# Shifting Milestones, Fewer Donors and Volunteers:

21st Century Life for Young Adults and the Impact on Charitable Behaviors



### **Executive Summary**

The United States has experienced declines in adults' rates of volunteering with organizations and charitable giving over the last two decades. Because these behaviors generate wide-ranging benefits for communities as well as the volunteers themselves, it is essential to figure out how to turn around these downward trends. First we need to better understand the societal factors driving these declines.

Research on volunteering with organizations has frequently focused on the health benefits that older volunteers enjoy, and the positive effects of volunteering for children and adolescents. These studies fit into a larger literature on the benefits of prosocial behavior, which can include giving to charity and informal civic activities in addition to volunteering with an organization. However, with only a few recent exceptions, there are few empirical studies that address the question of why volunteering and giving rates have risen and fallen in recent years.

This brief focuses on how the volunteering and giving rates of young adults (ages 22 through 35) are related to their life choices. Our study focuses on five milestones that have historically been associated with the transition to adulthood: completing formal higher education, getting a job, marrying, becoming a parent, and living independently. To address this question, we combine data featured in recent U.S. Census Bureau research, which found that Americans are reconceiving the idea of what it means to reach adulthood, with data collected from the Current Population Survey (CPS) Supplement on Volunteering (Volunteer Supplement). Every September between 2002 and 2015, the CPS Volunteer Supplement collected national statistics on volunteering through or for an organization. Starting in 2008, the Supplement also began collecting data on giving to charity.

### **Key Findings**

- Young adult volunteering (age 22 to 35) hit a high of 25.6 percent (2003) after the terrorist attacks on September 11 before displaying a substantial and long decline to a rate of 21.6 percent in 2015. If the volunteer rate had stayed at its 2003 levels, an additional 2.42 million young adults would have volunteered in 2015.
- Over the years, young adult charitable giving has remained more stable than volunteering. After the onset of the Great Recession in 2008, the giving rate increased for a few years, but then declined to a rate of 41.0 percent (2015), which is roughly the same giving rate as the end of the Great Recession (2009) a period when the amount given to charity from all sources declined significantly.
- Fewer of today's young adults (ages 22 to 35) are seeking or reaching milestones traditionally associated with the transition to adulthood for example being employed full-time, living independently, owning a home, getting married, and having children that are positively associated with volunteering and giving. This could help explain the declines in charitable behaviors.
- Even today's young adults who are obtaining or choosing traditional adulthood milestones such as graduating from college, finding a full-time job, getting married, and having children are often volunteering and giving less than in previous generations.

<sup>&</sup>lt;sup>1</sup>Bénabou, R., & Tirole, J. (2006). "Incentives and prosocial behavior." American Economic Review, 96(5), 1652-1678.

<sup>&</sup>lt;sup>2</sup>The most recent studies include Rooney, P. M., Wang, X., & Ottoni-Wilhelm, M. (2018). "Generational succession in American giving: Donors down, dollars per donor holding steady but signs that it is starting to slip," *Nonprofit and Voluntary Sector Quarterly*, 47(5), 918–938 on giving and Dietz, N & Grimm, R. T., Jr. (2016) "Doing Good by the Young and Old: Forty Years of American Volunteering," *Nonprofit Quarterly*, Fall (available at <a href="https://nonprofitquarterly.org/good-young-old-forty-years-american-volunteering">https://nonprofitquarterly.org/good-young-old-forty-years-american-volunteering</a>) on volunteering.

Higher Education

For all adults, educational attainment is more strongly associated with the likelihood of volunteering than almost any other demographic characteristic and is also strongly associated with giving. According to the 2012 General Social Survey (GSS), finishing one's education is one of the most universally accepted indicators of adulthood; only 5 percent of survey respondents feel that this action is unimportant. In 2015, young adult college graduates had much higher rates of giving and volunteering (31.2 percent for volunteering, 55.7 percent for giving) than young adults who are high school graduates with no college experience (13.2 percent for volunteering and 28.1 percent for giving).

As a group, today's young adults have become better educated. Almost two-thirds (65.7 percent) of young adults in 2015 had pursued at least some college after finishing high school and the proportion of young adults who have graduated from college has increased from 28.7 percent in 2005 to 34.5 percent in 2015. At the same time, the proportion of young adult college graduates giving and volunteering has actually decreased significantly: their volunteer rate has declined from a high of 38.0 percent in 2003 to 31.2 percent in 2015 while giving for this group has declined from a high of 59.8 percent in 2011 to 55.7 percent in 2015. These declines may be due in part to the impact of student loan debt, which, as a growing body of research suggests, is at least partially responsible for other delays in the transition to adulthood.

Employment Almost all GSS respondents viewed fulltime employment and achieving financial independence as significant elements of adulthood. For young adults, changes in labor force participation during the Great Recession of 2008-2009 persisted for several years into the economic recovery. The percent of young adults who are employed full-time actually decreased from 67.2 percent in 2005 to 63.4 percent in 2015, and the percent of young adults who are not in the labor force (not employed, but also not looking for work) has increased from 16.9 percent to 19.5 percent between 2005 and 2015. These trends are important given that employment is positively associated with volunteering and giving; paid work helps strengthen social networks along with economic well-being. In 2015, young adults who were employed full-time were more likely to volunteer and give to charity (22.0 percent volunteering, 45.8 percent giving

in 2015) than those who are unemployed (19.3 percent and 27.8 percent) or not in the labor force (18.6 percent and 29.8 percent).

The volunteering rates of young adults who are employed (either part-time or full-time) has declined significantly in recent years, as has the volunteer rate of young adults who are not in the labor force. For example, for young adults who are employed full-time, the volunteer rate has declined from 24.1 percent in 2005 to 22.0 percent in 2015, while the volunteer rate for young adults not in the labor force has declined from 22.3 percent in 2005 to 18.6 percent in 2015.

Marriage Marital status is strongly associated with volunteering and giving because it builds both household wealth and socioeconomic status. Since the 1970s, the marriage rate among young adults has declined and continues to fall: the proportion of young adults who were married and living with their spouses declined significantly from 45.3 percent in 2005 to 38.3 percent in 2015.

Married young adults are much more likely to volunteer than young adults who have never been married (27.2 percent vs. 17.9 percent in 2015) and have a giving rate that is almost twenty-two points higher than those who have never been married (54.4 percent vs. 32.3 percent in 2015). However, between 2005 and 2015, the volunteer rate also dropped for young adults who were married (30.0 percent to 27.2 percent).

Having Children According to the most recent government statistics, young adults are far less likely to have children than earlier generations were when they were the same age. According to a recent report by the Center for Disease Control, both the overall fertility rate and the number of babies born to women under 30 dropped in 2018. Despite the strength of the national economy, the U.S. has the lowest birth rate in more than thirty years.

Declining birthrates among young adults may have important implications for philanthropy given that parenthood introduces people to many opportunities to volunteer and serve in the community. Volunteer and giving rates are much higher for young adults who are parents (24.0 percent for volunteering in 2015, 46.8 percent for giving in 2015) than they are for non-parents (20.1 percent and 37.1 percent in 2015).

Unfortunately, the volunteer rate also dropped for young parents over the same period (from 29.2 percent to 24.0 percent), indicating that the U.S. appears to be experiencing a "double whammy" of negative outcomes when it comes to the relationship between parenthood and charitable activities.

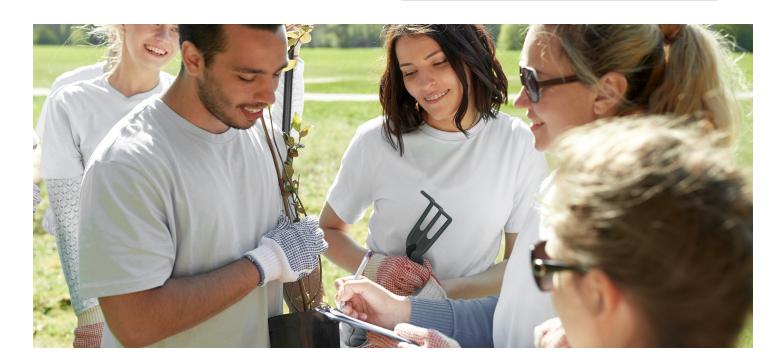
Living Independently
by most as a critical step in the path to adulthood.
Young adults who live independently (either as the homeowner, the person who paid the household's rent, or were married to that person) are much more likely to volunteer (25.4 percent versus 14.8 percent) and give to charity (47.5 percent versus 28.9 percent) than those living in someone else's household. While the volunteer and giving rates for young adults living independently did not change significantly between 2009 and 2015, the percentage of young adults who live independently did decline significantly between 2009 and 2015, from 67.4 percent to 64.5 percent.

Homeownership historically helps people build strong, lasting ties to one's community. In 2015, among young adults living independently, homeowners were significantly more likely to volunteer (30.5 percent) and to give to charity (58.0 percent) than young adults who were responsible for paying the rent (21.2 percent volunteering, 39.8 percent giving). However, the homeownership rate for young adults living independently (42.0 percent) in 2015

was significantly lower than it was in 2009 (49.1 percent), and the percentage of independent-living young adults who chose to rent increased significantly, from 49.5 percent in 2009 to 56.1 percent in 2015.

Cumulatively, these findings help explain why charitable behaviors in the United States have not risen even as more and more young adults exhibit a historically high interest in engaging in their community and are better educated. Compared to a decade ago, fewer young adults are employed full-time, buying their own homes, and living independently. Growing numbers of young adults are deciding to delay (or, maybe, avoid entirely) actions including getting married, having children, and moving out of their parents' house. And while our society's emphasis on completing formal education has resulted in more young adults graduating from college – thereby creating a larger group of individuals that traditionally exhibited great capacity for civic engagement – the volunteer and giving rates for young adult college graduates have actually dropped significantly in recent years. This trend among young adults as well as many others reported in this brief raises concerns about the future of the nonprofit and philanthropic sector in the United States.

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### Introduction

Nationally, the number of Americans who volunteer with organizations or make charitable donations were hitting or approaching historic lows in the middle of this decade.<sup>3</sup> But why has the number of Americans who are giving and volunteering been trending downward in recent years? American life in the twenty-first century is changing rapidly and in profound ways, but do these changes leave individuals less anchored to their communities and less likely to participate in civic behaviors such as giving and volunteering?

In the research on volunteering with organizations, some key questions have received considerable attention, while others remain understudied. The research on volunteering by older adults focuses on the benefits that older volunteers enjoy, such as reduced mortality rates, greater functional ability, and lower rates of depression.<sup>4</sup> An equally large body of research<sup>5</sup> describes how volunteering helps to promote positive outcomes among children and adolescents such as job readiness and work motivation, and reduces the likelihood of negative outcomes such as drug use, pregnancy, and dropping out of school.<sup>6</sup>

These studies fit into a larger literature on the benefits of prosocial behaviors, which can include informal civic activities in addition to giving to charity and volunteering with an organization. However, only a few empirical studies address the question of why volunteering and giving rates have risen and fallen in recent years.

In this research brief, the first in a new series, 9 we examine national data on giving and volunteering

more closely in search of explanations for recent changes in national volunteering and giving rates. We begin this series with an analysis of young adults' civic behaviors because a better understanding of this age group could help us encourage their lifelong participation, thereby strengthening our nation's social fabric for decades to come.

Many of the life events that have traditionally been seen as the most important milestones in the transition to adulthood (such as getting married, becoming a parent, and starting a career) are positively associated with giving and volunteering. <sup>10</sup> But have our society's views regarding the most important indicators of adulthood changed in recent years? And how strongly are the most important indicators of adulthood associated with volunteering and giving today?

A recent report published by the U.S. Census Bureau<sup>11</sup> focuses on life events that have been most commonly thought to signify the passage from youth to adulthood. The Census report contains trend data that allows us to measure recent changes in the number of young adults who have reached each of these traditional milestones. The report also features data from a special series of questions included in the 2012 General Social Survey (GSS), conducted by NORC at the University of Chicago. These questions ask adults of all ages to describe the importance of these traditional milestones to the definition of adulthood, and to estimate the age at which people personally believe someone "should" achieve each of these milestones

<sup>&</sup>lt;sup>3</sup> Grimm, Robert T., Jr., and Dietz, Nathan. 2018. "Where Are America's Volunteers? A Look at America's Widespread Decline in Volunteering in Cities and States." Research Brief: Do Good Institute, University of Maryland. Available at go.umd.edu/americasvolunteers. Since the publication of "Where Are America's Volunteers?" in November 2018, data from the September 2017 Volunteering and Civic Life Supplement to the Current Population Survey (CPS has been publicly released by the Corporation for National and Community Service. While the 2017 data suggests a possible rebound in the national volunteer rate, nonresponse bias and changes to the wording and location of the volunteering questions make it difficult to compare the 2017 statistics with the 2002-2015 statistics. For a more thorough discussion of the CPS Volunteer Supplement, please see the Data Sources and Measurement section (page 29).

<sup>&</sup>lt;sup>4</sup> Corporation for National and Community Service, Office of Research and Policy Development. The Health Benefits of Volunteering: A Review of Recent Research. Washington, DC 2007. Available at <a href="https://www.nationalservice.gov/pdf/07\_0506">https://www.nationalservice.gov/pdf/07\_0506</a> hbr.pdf.

<sup>&</sup>lt;sup>5</sup> For a brief summary of research studies on the beneficial impacts of youth volunteering, see "Indicators on Children and Youth: Volunteering," Child Trends Databank, updated December 2015. Washington, DC: Child Trends. Available at <a href="https://www.childtrends.org/wp-content/uploads/2012/11/20">https://www.childtrends.org/wp-content/uploads/2012/11/20</a>. Volunteering, pdf.

<sup>&</sup>lt;sup>6</sup> See Michelsen, E., Zaff, J. F., & Hair, E. (2002). "Civic engagement programs and youth development: A synthesis," Washington, DC: Child Trends, available at <a href="https://www.issuelab.org/resource/civic-engagement-programs-and-youth-development-a-synthesis.html">https://www.issuelab.org/resource/civic-engagement-programs-and-youth-development-a-synthesis.html</a>; and Zaff, J. F., & Michelsen, E. (2002). "Encouraging civic engagement: How teens are (or are not) becoming responsible citizens," Washington, DC: Child Trends, for details.

<sup>&</sup>lt;sup>7</sup> Bénabou, R., & Tirole, J. (2006). "Incentives and prosocial behavior." *American Economic Review*, 96(5), 1652-1678.

<sup>&</sup>lt;sup>8</sup> The most recent studies include Rooney, P. M., Wang, X., & Ottoni-Wilhelm, M. (2018). "Generational succession in American giving: Donors down, dollars per donor holding steady but signs that it is starting to slip," *Nonprofit and Voluntary Sector Quarterly*, 47(5), 918–938 on giving and Dietz, N & Grimm, R. T., Jr. (2016) "Doing Good by the Young and Old: Forty Years of American Volunteering," *Nonprofit Quarterly*, Fall (available at <a href="https://nonprofitquarterly.org/good-young-old-forty-years-american-volunteering/">https://nonprofitquarterly.org/good-young-old-forty-years-american-volunteering/</a>) on volunteering.

<sup>&</sup>lt;sup>9</sup> In upcoming work, we will focus on other factors that may be affecting recent changes in the national and local giving and volunteering rates, including the retirement of the Baby Boomer generation, Americans' declining religiosity, and changes in the size and structure of the nonprofit sector.

<sup>&</sup>lt;sup>10</sup> For results on the correlates of volunteering, see *Volunteering in the United States*, 2015 (Bureau of Labor Statistics, 2016; available at <a href="https://www.bls.gov/news.release/pdf/volun.pdf">https://www.bls.gov/news.release/pdf/volun.pdf</a>). The Bureau of Labor Statistics has never published official statistics on giving using CPS data. For research that describes the demographic correlates of giving, please see the Lilly Family School of Philanthropy's *Generosity for Life* website (<a href="https://generosityforlife.org/">https://generosityforlife.org/</a>).

<sup>&</sup>lt;sup>11</sup> Vespa, Jonathan, "The Changing Economics and Demographics of Young Adulthood: 1975–2016," Current Population Reports, P20-579, U.S. Census Bureau, Washington, DC, 2017. <u>Available at https://www.census.gov/content/dam/Census/library/publications/2017/demo/p20-579.pdf</u>.



Both the demographic trend data and the GSS survey results indicate that people are reconceiving the idea of what it means to reach adulthood. According to the GSS survey results, adults as a whole feel that completing formal education is the single most important indicator of adult status. Sixty-two percent of respondents said it was "extremely important" and only 5 percent said it was "not important" to the definition of adulthood. Most GSS respondents similarly believe that having a full-time job and being able to financially support a family are still key milestones in the passage between youth and adulthood. In contrast, getting married was viewed as "extremely important" to becoming an adult by only 12 percent of GSS respondents and "not important" by a majority – 55 percent – of respondents. These views on adulthood are consistent with decades-long demographic trends, such as significant declines in the percentages of young adults who are or have been married. Between 1976 and 2014, the percentage of women aged 30-34 who have ever been married fell from 93 percent to 69 percent, and the percentage of men aged 30-34 who have ever been married dropped from 88 percent in 1976 to 59 percent in 2014.

The results in the Census brief raise the question: As today's young adults are redefining this period of life, have the volunteering and giving of young adults also changed? To address this question, we extend the discussion of the Census and GSS results by using the Current Population Survey's Volunteer Supplement on two key charitable behaviors: volunteering with organizations and charitable giving. Our focus is on the relationship between charitable behaviors and the life changes commonly associated with young Americans' transition to adulthood, and whether this relationship has changed in recent years.

The Current Population Survey (CPS) Volunteer Supplement is well-suited for the study of trends in civic behavior such as volunteering and giving among young adults. First administered in September 2002 and fielded every September until 2015, the CPS Volunteer Supplement documented the post-9/11 rise in volunteering, when the national volunteer rate peaked at 28.8 percent for three straight years (2003–2005). Following that historic high, the volunteer rate declined in 2006, after which followed a period that featured more declines than increases in the volunteer rate until volunteering hit its lowest point of the period in 2015.

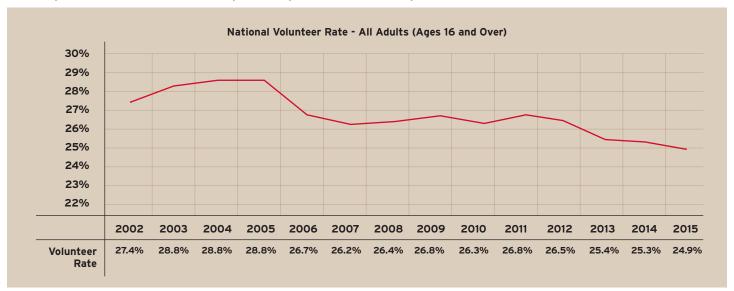
In 2008, a question about giving to charity was added to the CPS Volunteer Supplement. As Figure 1 illustrates, between 2008 and 2015, more than half of all adults gave to charity every year after 2008, but the national giving rate never exceeded 52 percent. After 2012, the national giving rate declined significantly twice, in 2013 and 2015; the 2015 giving rate of 50.2 percent was the lowest recorded since the end of the Great Recession.<sup>13</sup>

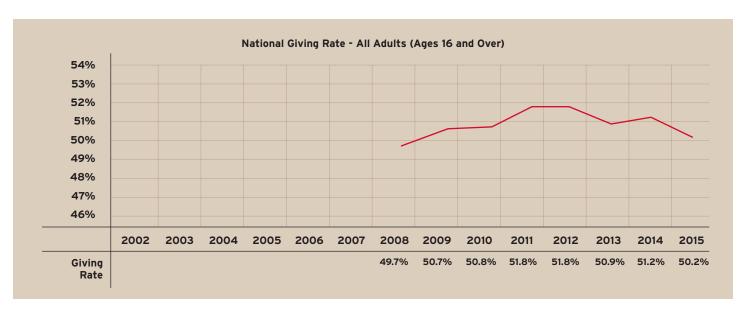
<sup>&</sup>lt;sup>12</sup> Please see the note above about the availability of data from the September 2017 Volunteering and Civic Life survey, and see the Appendix for details about this CPS supplement.

<sup>&</sup>lt;sup>13</sup> For details about the statistical significance of the year-by-year changes in these rates, see Table A-1 in the Appendix.

## "Many of the life events that have traditionally been seen as the most important milestones in the transition to adulthood - such as getting married, becoming a parent, and starting a career - are positively associate with giving and volunteering."

Figure 1: National Annual Volunteering and Giving Rates for All Adults (ages 16 and over)





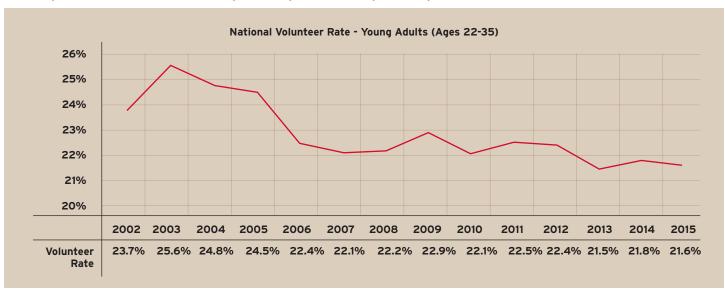
Our analysis focuses on how five demographic changes that are traditionally associated with the transition to adulthood - graduating from college, getting a full-time job (and becoming financially independent), getting married, having children, and living independently - are associated with young

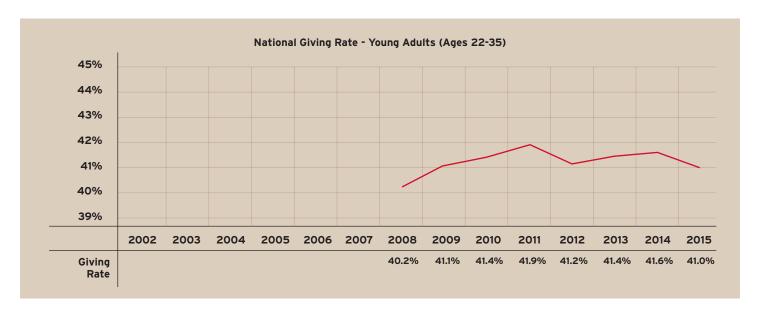
adults' rates of giving and volunteering. While the Census Bureau report uses the 18-34 age range to define young adults, we present results for ages 22-35 to maximize the number of young people who have traditionally chosen each milestone.

Nationally, as Figure 2 indicates, the trends in volunteering and giving for the 22-35 age group resemble the trends for all adults. For both age groups, the volunteer rate dropped significantly in 2006 and never rebounded to its earlier peak. Between 2011 and 2015, the 16-and-over rate declined significantly by almost two percentage points, while the decline in the young adult volunteer rate was smaller and not statistically significant. The 2008-2015 giving rate for

young adults was, if anything, even more stable than the 16-and-over giving rate. The rate recovered for a few years after the onset of the Great Recession but then declined in recent years to a rate of 41.0 percent (2015), which is roughly the same giving rate as the end of the Great Recession (2009) – a period during which total giving declined due to the extremely poor economy.<sup>14</sup>

Figure 2: National Annual Volunteering and Giving Rates for Young Adults (ages 22-35)





<sup>&</sup>lt;sup>14</sup> For evidence of the decline in amount contributed to charity, see *Giving USA: The Annual Report on Philanthropy for the Year 2018* (2019). Chicago: Giving USA Foundation. See Table A-2 in the Appendix for details about the statistical significance of year-by-year changes in the giving rate.

As our previous brief, Good Intentions, Gap in Action, showed, young Americans have a historically high interest in doing good through activities such as volunteering and giving to charity.<sup>15</sup> Although they may be channeling their energies toward nontraditional or less formal types of engagement, 16 our results suggest that high school and college students are not translating that interest into action by volunteering with organizations. To counteract recent declines, we need to gain a better understanding of what could be causing the downward trends in civic and philanthropic behavior. Our hope is that a better understanding of the attitudes and behaviors of today's young adults will help develop new and innovative policies that reflect the new realities of civic life in 21st century America.

educational attainment is more strongly associated with volunteering than almost any other demographic characteristic. <sup>17</sup> Giving rates also tend to increase with educational attainment, because educational attainment is associated not only with higher income, but also prosocial attitudes and heightened awareness of social needs. <sup>18</sup> In addition, the completion of formal education is widely considered to be a key determinant of adulthood. In fact, respondents to the General Social Survey felt that completing formal education was the single most important indicator of adult status. Sixty-two percent of GSS respondents said it was "extremely important" and only 5 percent said it was "not important" to the definition of adulthood.

### **Higher Education**

We begin our analysis by looking at changes in educational attainment among young adults, and how the relationship between education and giving and volunteering has changed in recent years. Historically,



<sup>&</sup>lt;sup>15</sup> Grimm, Robert T., Jr., and Nathan Dietz. 2018. "Good Intentions, Gap in Action: The Challenge of Translating Youth's High Interest in Doing Good into Civic Engagement." Research Brief: Do Good Institute, University of Maryland. Available at <a href="https://www.publicpolicy.umd.edu/sites/default/files/Good%20Intentions%2C%20">https://www.publicpolicy.umd.edu/sites/default/files/Good%20Intentions%2C%20</a> Gap%20in%20Action\_Do%20Good%20Institute%20Research%20Brief.pdf.

<sup>&</sup>lt;sup>16</sup> See, for instance, "Where have all the volunteers gone?" (May 24, 2019; available at <a href="https://considerable.com/decline-in-volunteers/">https://considerable.com/decline-in-volunteers/</a>) for a description of these "next-generation volunteerism" activities

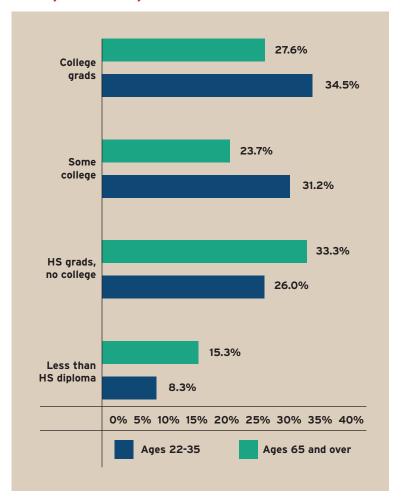
<sup>&</sup>lt;sup>17</sup> Musick, Marc A., and John Wilson (2008). Volunteers: A Social Profile. Bloomington, IN: Indiana University Press, p. 119.

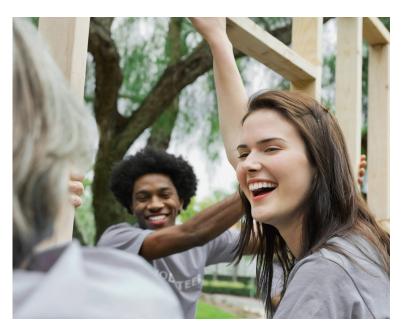
<sup>&</sup>lt;sup>18</sup> Bekkers, R., & Wiepking, P. (2011). "Who gives? A literature review of predictors of charitable giving part one: religion, education, age and socialisation." Voluntary Sector Review, 2(3), 337–365.

Compared to previous generations, today's young adults are much more likely to be college graduates. As Figure 3 shows, in 2015, 34.5 percent of young adults are college graduates while only 27.6 percent of adults aged 65 and over are college graduates. Today's young adults are also significantly more likely to have some college experience: almost two-thirds (65.7 percent) have attended college, compared to slightly more than half (51.3 percent) of adults age 65 and over. While Figure 3 represents differences in educational attainment between two distinct generations, the average education levels of young adults have measurably improved over the past two decades. Table A-3, located in the Appendix, contains annual data on the proportion of all adults and the proportion of young adults (ages 22-35) who have not graduated from high school and who have graduated from college.

Table A-3 shows that young adults have become a significantly better educated group in recent years. The proportion of young adults with college degrees (bachelor's degree or higher) has increased from 28.7 percent to 34.5 percent between 2005 and 2015, while the proportion of young adults who lack a high-school diploma (or the equivalent) has decreased from 13.0 percent to 8.3 percent over the same time period. For adults in general, differences in educational attainment are very strongly associated with differences in volunteering and giving rates. In 2015, for instance, 38.3 percent of adults (aged 16 and over)<sup>19</sup> with college degrees volunteered with one or more organizations, compared to 13.8 percent of adults who had not graduated high school. In 2015, 63.5 percent of adults aged 16 and over with college degrees gave to charity, compared to 20.2 percent of adults without high school diplomas.

Figure 3: Educational Attainment, 2015 Ages 22-35 and Ages 65 and Over





<sup>&</sup>lt;sup>19</sup> The Bureau of Labor Statistics, in its annual brief series *Volunteering in the United States*, reports statistics for four educational attainment categories – less than a high school diploma; high school graduates, no college; some college or associate degree; and bachelor's degree and higher – for adults ages 25 and over. The population statistics for educational attainment reported in this brief cover the entire adult population, ages 16 and over, to match the age range used for other adult-population statistics.

For young adults, both giving and volunteering are very strongly associated with educational attainment. Figures 4 and 5 illustrate the size of the differences in volunteering and giving rates across educational attainment categories, and also the statistical significance of these differences.

For all four educational attainment categories, Figures 4 and 5 contain both the estimated volunteer and

giving rate and the 95 percent confidence interval around each rate. These figures show that young-adult college graduates are significantly more likely (based on the "low" and "high" values, which represent the endpoints of the 95 percent confidence intervals) both to volunteer and to give than young adults who lack college degrees.

Figure 4: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Educational Attainment

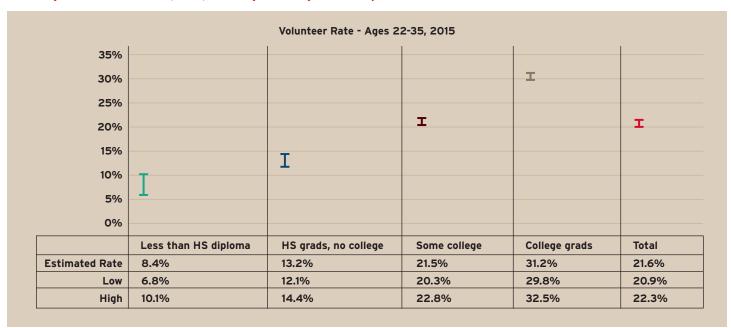
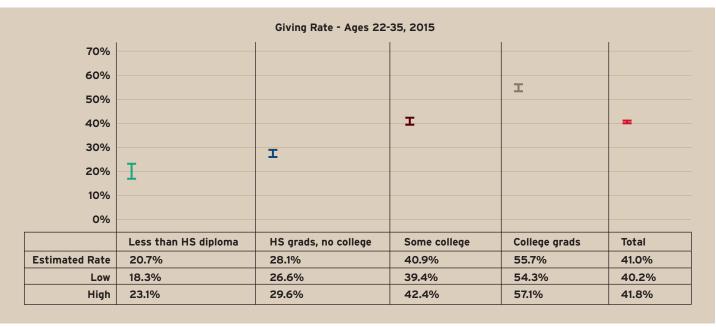


Figure 5: Giving Rates, 2015, for Young Adults (ages 22-35) by Educational Attainment

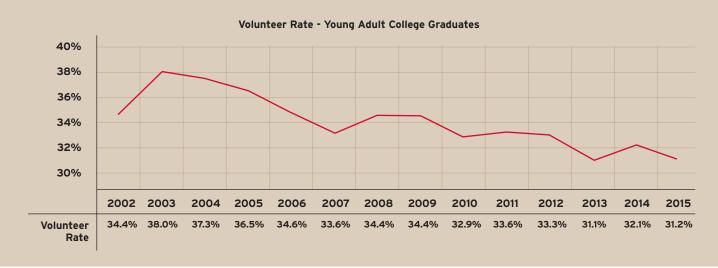


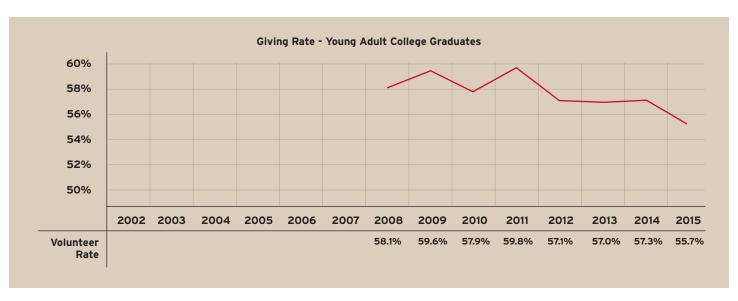
While young adults with four-year college degrees tend to give and volunteer at higher rates than adults with less formal education, young adult college graduates were also volunteering and giving less often in 2015 than in the mid- to late 2000s. Table A-4, in the Appendix, shows the year-by-year changes in volunteering (between 2002 and 2015) and giving (between 2008 and 2015). To assess the long-term change in volunteering between the mid-2000s and the mid-2010s, we compare the 2005 rate with the 2015 rate. The red "-" in the lower right corner of Table A-4 indicates that the 2005-2015 decline in the volunteer rate was statistically significant. Due to data limitations (namely, the unavailability of giving data before 2008), we compare the 2009 and 2015 giving rates to identify long-term changes. Figure 6 illustrates the declines in both the volunteering rate (between 2005 and 2015) and the giving rate (between 2009 and 2015) for young-adult college graduates,

especially after 2012; volunteering among young adult college graduates has declined significantly from a high of 38.0 percent in 2003 to 31.2 percent in 2015 while giving for this group has declined significantly from a high of 59.8 percent in 2011 to 55.7 percent in 2015.

Taken together, the recent trends illustrated in these figures seem to be opposing one another. On one hand, young adults are significantly more likely to earn college degrees than they were in the mid-2000s. Given that college graduates are substantially more likely to volunteer and to give, the increase in the percentage of college-educated young adults should be good news for volunteering and giving nationwide. However, even though the college graduation rate for young adults has increased, both the giving and volunteering rates for college-educated young adults have declined.







### **Employment**

Most GSS respondents believe that having a full-time job is another commonly accepted indicator of the transition from youth to adulthood. At least half of adults believe that having a full-time job (51.5 percent) and being able to financially support a family (50.0 percent) are extremely important indicators of adulthood. Like finishing formal education, only 5 percent of GSS respondents say that being employed is not an important element of the definition of adulthood; only 9.7 percent think that being capable of supporting a family is unimportant for adults.

In general, people who are employed are more likely to volunteer time and give money than those who are unemployed but looking for work, and those who are not in the labor force (not employed, but not looking for work because of retirement, disability, or other reasons).<sup>21</sup> The workplace encourages civic participation by helping people widen their circles of acquaintances and learn more about opportunities to give their time, talent and treasure.

According to 2015 data, among all adults (ages 16 and over), those who are employed volunteer more often (27.2 percent) than people who are unemployed and looking for work (23.3 percent) or not in the labor force (21.4 percent). However, those who work

full-time volunteer less often than those who work part-time (26.3 percent compared to 31.1 percent respectively), which suggests that time constraints sometimes prevent full-time employees from volunteering. Employment – especially full-time employment – is also associated with giving, even after controlling for income and education. The differences in giving rates are even more stark: 55.0 percent for employed adults, 43.9 percent for those not in the labor force, and 34.2 percent for the unemployed. Unlike volunteering, those who work full-time are more likely to give than those who work part-time (56.1 percent compared to 49.7 percent).

For young adults ages 22 to 35, changes in labor force participation during the Great Recession of 2008–2009 have persisted for several years into the economic recovery. As seen in Figure 7,<sup>22</sup> the unemployment rate for young adults increased significantly between 2005 and 2009, but by 2015 it had receded to a level that was not significantly different than in 2005. However, the percentage of young adults who were employed full-time declined significantly between 2005 and 2015; after dropping sharply during the recession, this percentage has not yet fully recovered.



<sup>&</sup>lt;sup>20</sup>Vespa, 2017, Table 1, page 3.

<sup>&</sup>lt;sup>21</sup> The "not in labor force" category includes three subcategories: "retired," "unable to work because of long-term physical or mental illness," and "other." The "other" group includes, for the most part, students and persons keeping house. Persons who report doing unpaid work in a family farm or business for less than 15 hours are also classified as not in the labor force. See the entry for "Labor Force" in the Glossary (Attachment 4, pp. 4-4 and 4-5) in the Technical Documentation for the September 2015 CPS Supplement (<a href="https://www2.census.gov/programs-surveys/cps/techdocs/cpssept15.pdf">https://www2.census.gov/programs-surveys/cps/techdocs/cpssept15.pdf</a>).

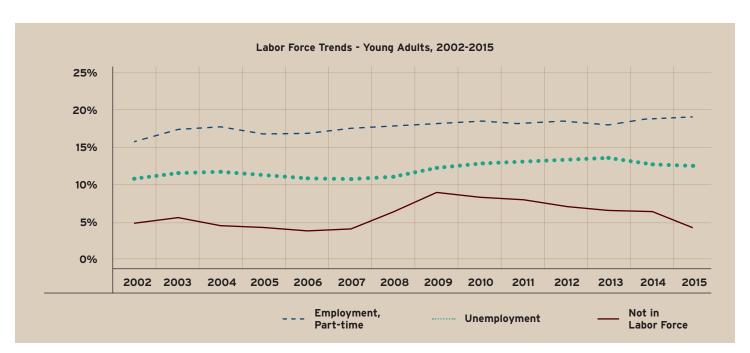
<sup>&</sup>lt;sup>22</sup> Table A-5 in the Appendix contains the trend data displayed in Figure 7.

Meanwhile, although the unemployment rate for young adults has declined after the Great Recession, the data in Figure 7 suggest that underemployment and labor force dislocation (especially young adults who are not working or looking for work) were still problems for many in 2015. The proportion of young adults working part-time significantly increased between 2005 and 2015, and the proportion of young adults not in the labor force was significantly higher in 2015 than in 2005.



Figure 7: Labor Force Trends among Young Adults, 2002-2015





Figures 8 and 9 illustrate the relationship between giving and volunteering rates and employment status in 2015 for young adults, with 95 percent confidence intervals around each estimated rate. Figure 8 shows that young adults who are employed part-time are significantly more likely than any other group to volunteer (25.1 percent), including those who are working full-time (22.0 percent). Meanwhile, young adults who are not in the labor force are significantly

less likely to volunteer (18.6 percent) than young adults who are working. As Figure 9 illustrates, young adults who worked full-time were significantly more likely to give to charity (45.8 percent) than any other group, including those who were employed part-time (39.2 percent). However, young adults working part-time had a higher 2015 giving rate than young adults who were either unemployed (27.8 percent) or not in the labor force (29.8 percent).

Figure 8: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Labor Force Status

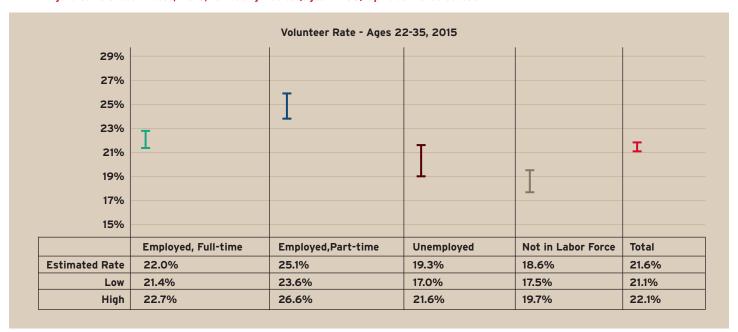


Figure 9: Giving Rates, 2015, for Young Adults (ages 22-35) by Labor Force Status

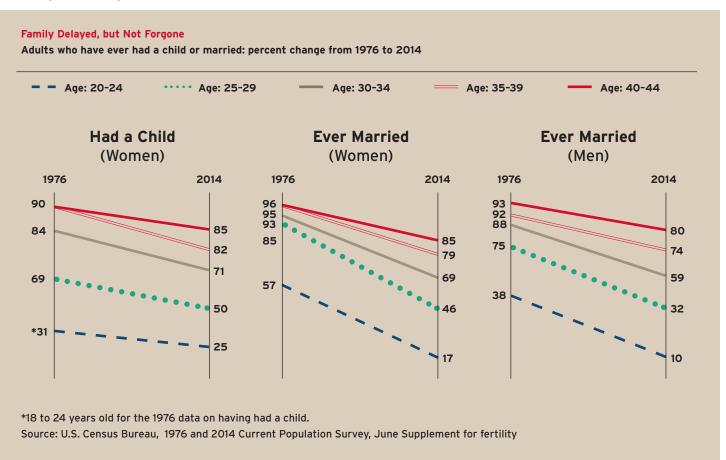
		Giving Rate - Ages 2	2-35, 2015		
50%					
45%	<b>I</b>				
40%		I			
35%		_			I
30%			T	I	
25%			<u> </u>		
20%					
15%					
	Employed, Full-time	Employed,Part-time	Unemployed	Not in Labor Force	Total
Estimated Rate	45.8%	39.2%	27.8%	29.8%	41.0%
Low	45.0%	37.4%	25.2%	28.5%	40.4%
High	46.5%	40.9%	30.4%	31.1%	41.6%

Table A-6 in our Appendix shows that the volunteer rate declined significantly between 2005 and 2015 for almost all young adults, regardless of their employment status. The volunteer rate dropped slightly, but significantly for young adults who worked full-time (24.1 to 22.0 percent), dropped slightly more for those not in the labor force (22.3 to 18.6 percent), and declined dramatically for young adults who worked part-time (31.2 to 25.1 percent). Meanwhile, the giving rate has not changed significantly between 2009 and 2015 for any of these employment groups.

### Marriage

Along with finishing formal education and beginning a full-time job, marriage has traditionally been viewed as a common life choice to mark the transition to adulthood. As Figure 10, which was originally published in the Census Bureau report<sup>23</sup> shows, marriage at an early age was far more common among previous generations than among today's young adults. In 1976, 85 percent of women, and 75 percent of men, ages 35–39, were or had been married before turning 30. By 2014, these percentages had dropped to 46 and 32 percent, respectively. Nonetheless, 85 percent of women and 80 percent of men had been married before turning 45 (in 2014) – indicating that the wide majority of Americans still marry eventually, even though they may do so later in life.

Figure 10: Changes in Marital Status and Parenthood Status, 1976-2014



<sup>&</sup>lt;sup>23</sup> Vespa, 2017, page 5.

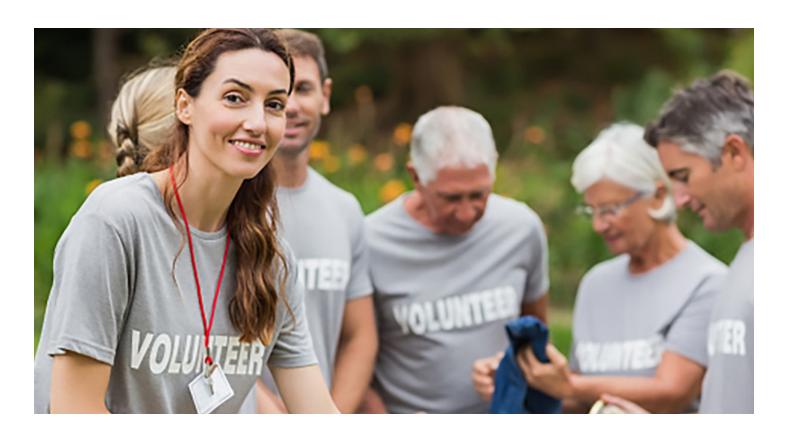
<sup>&</sup>lt;sup>24</sup>Reproduced from Figure 2 in Vespa, 2017, page 5.

Compared to education and employment, few GSS respondents view marriage as an indicator of adult status: only 11.5 percent say that marriage is an "extremely important" indicator of adulthood, while more than half (54.6 percent) say that it is "not important." Many GSS respondents further believe that young adults are well justified in deciding to delay marriage until they are economically secure enough to support a family.<sup>26</sup> Illustrating these trends, marriage among young adults has become significantly less common. Table A-7 (in the Appendix) shows that the percentage of young adults who have never been married has increased by more than 9 percentage points, and that the percentage who are currently married has also declined significantly, from 45.3 percent in 2005 to 38.3 percent in 2015.

Like educational attainment, marital status is strongly associated with volunteering and giving. Being married is one of many indicators associated with high socioeconomic status,<sup>27</sup> all of which tend to be associated with volunteering in empirical

studies. In fact, the volunteer work of married couples seems to be driven less by household economics (in which the higher-salaried spouse works for pay instead of volunteering) than by the tendency of both spouses to respond similarly to volunteer opportunities. Marriage also tends to be positively associated with giving to charity, due in part to the tax implications: married couples who file joint tax returns are more likely to itemize and deduct their charitable contributions. <sup>29</sup>

Nationally, in 2015, all married individuals (ages 16 and over) living with their spouses volunteered at a higher rate (29.9 percent) in 2015 than those who had never married (19.9 percent) and those with other marital statuses (20.2 percent), a group that includes those who have been widowed, divorced, or separated. Married adults were also more likely to give to charity (63.3 percent) than those who had once been married (47.0 percent) and, especially, those who have never been married (30.6 percent).



<sup>&</sup>lt;sup>25</sup> Vespa, 2017, page 4.

<sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup> Smith, D. H. (1994). "Determinants of voluntary association participation and volunteering: A literature review." Nonprofit and voluntary sector quarterly, 23(3), 243-263.

<sup>&</sup>lt;sup>28</sup> Freeman, R. B. (1997). "Working for nothing: The supply of volunteer labor." Journal of Labor Economics, 15(1, Part 2), S140-S166.

<sup>&</sup>lt;sup>29</sup> Wiepking, P., & Bekkers, R. (2012). "Who gives? A literature review of predictors of charitable giving. Part Two: Gender, family composition and income." *Voluntary Sector Review*, 3(2), 217–245.

As Figures 11 and 12 indicate, these differences in volunteering and giving rates are even greater among young adults. The volunteer rate for married people in this age group (27.2 percent) is significantly higher than the rate for those who have never been married (17.9 percent) and for those who are divorced,

separated, widowed, or have some other marital status (19.9 percent). Figure 9 shows that married young adults were significantly more likely to give to charity than young adults who had never been married (54.4 percent vs. 32.3 percent) and those who were formerly married (34.3 percent).

Figure 11: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Marital Status

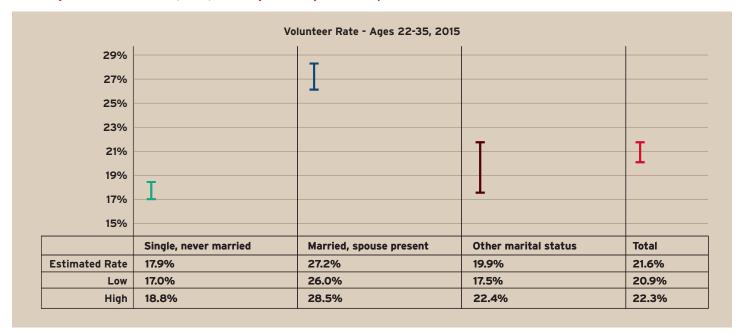
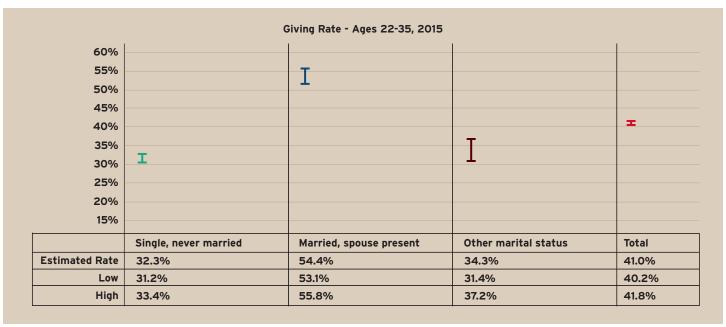


Figure 12: Giving Rates, 2015, for Young Adults (ages 22-35) by Marital Status



As with employment, though, the recent trends in marriage and volunteering among young adults contain a double dose of bad news. Married people are more likely to engage in charitable activities, but the marriage rate for young adults has declined significantly between 2005 and 2015 – and the volunteer rate has also declined significantly among currently-married young adults (see Appendix Table A-8), from 30 percent (2005) to 27.2 percent (2015).

### **Having Kids**

While today's young adults are increasingly likely to wait until later in life to marry, they are also likely to wait to have children - if they have them at all. According to a recent report by the Center for Disease Control, both the overall fertility rate and the number of babies born to women under 30 dropped in 2018. Despite the strength of the national economy, young women gave birth to the fewest number of children in more than thirty years.<sup>31</sup> This statistic parallels a recent trend among young adults ages 22 to 35: between 2005 and 2015, the percentage of young adults living with their own under-18 children declined by a statistically significant amount. As seen in Figure 13 (as well as Appendix Table A-9), 44.0 percent of young adults had their own children in their household in 2005, but that number dropped to 39.8 percent in 2015.

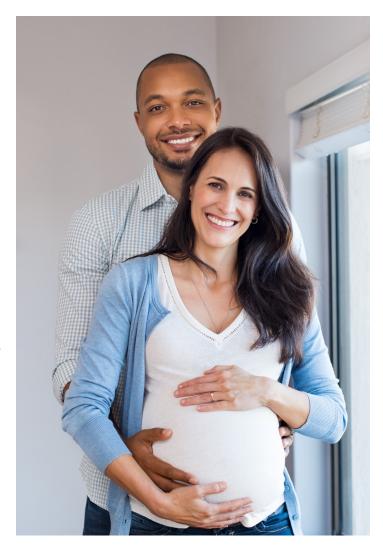
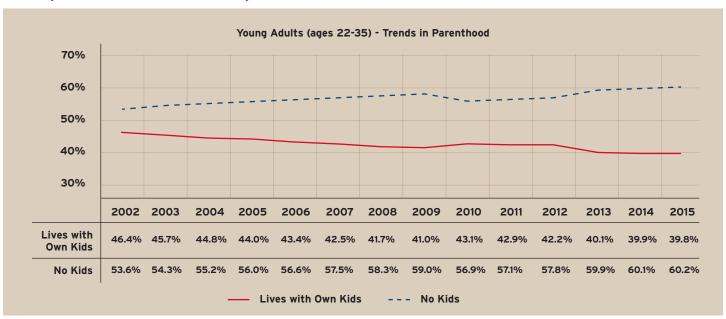


Figure 13: Trends in Parenthood for Young Adults



<sup>&</sup>lt;sup>30</sup> On the other hand, the giving rates of these two groups (young adults who are married and living with their spouses, and young adults who have never been married) have not changed significantly between 2009 and 2015.

<sup>&</sup>lt;sup>31</sup> Johnson, Carla K. 2019. "US births lowest in 3 decades despite improving economy." Associated Press, May 15. Available at <a href="https://apnews.com/0463abca6436472cb44176602078b24f">https://apnews.com/0463abca6436472cb44176602078b24f</a>.

Like being married, having children is strongly associated with both volunteering and giving. Parents often have heightened prosocial values; are likely to experience increased awareness of, and sensitivity to, the needs addressed by charitable organizations; and are more likely to be recruited to volunteer or solicited to donate money.<sup>32</sup> Nationally, the volunteer rate for all parents ages 16 and over<sup>33</sup> was 31.3 percent, compared to 22.6 percent for non-parents in 2015. Giving rates are also higher for all adult parents: 55.8 percent in 2015, compared to 48.1 percent for non-parents.

In 2015, as Figures 14 and 15 indicate, young adults living with their own children were significantly more likely to give and volunteer than non-parents. Young adult parents were more likely, by 3.9 percentage points, to volunteer, and 9.7 percentage points more likely to make a charitable donation, compared to young adults without children. As with a number of the societal changes explored in this report, the U.S. appears to be experiencing two simultaneous negative trends regarding the relationship between parenthood and charitable activities. Parenthood is still strongly (and positively) associated with both giving and volunteering, but fewer young adults are deciding to have children, and volunteering (but not giving) rates have also significantly declined among young adult parents in the last decade<sup>34</sup> (see Appendix Table A-10).



Figure 14: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Parenthood Status

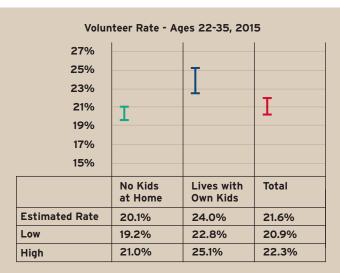


Figure 15: Giving Rates, 2015, for Young Adults (ages 22-35) by Parenthood Status

50%			
45%		I	
40%	_		=
35%	I		
30%			
25%			
20%			
	No Kids at Home	Lives with Own Kids	Total
Estimated Rate	37.1%	46.8%	41.0%
Low	36.0%	45.5%	40.2%
High	38.1%	48.2%	41.8%

<sup>&</sup>lt;sup>32</sup> Wiepking, P., & Bekkers, R. (2012). "Who gives? A literature review of predictors of charitable giving. Part Two: Gender, family composition and income." *Voluntary Sector Review*, 3(2), 217–245.

 $<sup>^{\</sup>rm 33}$  About 27 percent of the total US population age 16 and over are parents, as of 2015.

<sup>34</sup> Appendix Table A-10 has details about the trends in volunteer and giving rates among young adults who live, and don't live, with their own under-18 children.

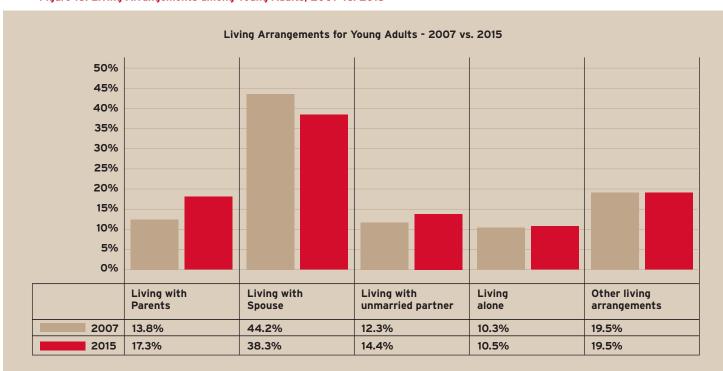
### Living Independently

Living independently – in particular, moving out of the home of one's parents – has traditionally been viewed as one of the most important milestones of young adulthood. As with many of the trends examined in this report, the living arrangements of many young adults have changed dramatically over the last decade. According to the Census Bureau: "In 2005, the majority of young adults lived independently in their own household, which was the predominant living arrangement in 35 states. By 2015, the number of states where the majority of young people lived independently fell to just six."<sup>35</sup>

The Census Bureau report includes a helpful characterization of the living arrangements of young adults that captures both independent living and economic security. The report separates young adults into five mutually exclusive categories based on household composition: living alone, living with a spouse, living with an unmarried partner, living with parents, and other living arrangements (such as living with other relatives or unrelated housemates). Figure 16 shows the proportion of young adults (ages 22 to 35) in each of the five living situations.

Although the data required to create this variable has only been available in the CPS since 2007, certain types of living arrangements have become significantly more or less common among young adults, as seen in Figure 16 (and also Appendix Table A-11). In 2015, young adults were significantly less likely to be living with a spouse than in 2007 (38.3 percent vs 44.2 percent), which reflects the recent decline in the tendency of young adults to marry before age 35. Over the same time period (2007 to 2015), significantly more young adults were choosing to live with their parents and to live with unmarried partners. The proportion of young adults in the other two categories of living arrangements - "Living Alone" and "Other" (which includes living with roommates or family members other than parents or spouses) - did not change significantly between 2007 and 2015.

Figure 16: Living Arrangements among Young Adults, 2007 vs. 2015



<sup>&</sup>lt;sup>35</sup> Vespa, 2017, page 2.

<sup>&</sup>lt;sup>36</sup> Vespa, 2017, pages 17-18.

Figures 17 and 18 show the relationship between the living arrangements of young adults and the likelihood of giving and volunteering. In 2015, young adults who live with their spouses had the highest rates of volunteering (27.2 percent). However, the volunteering rate was almost the same for those who live alone (25.3 percent). Those who live with an unmarried partner were significantly less likely to volunteer (18.2 percent) than either those who lived with spouses or those who lived alone. This group is about as likely to volunteer as young adults who live with their parents (16.1 percent) or with roommates or other family members (also 16.1 percent), statistically speaking.

Figure 18 shows that in 2015, the differences in giving rates paralleled the differences in volunteer rates, with one main exception: young adults who

live alone. Young adults who were married and lived with their spouses were also the most likely to give (54.4 percent). Young adults living alone had the second-highest giving rate, at 40.8 percent. They were significantly more likely to give than young adults who were living with unmarried partners (36.0 percent), but – unlike volunteering – they were significantly less likely to give than those who were married. All three groups were significantly more likely to give to charity than young adults who lived with their parents (29.4 percent) or who lived with roommates or other family members (28.3 percent). For each of the five living arrangement categories, the young adult volunteering and giving rates did not change in statistically significant ways over the past few years (see Table A-12).

Figure 17: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Type of Living Arrangement

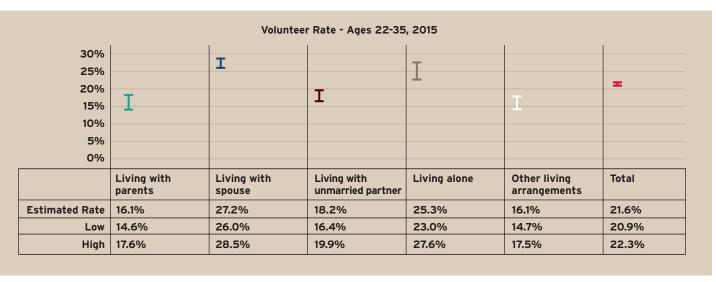


Figure 18: Giving Rates, 2015, for Young Adults (ages 22-35) by Type of Living Arrangement

		Volunt	eer Rate - Ages 22-35	, 2015		
60%		1				
50%						
40%			I	I		=
30%	I					
20%						
10%						
0%						
	Living with parents	Living with spouse	Living with unmarried partner	Living alone	Other living arrangements	Total
Estimated Rate	29.4%	54.4%	36.0%	40.8%	28.3%	41.0%
Low	27.6%	53.1%	33.8%	38.2%	26.5%	40.2%
High	31.3%	55.8%	38.1%	43.4%	30.0%	41.8%

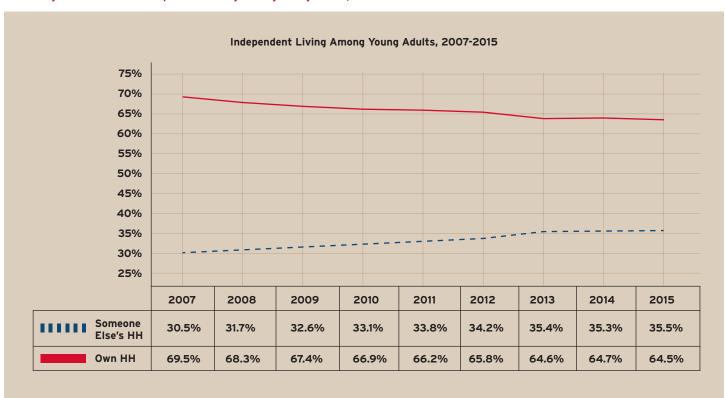
Taken together, the results shown in Figures 17 and 18 suggest that living independently – either being the person who is solely responsible for the household, or sharing that responsibility with one's spouse – is strongly associated with giving and volunteering. Because the CPS asks the primary household respondent to identify the person who owns or rents the housing unit,<sup>37</sup> we can separate young adults who are living independently in their own households from those who are living in someone else's household.

The data shows that almost two-thirds (64.5 percent) of young adults were living independently in 2015. This number includes everyone who lives alone, almost all of those who are married and living with their spouse, less than half (47.5 percent) of those living with unmarried partners, and more than half (55.8 percent) of those who live with unrelated roommates or with family members other than their parents.

Recent trends indicate that fewer young adults in the mid-2010s are living independently, even compared to the mid-2000s. As Figure 18 illustrates, living in someone else's household has become significantly more prevalent among young adults – by five percentage points – between 2007 and 2015, and living independently has become less common.



Figure 19: Trends in Independent Living Among Young Adults, 2007-2015



<sup>&</sup>lt;sup>37</sup> The CPS refers to this person as the "reference person." Although the reference person may not be the primary respondent for the household, the reference person is listed first on the household roster, and roster contains information about the relationship between the reference person and every other household member. We code young adults as "living independently" if they are listed as the reference person, or as the spouse of the reference person.

Figures 20 and 21 illustrate the strong relationship between independent living status and giving and volunteering for young adults. The 2015 volunteer rate is more than ten points higher (25.4 percent compared to 14.8 percent) for young adults who live in their own households, and the giving rate is more than eighteen points higher (47.5 percent versus 28.9 percent).<sup>38</sup>

Figure 20: Volunteer Rates, 2015, for Young Adults (ages 22-35) by Independent Living Status

30%			
25%		I	
20%			I
15%	I		
10%			
5%			
0%			
	Someone else's HH	Own HH	Total
Estimated Rate	14.8%	25.4%	21.6%
Low	13.8%	24.5%	20.9%
High	15.8%	26.3%	22.3%

Figure 21: Giving Rates, 2015, for Young Adults (ages 22-35) by Independent Living Status

60%			
50%		I	
40%		_	-
30%	I		
20%			
10%			
0%			
	Someone else's HH	Own HH	Total
Estimated Rate	28.9%	47.5%	41.0%
_ow	27.7%	46.5%	40.2%
High	30.2%	48.6%	41.8%

### Buying a Home

Finally, we use CPS data on independent living to examine the relationship between giving, volunteering, and homeownership status (renting versus owning) for young adults. The CPS asks respondents whether the household is occupied by the owner(s) or whether the residents pay rent; we use this information to determine whether young adults who live independently (in their own households) are homeowners or renters.

Figure 21 features trend data for the percentage of young adults - excluding those who are living in someone else's household - who are homeowners and renters. The decline in the homeownership rate seen in Figure 22 (and in Table A-15 in the Appendix) is statistically significant (42.0 percent in 2015 versus 51.0 percent in 2007), as is the increase in the percentage who lived in rented living space (47.5 percent in 2007 versus 56.1 percent in 2015). A recent report<sup>39</sup> gives several possible explanations for the decline in homeownership between the mid-2000s and the mid-2010s: "[E]xpanded access to credit contributed to the [homeownership] rate's rise through 2005, and the effects of the Great Recession, in combination with stagnating real wages, student loan debt, tight credit, and subtle changes in attitudes toward homeownership" all contributed to its decline.



<sup>&</sup>lt;sup>38</sup> As seen in Table A-14, the volunteer rate and giving rate have not changed significantly either for young adults living independently or for young adults living in someone else's household.

<sup>&</sup>lt;sup>39</sup> Goodman, Laurie S., and Christopher Mayer. "Homeownership and the American dream." Journal of Economic Perspectives 32.1 (2018): 31–58. Available at <a href="https://www.urban.org/sites/default/files/publication/96221/homeownership">https://www.urban.org/sites/default/files/publication/96221/homeownership</a> and the american dream 0.pdf.

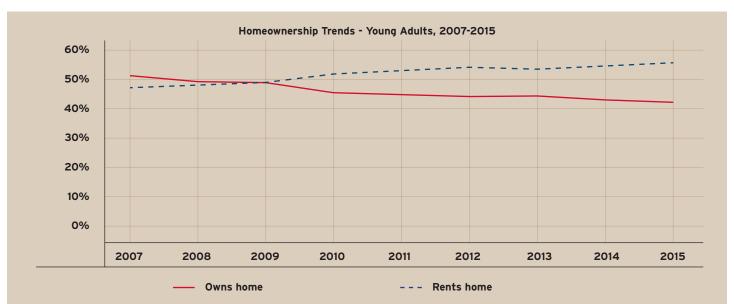


Figure 22: Homeownership Status, 2007-2015, for Young Adults (ages 22-35) Living Independently

The decline in homeownership rates could be related to declines in volunteering and giving. Homeownership tends to signify high socioeconomic status as well as close ties to one's current neighborhood, both of which are likely to encourage greater community engagement. Homeowners are also more likely to give to charity: for many homeowners, their homes also serve as important economic assets,<sup>40</sup> and the mortgage interest deduction encourages many homeowners to file itemized tax returns.

Figures 23 and 24 show that the differences in volunteering and giving rates between homeowners and renters (among young adults who live independently) are large and statistically significant. The 2015 volunteer rate for homeowners was more than 9 points higher (30.5 percent to 21.2 percent) than for renters, and the giving rate is almost 18 points higher (58.0 percent to 39.8 percent). As Table A-16 shows, these rates have not changed significantly for either group in the recent past.

Figure 23: Volunteer Rates, 2015, by Homeownership Status for Young Adults (ages 22-35) Living Independently

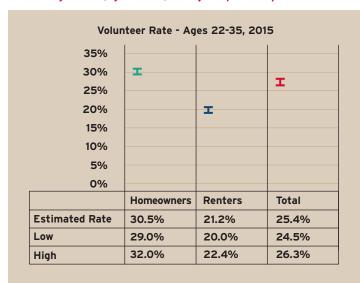
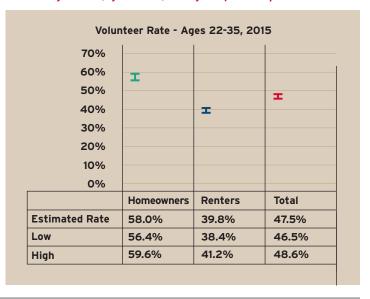


Figure 24: Giving Rates, 2015, by Homeownership Status for Young Adults (ages 22-35) Living Independently



<sup>&</sup>lt;sup>39</sup> Goodman, Laurie S., and Christopher Mayer. "Homeownership and the American dream." Journal of Economic Perspectives 32.1 (2018): 31-58. Available at <a href="https://www.urban.org/sites/default/files/publication/96221/homeownership">https://www.urban.org/sites/default/files/publication/96221/homeownership</a> and the american dream 0.pdf.

<sup>&</sup>lt;sup>40</sup> Rotolo, T., Wilson, J., & Hughes, M. E. (2010, September). "Homeownership and Volunteering: An Alternative Approach to Studying Social Inequality and Civic Engagement." In *Sociological Forum* (Vol. 25, No. 3, pp. 570-587). Oxford, UK: Blackwell Publishing Ltd.



### Conclusion

This brief helps explain why volunteer and giving rates have not risen even as more and more young adults become more civically inclined and better educated. Today, fewer young adults are employed full-time, buying their own homes, and living independently than they were 15 years ago. Growing numbers of young adults are deciding to delay (or avoid entirely) actions such as getting married, having children, and moving out of their parents' house. And while our society's emphasis on completing formal education has resulted in more young adults graduating from college - thereby joining a group that traditionally has great capacity for civic engagement - the volunteer and giving rates for college graduates have actually dropped in recent years.

Many of the trends revealed by our analysis have a common thread. In a period where almost two-thirds of all young adults pursue some form of higher education, and a college degree has become more necessary for professional advancement, young adults are facing far greater challenges in financing

their higher education. Data recently released by the National Center for Educational Statistics<sup>41</sup> show that the average amount borrowed by undergraduate college students who expect to finish their degrees has increased by more than 50 percent (after adjusting for inflation) over the last twenty years. In addition, recent data suggests that fewer college students are likely to finish college in four years,<sup>42</sup> which further increases the costs of attaining a degree. Student loan debt may also be responsible in part for the decline in marriage rates according to a 2019 study.<sup>43</sup> Another recent study<sup>44</sup> suggests that college graduates with student loans are more likely to take part-time work, regardless of the geographical location or the connection to their career goals, to pay down their debt. This tendency may also be contributing to the "brain drain" seen in rural communities, as students feel the need to leave their hometowns and college communities - and the social networks and community attachments they have built there - to start their careers.

<sup>&</sup>lt;sup>41</sup> National Center for Educational Statistics (2019). "Changes in Undergraduate Program Completers' Borrowing Rates and Loan Amounts by Age: 1995–96 Through 2015–16." Publication NCES 2019437; released August 20, 2019. Available at <a href="https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019437">https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019437</a>,

<sup>&</sup>lt;sup>42</sup> Bound, J., Lovenheim, M. F., & Turner, S. (2012). "Increasing time to baccalaureate degree in the United States." Education Finance and Policy, 7(4), 375-424.

<sup>&</sup>lt;sup>43</sup> Addo, F.R., Houle, J. N., & Sassler, S. (2019). "The Changing Nature of the Association Between Student Loan Debt and Marital Behavior in Young Adulthood." *Journal of Family and Economic Issues*, 40(1), 86-101.

<sup>44</sup> Gervais, M., & Ziebarth, N. L. (2019). "Life after Debt: Postgraduation Consequences of Federal Student Loans." Economic Inquiry, 57(3), 1342-1366.

<sup>&</sup>lt;sup>45</sup> Board of Governors of the Federal Reserve (2019). "Consumer & Community Context." January. Available at <a href="https://www.federalreserve.gov/publications/2019-january-consumer-community-context.html">https://www.federalreserve.gov/publications/2019-january-consumer-community-context.html</a>.

Student loan debt can only explain a portion of what we observe, given that more than one-third of young adults have never attended college. Besides increasing levels of college debt, the Great Recession may have influenced the recent cohort of young adults' perceptions of economic security and their subsequent life choices. The Census report suggests that the changing economic circumstances of the 2010s have had more impact on some young adults than on others. For instance, the proportion of young men earning less than \$30,000 has increased from 25 to 41 percent between 1975 and 2016, and the median income of working women aged 25-34 has risen over the same time period from \$23,000 to \$29,000 (after accounting for inflation), although the workforce wage gap between young men and women still remains. 46 More recent data suggests a brighter outlook among young adults: a recent poll suggests that today's young adults feel much more optimistic about their career prospects and personal economic circumstances. 47 In addition, recent statistics published by the Bureau of Labor Statistics indicate that workforce participation has increased for those aged 16 to 24 between 2015 and 2018.48 Nonetheless, declines in marriage and parenthood rates suggest that many young adults are bypassing or delaying a oncecommon on-ramp to civic engagement.

Even a rebound in the homeownership rate may not drive the historically expected, measurable changes in volunteering and giving rates among young adults. In 2018, the national homeownership rate increased for the first time in four years, apparently spurred by an increase in the number of older millennials (who are now in their mid- to late 30s) who bought homes after years of renting. 49 While these older millennials may make up for lost time after becoming homeowners, and start to volunteer and give more, other results suggest that these changes may not be immediate or inevitable. For instance, the recent decline in volunteer rates in suburban and rural areas suggests that homeownership – even in communities where most people own their homes – may be less likely to lead to civic participation compared to the past.

Overall, one could say that for today's young adults, life is simply getting in the way of volunteering, giving, and otherwise engaging more civically. As today's young adults grow older, more financially stable, and more closely connected to their communities, their volunteering and giving rates may improve. Young adults frequently need to gain experience and build strong community ties before they become important contributors to civic activities. They also need awareness of opportunities and encouragement to participate in philanthropic activities. For now, however, many of the trends among young adults that we report in this brief should raise red flags about the future of charitable behaviors in the United States.



<sup>&</sup>lt;sup>46</sup> Vespa 2017, p. 2. Incomes for both years are in 2015 dollars.

<sup>&</sup>lt;sup>47</sup> Harvard Kennedy School Institute of Politics. 2019. "Spring 2019 Harvard IOP Youth Poll Results." Available at <a href="https://iop.harvard.edu/about/newsletter-press-release/spring-2019-harvard-iop-youth-poll-results">https://iop.harvard.edu/about/newsletter-press-release/spring-2019-harvard-iop-youth-poll-results</a>.

<sup>&</sup>lt;sup>48</sup> Bureau of Labor Statistics news release, August 18, 2018, "EMPLOYMENT AND UNEMPLOYMENT AMONG YOUTH — SUMMER 2018." Available at <a href="https://www.bls.gov/news.release/pdf/youth.pdf">https://www.bls.gov/news.release/pdf/youth.pdf</a>. Unlike the employment and unemployment rates, which are calculated using only those who are in the labor force (working or looking for work), the employment-population ratio includes those who are not in the labor force in the denominator (i.e., the "population").

<sup>&</sup>lt;sup>49</sup> See https://www.housingwire.com/articles/48317-homeownership-rate-rises-to-four-year-high-as-millennials-are-finally-buying-homes for details.

<sup>&</sup>lt;sup>50</sup> Where are America's Volunteers?, page 11.

### **Data and Measurement**

### CPS Volunteer Supplement (2002-2015)

The Current Population Survey (CPS) is a monthly survey of about 55,000 households that has been conducted for more than 50 years. The CPS is the primary source of information on the labor force characteristics of the U.S. population.<sup>51</sup> The Current Population Survey's Supplement on Volunteering (Volunteer Supplement), which was conducted every September between 2002 and 2015 by the U.S. Census Bureau for the Bureau of Labor Statistics with support from the Corporation for National and Community Service, serves as the primary source of data for this report.

The CPS Volunteer Supplement began by asking respondents two primary questions about their activities in the preceding twelve months:

This month, we are interested in volunteer activities, that is activities for which people are not paid, except perhaps expenses. We only want you to include volunteer activities that (you/NAME) did through or for an organization, even if (you/he/she) only did them once in a while.

Since September 1st of last year, (have you/has NAME) done any volunteer activities through or for an organization?

Sometimes people don't think of activities they do infrequently or activities they do for children's schools or youth organizations as volunteer activities. Since September 1st of last year, (have you/has he/has she) done any of these types of volunteer activities?

The respondent was counted as a volunteer if he or she answered "yes" to either of these two questions. Most of the follow up questions on the Volunteer Supplement were devoted to details about respondents' volunteer service: which organizations they volunteered with (respondents can name up to seven organizations), what type of organizations they served with, how many hours they volunteered at each organization, how they became acquainted with their primary organization (the one where they served the most hours), and what types of activities they performed at their primary organization.

In 2006, in recognition of the limitations of only studying formal volunteering, two long-standing and extensively used questions on civic engagement – attending public meetings where community affairs were discussed, and working with neighbors to fix or improve something – were added to the Volunteer Supplement. In 2008, a third question – about donating to charity – was added:

During the (previous year), did [you or anyone in your family] donate money, assets, or property with a combined value of more than \$25 to religious or charitable organizations?

This question is the first of several questions about charitable contributions that have been added to the Panel Study of Income Dynamics (PSID), a nationally representative longitudinal study that has collected data from a national sample of families and households for over forty years. The PSID data are used for the landmark Philanthropy Panel Study (PPS), which has been conducted by Indiana University's Lilly Family School of Philanthropy since 2002. Given the space considerations on the CPS, none of the PPS follow-up prompts, including questions about the amount contributed or the type of organization receiving the contribution, were added along with this question.

Most of the Figures in this brief are based on annual data from the 2002-2015 CPS Volunteer Supplements. In each case, the statistics are calculated using weights that account for the sample design, population characteristics, and nonresponse to the baseline labor force survey and the Volunteer Supplement. To measure year-to-year changes, we use formulas that accounts for the 50 percent overlap between CPS Volunteer Supplement samples to calculate confidence intervals around the difference statistics. Details about the procedures we use can be found in the Census publication "Source and Accuracy of Estimates for Income and Poverty in the United States: 2016 and Health Insurance Coverage in the United States: 2016." 52

<sup>&</sup>lt;sup>51</sup> For more information about the CPS, please visit: <a href="http://www.census.gov/cps/">http://www.bls.gov/cps/</a> (accessed February 21, 2018).

<sup>&</sup>lt;sup>52</sup> This publication is available at <a href="https://www2.census.gov/library/publications/2017/demo/p60-259sa.pdf">https://www2.census.gov/library/publications/2017/demo/p60-259sa.pdf</a>.

## Definition and Measurement of Terms

The monthly CPS labor force survey instrument is the source of data for the demographic variables used in the analysis, including educational attainment ("highest level of school completed or degree received"); labor force status and part-time/full-time employment (where full time employment is defined as 35 or more hours worked during a typical week); homeownership ("are your living quarters (1) owned or being bought by a household member; (2) rented for cash; (3) occupied without payment of cash rent"); marital status; and parenthood (living with own children ages 18 or under). For details about the CPS labor force survey, see (for instance) the documentation for the September 2015 volunteer supplement.<sup>53</sup>

We borrow the measurement of the living arrangements variable from the Census report on young adults:<sup>54</sup>

- Living with spouse: Any young adult who lives with a spouse, regardless of whether anyone else is present in the household (e.g., parents, roommates, other family members).
- Living in parents' home: The young adult is reported as the child of the householder and is not living with a spouse or cohabiting partner. Estimates include college students who are living in dormitories.
- Living alone: The young adult is the only person living in the household.
- Living with unmarried partner: The young adult lives with an unmarried partner, and is not located in one of the first three categories. Children may or may not be present in the household. The estimate relies on a direct question asking about the presence of unmarried partners, including all cohabiting partners, regardless of whether they are the householder.
- Other living arrangements: All living arrangements that were not already covered, including people who were living with relatives other than a spouse, such as siblings or grandparents, as well as nonrelatives such as roommates.

### September 2017

### **CPS Supplement**

Footnote 3 in the text refers to the September 2017 CPS Supplement on Volunteering and Civic Life, which contained questions on volunteering with an organization and donating to charity. The 2017 Supplement questionnaire changed the wording for both the volunteering and the giving questions, which makes it difficult to compare statistics from the 2017 supplement with statistics from the 2002–2015 supplement.

In the 2015 survey (as on the surveys from 2002 through 2015), the preamble to the Volunteer Supplement was:

This month, we are interested in volunteer activities, that is, activities for which people are not paid, except perhaps expenses.

We only want you to include volunteer activities that (you/NAME) did through or for an organization, even if (you/he/she) only did them once in a while.

The volunteer prompts were the first two questions on the survey:

- (S1) Since September 1st of last year, (have you/has NAME) done any volunteer activities through or for an organization?
- (S2) Sometimes people don't think of activities they do infrequently or activities they do for children's schools or youth organizations as volunteer activities. Since September 1st of last year, (have you/has he/has she) done any of these types of volunteer activities?

People were only asked S2 if they said no to S1; a person was coded as a volunteer if they said yes to either S1 and S2.

In 2017, the preamble was:

This month, we are interested in Volunteering and Civic activities, that is how people in America interact with and relate to each other, as well as how we work together to make changes in our communities and country.

<sup>&</sup>lt;sup>53</sup> This publication is available at <a href="https://www2.census.gov/programs-surveys/cps/techdocs/cpssept15.pdf">https://www2.census.gov/programs-surveys/cps/techdocs/cpssept15.pdf</a>.

<sup>&</sup>lt;sup>54</sup>Vespa, 2017, pages 17-18.

The volunteering prompts were near the end of the survey:

(S16) [In the past 12 months,] did [you/[NAME]] spend any time volunteering for any organization or association?

(S17) Some people don't think of activities they do infrequently or for children's schools or youth organizations as volunteer activities. In the past 12 months (have you/has she/has he) done any of these types of activities?

Volunteers were coded the same way as before, based on their responses to these two questions.

The overall response rate for the September 2017 Volunteering and Civic Life Supplement was much lower than was observed during 2002-2015. The likelihood, based on prior research on the estimation

of volunteer rates,<sup>55</sup> is that the lower response rate probably resulted in an upward bias on the estimated volunteer rate. In addition to the lower overall response rate - which was caused by the fact that CPS households are just less likely to decide to answer the questions on the supplement than they were in previous years - it is likely that nonresponse bias was also introduced by the placement of the volunteer questions on the 2017 survey. As respondents progressed through the survey, nonresponse became increasingly frequent on the later questions, potentially because the nonrespondents found the questions about family life and social activities too intrusive. If these dropouts were also less likely to be volunteers, then the placement of the volunteer questions on the 2017 supplement contributed to the upward bias on the estimated volunteer rate.



<sup>&</sup>lt;sup>55</sup> Abraham, Katharine G., Sara Helms, and Stanley Presser. "How social processes distort measurement: The impact of survey nonresponse on estimates of volunteer work in the United States." *American Journal of Sociology* 114, no. 4 (2009): 1129-1165. Available at <a href="https://www.journals.uchicago.edu/doi/pdfplus/10.1086/595945">https://www.journals.uchicago.edu/doi/pdfplus/10.1086/595945</a>.



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