ Such realities present significant long-term social and economic implications for the region.

In 2013, more than 1 in every 10 youth ages 16-24 in the San Joaquin Valley were disconnected from school and work.

The current economic climate of the San Joaquin Valley will likely only contribute to continued growth in the number of disconnected youth in the region. Unemployment in the region is 8.6% (higher than the unemployment rates for California (6.8%) and the United States (5.3%)).⁷ In some San Joaquin Valley counties the unemployment rate is almost double the national average - 11.6% in Merced County, 11.5% in Tulare County, 10.3% in Kern County, and 10.4% in Madera County.⁸ Moreover, the effects of California's current drought have acutely impacted the region's economy and labor market. In 2014 alone it was estimated that the drought likely cost the state of California over 2.2 billion dollars and 17,000 jobs - with the majority of these losses occurring in the San Joaquin Valley.⁹

These economic shifts present substantial implications for young people ages 16-24 in the region. Successful transitions from youth to adulthood are generally equated with the attainment of full-time employment, and the current economic climate will likely make gaining

employment for young people more difficult. Youth ages 16-24 that are unemployed and not enrolled in school miss out on opportunities to gain skills and build social networks necessary to ensure successful transitions to full time employment. Even for youth who manage to gain employment, the scarring effects of entering labor markets with high rates of unemployment are undeniable. For every percentage point increase in the unemployment rate, newly employed workers earn wages that are 6 to 7% lower than those of peers who enter into labor markets during healthier times.¹⁰ These realities hold significant implications for the overall wages that young people in the San Joaquin Valley will earn over the course of their lifetime and can exacerbate already existing challenges young people face in the transition from youth to adulthood.

While policy makers across the nation continue to call attention to a growing number of disconnected and vulnerable youth, designing effective policies to support disconnected youth in the San Joaquin Valley requires understanding the unique profile of this population and the rates of disconnection to formal education and labor market institutions experienced in the region.

Utilizing county level data from the 2013 1-year estimates of the American Community Survey, this research brief addresses the following questions:

- 1. Who are San Joaquin Valley's disconnected youth?**
- 2. How do rates of youth disconnection to education and labor market institutions vary across populations in the San Joaquin Valley?**
- 3. What implications do current trends of youth attachment to education and employment in the San Joaquin Valley present to the long-term economic opportunity of young adults in the region?**

WHO ARE SAN JOAQUIN VALLEY'S DISCONNECTED YOUTH?

According to the most recent data from the U.S. Census Bureau, in 2013 12.1% of youth between the ages of 16-24 in the San Joaquin Valley were not enrolled in school or at work. Latino/as represent about 60% of the disconnected youth population, followed by Non-Hispanic Whites (22.6%), African-American/Non-Hispanic Blacks (9.6%), Asians (5.7%), and Native American/Alaskan Natives (2.4%). As a proportion of each youth population, rates of disconnection are highest among African-American/Non-Hispanic Blacks and Latino/as (22.3% and 12.3% respectively). Over 16% of Non-U.S. Citizens living in the region are disconnected. In addition, while young veterans represent less than 0.5% of all disconnected youth in the San Joaquin Valley, 6.5% of all young veterans in the area are disconnected from formal education and labor market institutions (Table 1).

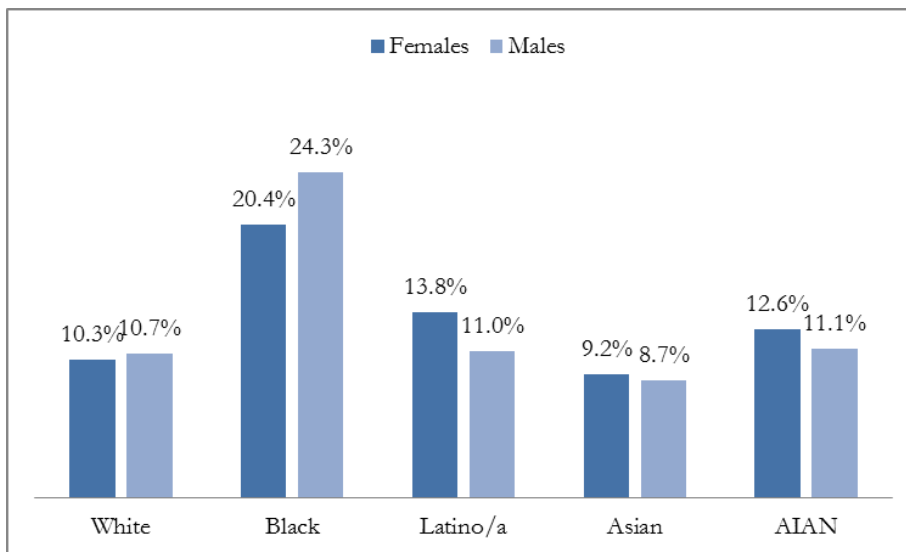
Table 1: Disconnected Youth Population in San Joaquin Valley by Race/Ethnicity, Veteran and Citizenship Status

	<u>White</u>	<u>Black</u>	<u>Latino</u>	<u>Asian</u>	<u>AIAN¹¹</u>	<u>Veterans</u>	<u>Non US Citizens</u>
% of Entire Disconnected Youth Population in San Joaquin Valley	22.6%	9.6%	58.9%	5.7%	2.4%	0.4%	14.9%
% of Each Youth Population that is Disconnected	10.5%	22.3%	12.3%	9.0%	11.9%	6.5%	16.3%

Source: Authors' estimates from the 2013 American Community Survey PUMS Data

Incidence rates of disconnection are significantly higher among African-American/Non-Hispanic Blacks and Latinas in the San Joaquin Valley. In 2013, 24.3% of African-American/Non-Hispanic Black males and 20.4% of African-American/Non-Hispanic Black females in the region were disconnected from formal labor market and educational institutions. Latinas experience the next highest incidence rate of disconnection at 13.8% (Table 2).

Table 2: Incident Rates of Disconnection from Education and Labor Market Institutions in the San Joaquin Valley by Gender, Race, and Ethnicity

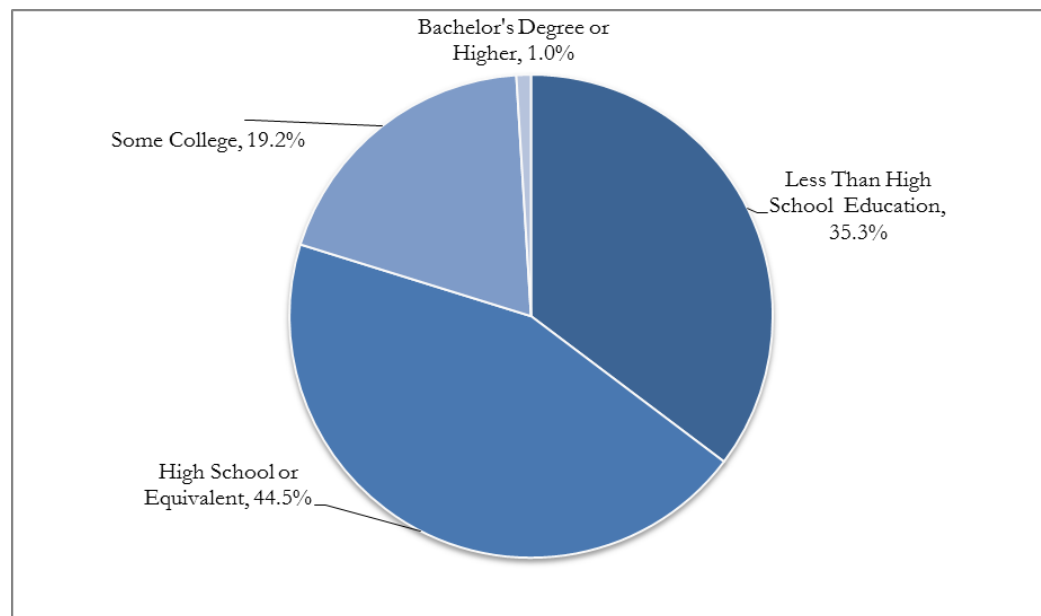


Source: Authors' estimates from the 2013 American Community Survey PUMS Data

The socioeconomic profile of disconnected youth in the San Joaquin Valley varies. Nationally, research on disconnected youth tends to paint a profile of a population of young people who are primarily poor and who have not completed high school. In the San Joaquin Valley, however, while 35% of disconnected youth have less

than a high school education, 45% have earned a high school diploma or equivalent degree, and over 20% have completed some college or have bachelors' or professional degrees (Figure 1). Furthermore, 41.3% of disconnected youth live in households where family income levels are below \$24,000, but the majority of disconnected youth live in households with incomes above \$30,000.¹² This suggests that the socioeconomic profile of disconnected youth in the San Joaquin Valley is different from those of disconnected youth in other areas of the country and may be the result of unique social, economic, and labor market conditions of the region that influence the participation of young adults in labor markets and educational institutions.

Figure 1: Educational Attainment of Disconnected Youth in the San Joaquin Valley



Source: Authors' estimates from the 2013 American Community Survey PUMS Data

HOW DO RATES OF ATTACHMENT TO EDUCATION AND LABOR MARKET INSTITUTIONS VARY ACROSS YOUTH POPULATIONS?

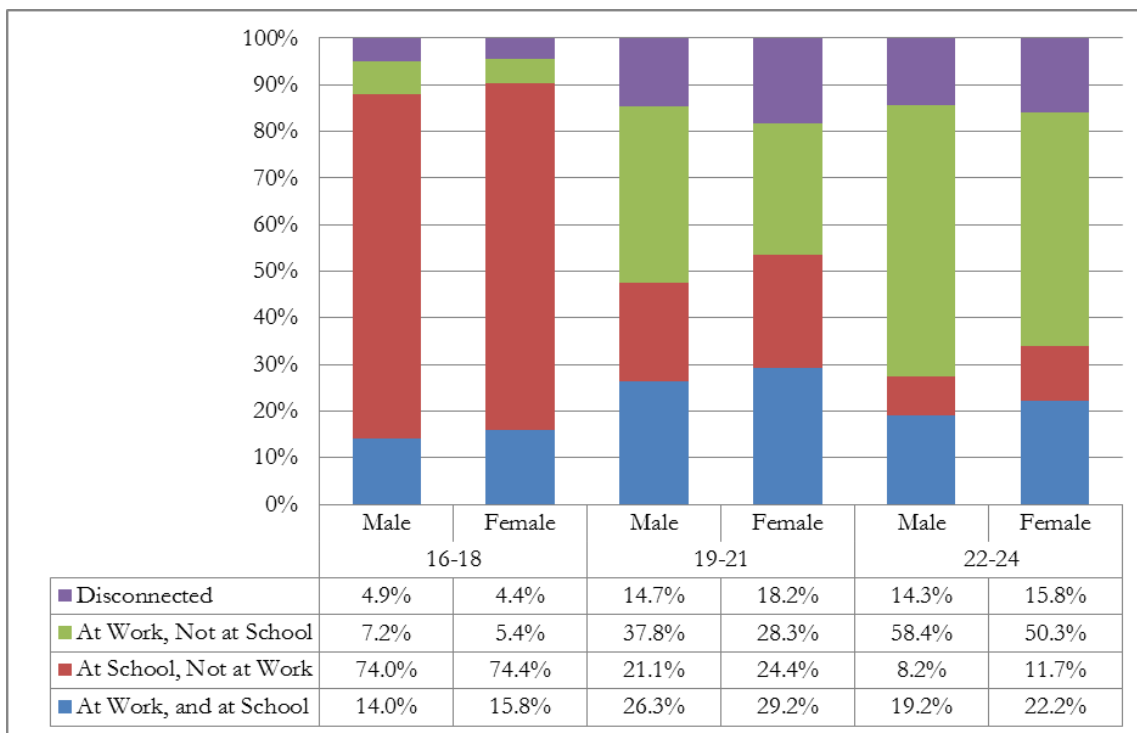
Understanding the differences in attachment to school and employment experienced by youth in the San Joaquin Valley are not only important, but imperative to designing effective, efficient, and equitable policy responses. Today the pathways that young people take to adulthood and the length of time it takes them to do so are no longer widely shared or experienced. Social norms surrounding gender, childrearing, and the participation of young people (particularly young women) in the labor market influence how young people navigate and enter labor markets. Moreover, the intersections of race, ethnicity, and gender can have significant implications for young people's entrance and participation in the labor market. An analysis of school enrollment and employment for young people in the San

Joaquin Valley by gender and age indicates that, in general, variations between males and females in the region are less pronounced than differences across age cohorts. For analytical purposes we divide the transition to adulthood into three age cohorts: 16 to 18, 19 to 21, and 22 to 24. As shown in table 3, male and female youth ages 19-21 experience the highest rates of disconnection (14.7% & 18.2% respectively), with males and females ages 22-24 experiencing the next highest rates (14.3% & 15.8% respectively). Research suggests that the high rate of disconnection among females at top of end of the age range may be due to early parenthood rates as young mothers often forgo completing school or employment due to child care needs. In fact, a report completed for the Congressional Research Service found that if females with children were removed from analyses of the disconnected youth population, females age 16-24 are more likely to be at school or employed than are males in the United States.¹³

For most youth ages 19 to 21, this span of years corresponds to the completion of high school and a transition to college or the labor market. Table 3 indicates that, in the San Joaquin Valley, youth ages 19 to 21 have higher incidences of being employed but not pursuing higher education (37.8% of males and 28.3% of females). Rates of labor market participation are also particularly high for males ages 22-24 as 58.4% of males in this age cohort are employed but are not enrolled in school. This is to be expected given that the majority of youth ages 22-24 are entering the labor market full time during this period.

Rates of being both employed and enrolled in school are relatively high for males and females across all age cohorts. Almost 1 in every 5 young adults between the ages of 16 to 24 in the San Joaquin Valley is simultaneously enrolled at school and employed. While dual attachment to the anchor institutions in society for young people can be interpreted as positive, the competing demands of school and work can also delay the full entry of young people into the labor market as it may take longer to complete education and training programs.

Table 3: Transitions Experienced by Young Adults in the San Joaquin Valley by Sex and Age



Source: Authors' estimates from the 2013 American Community Survey PUMS Data

Table 4 shows the distribution of school enrollment and employment status by race and ethnicity across age cohorts. Among youth ages 16 to 18, rates of disconnection from both school and employment are highest for African-American/Non-Hispanic Blacks (7%). The majority of youth in this age cohort are enrolled in school and more than 10% of youth across all race and ethnic backgrounds are both working and enrolled in school. While the literature on the transition to adulthood is not conclusive on this matter, this evidence might suggest that for some youth in the region part-time employment arrangements offered as part of general education curricula may be an approach to encourage school enrollment.

Across older cohorts, rates of disconnection remain highest for African-American/Non-Hispanic Blacks, American Indian/Alaskan Natives, and Latino/as. Thirty seven percent of African-American/Non-Hispanic Black youth ages 19-21, 20% of American Indian/Alaskan Natives, and 17% of Latino/as ages 19-21 are not enrolled in school or employed. Among youth ages 22-24 rates of disconnection are the highest among African-American/Non-Hispanic Blacks (26%) followed by Latino/as (16%). Nationally, research suggests that a high incidence of disconnection from education and the labor market for African-American/Non-Hispanic Blacks and Latinos/as is due to factors including poverty, low educational attainment, early pregnancy, and child-care responsibilities.¹⁴ Research highlights that the higher rate of poverty experienced by ethnic and racial minority groups in the United States is a particularly salient factor. Nationally the poverty rate is 24% for Latino/as and 27% for African-American/Non-Hispanic Blacks - over double the poverty rate of whites in the United States (10%).¹⁵ In this context, high levels of poverty represent both a cause and consequence of disconnection from educational and labor market institutions among youth.

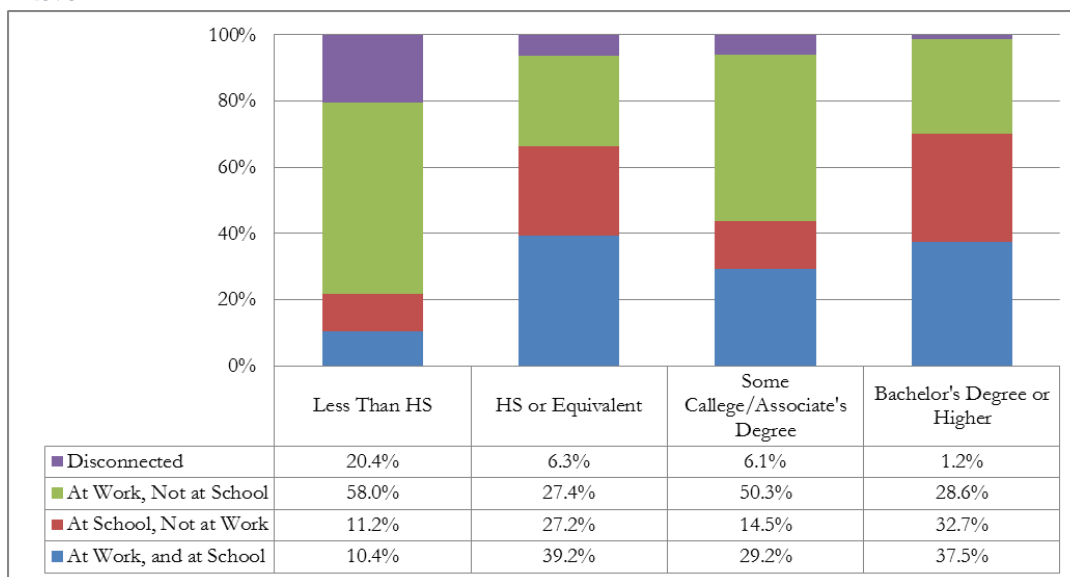
Table 4: Transitions Experienced by Young Adults in the San Joaquin Valley by Race or Ethnicity



Source: Authors' estimates from the 2013 American Community Survey PUMS Data

Education is consistently cited as a significant factor influencing whether or not young adults are able to obtain long-term gainful employment.¹⁶ Higher levels of education are linked to better jobs and higher wages, while individuals who do not finish high school are three times as likely to be unemployed, underemployed, or working in low-wage jobs.¹⁷ Table 5 depicts the distribution of school enrollment and work status of youth across levels of educational attainment. As shown in table 5, 20.4% of all young adults ages 16-24 in the San Joaquin Valley who have less than a high school education are not enrolled in school and not in the labor market.

Table 5: Transitions Experienced by Young Adults in the San Joaquin Valley by Educational Attainment Level



Source: Authors' estimates from the 2013 American Community Survey PUMS Data

ECONOMIC OPPORTUNITY FOR YOUTH IN THE SAN JOAQUIN VALLEY

In 2013 over 12% of youth ages 16-24 in the San Joaquin Valley were disconnected from education and labor market institutions. The current economic climate of the region suggests that the population of youth who are not employed and not enrolled in school in the area will likely increase over the coming years. The prospective growth in this population presents important socioeconomic implications for the San Joaquin Valley and highlights the need for effective policy interventions that can support the successful transition to adulthood for youth in the region.

Rates of disconnection from education and employment are disproportionately high among African-American/Non-Hispanic Blacks, Native Americans/Alaskan Natives, and Latino/as in the San Joaquin Valley. Such rates suggest that these specific populations face significant barriers to attaching to employment and higher education in the region. In addition a high proportion of young people simultaneously employed and enrolled in higher education indicates a potential for the delayed entrance into the labor market of a significant number of workers and, thus, a delayed transition to adulthood for many youth in the San Joaquin Valley and loss of potential growth to the region's economy. Moreover, high unemployment rates across the San Joaquin Valley suggest that those youth that enter into the region's labor market in the coming years may likely experience lower overall life time earnings and, by extension, limited upward economic mobility.

While some trends in rates of youth disconnection in the San Joaquin Valley mirror those seen nationally, there are significant and unique differences observed in the levels of attachment to school and work of young adults in the region. Together these suggest the presence of social, economic, and political factors that influence economic opportunity for youth in the region. As such policy and programmatic initiatives that aim to support the successful transition of youth to adulthood must understand and address these factors if they wish to effectively, efficiently, and equitably promote economic opportunity and security in the San Joaquin Valley.

FOSTERING ECONOMIC OPPORTUNITY FOR YOUTH IN THE SAN JOAQUIN VALLEY

The resources and opportunities that young adults experience in their local contexts can impact the socioeconomic outcomes experienced by disconnected youth. Addressing geographic differences in rates of youth disconnection within the San Joaquin Valley is central to identifying where resources and interventions should be targeted, what existing institutions and networks should be leveraged to best support disconnected youth in the San Joaquin Valley, and what the experience of disconnected youth in the San Joaquin Valley suggests for disconnected youth in other areas of the nation. In a series of upcoming research and policy briefs on *Youth Economic Opportunity in the San Joaquin Valley*, we will present geographically detailed profiles of the disconnected youth population in each county, the variations in rates of disconnection for education and employment observed, and the institutions and policy networks available to disconnected youth in these areas. With these findings, we will examine the types of institutions and policy networks available in local settings where disconnected youth engage, how disconnected youth interact with these institutions and policy networks, as well as the impact of these institutions and policy networks on economic outcomes experienced by disconnected youth across the San Joaquin Valley. Considering the growing rates of youth disconnection in the region, understanding these areas is a necessary and critical step to promoting economic growth and well-being in the region.

NOTES:

1. Authors' estimates of American Community Survey, 2013 1 Year Summary Files: United States Census Bureau.
2. These include: Kings County, Merced County, Tulare County, Fresno County, Madera County, San Joaquin Valley, Kern County, and Stanislaus County.
3. Authors' estimates of American Community Survey, 2013 1 Year Summary Files: United States Census Bureau.
4. Authors' estimates of American Community Survey, 2013 1 Year Summary Files: United States Census Bureau.
5. White House Council for Community Solutions (2012). *Community Solutions for Opportunity Youth*, Washington, DC: Corporation for National and Community Service.
6. MacCurdy, T., Keaton, B. and Nagavarapu, S. S. (2006). Profiling the Plight of Disconnected Youth in America, Working Paper. Accessed 13 July, 2015. http://www.zew.de/en/publikationen/dfgflex/workshop_06/MaCurdy.pdf
7. Authors' estimates of American Community Survey, 2013 1 Year Summary Files: United States Census Bureau.; United States Bureau of Labor Statistics, 2015.
8. United States Bureau of Labor Statistics, 2015.
9. Howitt, R., J. Medellin- Azuara, D. MacEwan, J. Lund, D. Sumner. "Economic Analysis of the 2014 Drought for California Agriculture." *Center for Watershed Sciences University California, Davis*. 15 July, 2014. Accessed 13 July 2015. https://watershed.ucdavis.edu/files/biblio/DroughtReport_23July2014_0.pdf
10. Davis, Steven J. and M. von Wachter. 2011. Recessions and the Cost of Job Loss. NBER Working Paper No. w17638. National Bureau of Economic Research.
11. American Indian/Alaskan Native
12. Authors' estimates of American Community Survey, 2013 1 Year Summary Files: United States Census Bureau.
13. Dervarics, Charles. 2008. Minorities Overrepresented among America's 'Disconnected' Youth. Population Reference Bureau; Fernandes, Adrienne L. and Thomas Gabe. Disconnected Youth: A Look at 16-24 Year Olds Who Are Not Working or in School. 2009. Rep. no. 7-5700. Congressional Research Service.
14. Fernandes, Adrienne L. and Thomas Gabe. Disconnected Youth: A Look at 16-24 Year Olds Who Are Not Working or In School. 2009. Rep. no. 7-5700. Congressional Research Service.
15. Henry J. Kaiser Foundation. 2015. Poverty Rate by Race/Ethnicity in the United States. Accessed 13 July 2015. <http://kff.org/other/state-indicator/poverty-rate-by-raceethnicity/>
16. MDRC. 2009. How Can We Build Better Programs for Disconnected Youth? Issue brief; Fernandes, Adrienne L. and Thomas Gabe. Disconnected Youth: A Look at 16-24 Year Olds Who Are Not Working or In School. 2009. Rep. no. 7-5700. Congressional Research Service.
17. Visser, M. Anne and Edwin Melendez. 2011. Puerto Ricans in the U.S. low-wage labor market: Introduction to the issues, trends and policies. *CENTRO: Journal of the Center for Puerto Rican Studies* 23(2): 1-19.

ABOUT THE INSTITUTE FOR PUBLIC ANTHROPOLOGY

The Institute of Public Anthropology (IPA) at the California State University, Fresno is a research center devoted to applied research projects that require qualitative research and oversight. The IPA serves as the organizational umbrella for three inter-related areas of applied anthropological research: the anthropology of organizations, community planning and development, and ad hoc applied research projects undertaken at the request of community members and organizations. For more information please visit: <http://www.fresnostate.edu/socialsciences/anthropology/ipa/>.