

# Lower wages, lack of job opportunities means more Americans delaying 'adulthood'

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Despite living in an age of iPads and hybrid cars, young Americans are more like the young adults of the early 1900s than the baby boom generation: They are living at home longer, are financially insecure and are making lower wages.

Indeed, a new study points out that a 22-year-old of today might have much more in common with his or her grandfather or great-grandfather than their own parents, although the reasons for this prolonged journey to adulthood differ from Americans of 100 years ago. And one huge difference between 2010 and 1910: young people today are being supported financially by their parents, instead of helping to support their parents as they might have in the early 20th century.

The study, titled, "What's Going on with Young People Today? The Long and Twisting Path to Adulthood" was written by Richard Settersten, a professor of human development and family sciences at Oregon State University, and Barbara Ray, president of Hired Pen, Inc. Settersten has conducted much of his scientific research as part of the decade-long MacArthur Research Network on Transitions to Adulthood.

The study was published in the journal *Transition to Adulthood*, a new publication from The Future of Children, a joint project between Princeton University and the Washington, D.C.-based Brookings Institution think tank. The journal will be released this morning at a public event at Brookings.

The middle of the last century is often used as a comparison for judging young people today. But Settersten and Ray reveal that the baby boom generation is an anomaly. Young people in the early decades of the 1900s were slow to leave their family homes and start families. Becoming an adult then, as now, was a gradual process characterized by "semi-autonomy," with young people waiting until they were self-sufficient to set up their own households, marry and have children.

In the post-World War II boom, high-paying industrial jobs were plentiful, and a prosperous economy enabled workers with high school degrees (or less) and college degrees alike to find secure employment with decent wages and benefits. Since then, downward trends in wages and economic opportunities can be directly linked to young people staying at home longer, returning home later, and postponing or even forgoing marriage and children.

"Having an income that's adequate to support oneself and a family — or at least the ability to earn one — has always been a precursor to living independently and taking on adult roles, such as marrying and settling down," he said.

Some key facts from their article include:

- In 2005, even before the current recession, roughly three in 10 white men (up to age 34) with a high school degree were not in school, in the military or at work. For young black men, the numbers were even higher: More than half were not in school, in the military or at work.
- Even those who do get an education are not as likely as their counterparts in the 1960s and 1970s to get a good paying job. Young men (25-34 years) with a high school degree or less

earned about \$4,000 less in 2002 than in 1975 (with earnings adjusted for inflation). Men with some college also lost ground, earning about \$3,500 a year less in 2002 than in 1975.

- Every single group, except those with graduate-level college education, had greater amounts of people earning below poverty level in 2002 than in 1975.
- In 1969, only about 10 percent of men in their early thirties had wages that were below poverty level. By 2004, the share had more than doubled. Overall, the share of young adults in 2005 living in poverty was higher than the national average.

There are also many differences between now and the early decades of the last century, of course, which Settersten and Ray illustrate. One of the biggest differences is that young people today don't contribute to the household as they once did. Instead, parents shoulder the burden of launching their children into adulthood.

"Parents are now being called on to provide financial and other kinds of assistance to their young adult children," Ray said. "A century ago, the opposite was true. Then, young adults often helped their parents when they went to work and especially if they still lived together."

New evidence shows that parents are spending 10 percent of their annual income to help their adult children, regardless of their income level.

"And that's a whole lot of money for some kids to get — and for many parents to give, or to afford," Settersten said.

Despite all the discussion of kids staying at home longer or coming back later, Settersten said, it is important to remember there remains a sizable period of living independently from parents in early adulthood today. The percentages of people who have never married and who are

intentionally childless are also higher now than at any other time in American history.

"Today, the young adult years are filled up with many different kinds of living arrangements, some of which more often involve parents," he said. "But what is perhaps more significant is the fact that these arrangements don't as often involve spouses."

Now in the midst of a recession, pressures on middle class families are great, Settersten and Ray note. The longer path to adulthood strains not only families but also the institutions that have traditionally supported young Americans in making that transition—such as residential colleges and universities, community colleges, military service, and national service programs. The authors emphasize the need to strengthen these institutions to better reflect the times.

"Only by continuing or increasing investments in young people after the age of 18 can policy makers implement the supports needed to make the road to adulthood less draining for families and less perilous for [young people](#)," Settersten said.

Provided by Oregon State University

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