

WORKING PAPER SERIES

Work, Welfare, and the Informal Economy: An Examination of Family Livelihood Strategies in Rural Pennsylvania

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RPRC Working Paper No. 06-06

February, 2006

Rural Poverty Research Center

<http://www.rprconline.org/>

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* This research was made possible by the generous grant support of the Rural Sociological Society, the Penn State Alumni Association, and the College of Agricultural Sciences, The Pennsylvania State University, and fellowship support from the Rural Policy Research Institute (RUPRI), Rural Poverty Research Center (RPRC). The author alone is responsible for any substantive or analytic errors.

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Abstract

Drawing on data from a survey of family households in nonmetropolitan Pennsylvania, this paper examines how rural families combine participation in the formal labor market, government assistance programs, and informal economic activities (for cash, barter, and savings) to make ends meet. Overall, the results show that participation in a varied livelihood strategy is widespread. The results show greater formal labor force participation among higher income families, and greater participation in assistance programs among lower income families. Engagement in the informal economy, however, is shown to differ little by household income. Implications for future research and efforts aimed at poverty alleviation and community development are then discussed.

Keywords: informal economy; livelihood strategies; rural poverty

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Introduction

Formal employment has traditionally offered families in rural areas less protection from poverty. Rural workers earn lower wages (Economic Research Service, 2000) and suffer higher rates of working poverty (Economic Research Service, 1995; Lichter, Johnston, & McLaughlin, 1994) and other forms of underemployment (Jensen et al., 1999; Lichter & Costanzo, 1987; Slack & Jensen, 2002) than do their urban counterparts. The problem of inadequate employment is underscored by the fact that the rural poor tend to rely more heavily on income generated from formal employment and less on Public Assistance than is true among the urban poor (Jensen & Eggebeen, 1994). However, an exclusive focus on formal labor market outcomes may overstate the level of economic deprivation in rural areas. It is often assumed that one of the virtues of rural life is the ability to maintain economic self-sufficiency by engaging in a wide range of informal economic activities. These activities include performing unrecorded work for money, bartering and participating in other forms of non-monetary exchange, and engaging in activities done primarily for the purpose of savings or self-provisioning.

Informal work in its various forms is, of course, not unique to rural areas. There is growing recognition that the informal economy constitutes “a major structural feature of society, both in industrialized and less developed nations” and that contrary to past assumptions it may actually be growing in “significance with the development of the modern world” (Portes, Castells, & Benton, 1989, p. 1). Indeed, the uncertainties and social dislocation brought about by globalization and economic restructuring have heightened this awareness. These processes have lead many to question not only the changing relationship between formal work and economic

well-being in advanced capitalist nations, but also how informal work factors into family livelihood strategies (Portes et al., 1989; Tickamyer & Bohon 2000).

This paper aims to contribute to this understanding by examining the livelihood strategies pursued by families in rural Pennsylvania. More specifically, this paper describes how families combine work in the formal labor market, participation in assistance programs, and informal work in order to make ends meet. Throughout special attention is paid to how the combination of these activities differs between higher and lower income families. The paper concludes with a discussion of implications for policy and practice aimed at poverty alleviation and community development.

Conceptual and Theoretical Considerations

Defining the Informal Economy

The social science literature is marked by a considerable lack of consensus as to how the informal economy ought to be conceptualized and measured. Castells and Portes (1989, p. 12) offer that the informal economy is “characterized by one central feature: *it is unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated*” (original italics). However, beyond this point of general agreement there are widely divergent ideas as to what types of activities constitute participation in the informal economy. Indeed, Tickamyer and Wood (2003, p. 395) state that “typically, informal activity is defined by what it is not: it is not part of the formal economy; it is not regulated; it is not counted in official statistics and national accounting schemes.”

As summarized by Tickamyer and Bohon (2000), there are many dimensions around which conceptual definitions of the informal economy differ. For example, some conceptualize the informal economy as referring strictly to unregulated economic exchanges done to generate

cash income. However, others cast the net more widely to include various forms of barter (e.g. “I’ll trade you these vegetables for that gravel” or “If you watch my kids, I’ll fix your car”). Still others include activities done for savings or self-provisioning (e.g., growing food for home consumption). There are also different approaches to handling the questionable legal status of many informal economic activities. That is, should the informal economy include activities that are overtly criminal, or only include licit activities, or at least activities that would be licit were they conducted within context of state regulation? Various combinations of these dimensions have been used in past studies to define informal work.

In the analysis that follows I draw upon the method developed by Tickamyer and Wood (1998, 2003) which distinguishes between three broad categories of informal economic activity: unreported or "under the table" exchanges for money; barter and other forms of nonmonetary exchange; and activities done to self-provision or save money. Those activities that would be considered illegal were they undertaken in the formal sector are not included. This approach is elaborated further in the discussion of the research methodology.

The Informal Economy in Rural America

While not unique to rural areas (Tickamyer & Wood, 2003), there are theoretically compelling reasons to believe that informal activities may play a particularly important role in the livelihood strategies of rural households (Jensen et al., 1995; Slack & Jensen, 2005). First, to the extent that informal economic activities are utilized as a substitute for adequate formal sector opportunity, such activities should be particularly important to those living in rural areas. Second, in the absence of economies of agglomeration, areas with low population density may lack access to essential services, necessitating the development of and reliance on informal alternatives (Levitan & Feldman, 1991). Third, the availability of natural resources differentially impacts the

character of informal alternatives available to rural households (Jensen et al., 1995; Nelson & Smith, 1999). And fourth, to the extent that engagement in such activities depends on strong social networks and long held traditions, the *gemeinschaft* relations thought to be more typical of rural areas should make rural life more conducive to participation in the informal economy (Levitan & Feldman, 1991; Toennies, 1957). Indeed, research has shown informal work to figure prominently in the livelihood strategies of rural families across such diverse contexts as Appalachia (Duncan, 1992) the Ozarks (Campbell et al., 1993), Wisconsin (Ziebarth & Tigges, 2003), New York (Fitchen, 1981; Levitan & Feldman, 1991), Pennsylvania (Jensen et al., 1995; Slack & Jensen, 2005), and Vermont (Nelson & Smith, 1999).

Poverty and the Informal Economy

Much of the scholarly attention devoted to understanding the informal economy has focused on the relationship between social class and participation in informal work. Research in this vein has centered on two broad, but interrelated questions: (1) what is the relationship between poverty and participation in the informal economy; and (2) what is the relationship between formal and informal labor supply? The first question concerns whether participation in the informal economy ought to be viewed primarily as a survival strategy of the poor, or rather as an economic strategy pursued by a broader segment of the social class hierarchy. The second question hinges on whether the informal work ought to be understood primarily as a substitute for or complement to formal labor market participation.

It is often assumed that the informal economy is primarily the province of the poor, and research has provided evidence supporting this idea. For example, in a study of low-income families in the Ozarks, Campbell, Spencer and Amonker (1993, p. 46) found that the more income families could generate in the formal economy, the less they relied on informal economic

activities – “people participated in the use of such tactics by necessity.” However, others caution that while informal work may indeed provide an important recourse for many poor families, it should not be viewed strictly as a refuge for the economically marginal. Castells and Portes (1989, p. 12) argue that “the informal economy is not a set of survival activities performed by destitute people on the margins of society...[it] is not a euphemism for poverty. It is a specific form of relationships of production.” Jensen, Cornwell, and Findeis (1995) provide empirical support for this view. Their study of informal work in rural Pennsylvania shows that while the prevalence of informal work does generally decrease as family income increases, those with the lowest incomes are actually the least likely to engage in informal work. Indeed, it is important to note that many informal activities require the very types of capital that the poor often lack (i.e., physical, financial, human, and social capital).

It is also often assumed that formal and informal work act as substitutes. Duncan (1992) revealed this dynamic in a study of livelihood strategies in Appalachia, finding that when people were left without adequate formal sector employment, they turned to informal work to make ends meet. However, other studies suggest that formal and informal work may actually serve as complements. Jensen et al. (1995) found a positive relationship between formal household labor supply and the probability of participation in the informal economy. Similarly, Nelson and Smith (1999) report that households headed by adults with “good jobs” (stable, higher paying jobs with fringe benefits) are more likely to engage in informal economic pursuits than are households headed by those with “bad jobs” (less stable, lower paying jobs with poor fringe benefits, if any at all). These studies suggest that those who are better positioned in the formal economy are better positioned to underwrite informal endeavors as well.

METHODOLOGY

This project collected data in two stages. In the first stage, in-depth interviews were conducted with members of low-income families from across rural Pennsylvania to provide personal accounts of livelihood strategies. In the second stage, data were collected using a telephone survey to provide a representative account of the livelihood strategies undertaken by families in rural Pennsylvania, paying special attention to the circumstances of those with low-incomes. In this paper I focus on results from the survey data, though it is worth noting that this project generally, and the development of the survey instrument specifically, benefited greatly from heeding the advice to "listen first before you ask" (Fitchen 1990, p. 16).¹ Conducting the in-depth interviews prior to the survey not only provided richer context and depth to the study, it also helped to clarify questions and open new lines of inquiry.

To date, little quantitative data has been collected to examine the patterns and dynamics of informal work. One of the primary reasons for this neglect has been the assumption that the topic is not amenable to survey research, because respondents will be unable or unwilling to answer questions on the subject (Tickamyer & Wood, 1998, 2003). Conceptually, of course, the informal economy does not occupy a prominent place in everyday consciousness, so people often fail to recognize the extent of their participation. Furthermore, because the line between the informal and illegal is often a blurry one, respondents may be unwilling to be forthcoming as to their full involvement. However, recent studies by Jensen et al. (1995) and Tickamyer and Wood (1998, 2003) have demonstrated that surveys can be used effectively to study informal work. Tickamyer and Wood (1998, 2003), in particular, have advocated the use of telephone surveys as a means of answering important questions concerning the forms and prevalence of informal economic activity (Tickamyer & Wood, 1998, 2003). Telephone surveys hold several

advantages over other survey techniques, including lower cost, easier accessibility to a broad population, time efficiency, and greater respondent anonymity. In addition, Random Digit Dialing (RDD) techniques make it possible to target samples based on the demographic characteristics of local telephone exchanges, such as income.

Drawing on the methodologies developed in these past studies (Jensen et al., 1995; Tickamyer & Wood, 1998, 2003), survey data were collected using a telephone survey of nonmetropolitan (nonmetro) Pennsylvania family households in May, 2004.² The survey was administered by the Penn State Survey Research Center using Computer Assisted Telephone Interviewing (CATI). The survey instrument covered a broad range of livelihood strategies including formal and informal work, and participation in assistance programs, as well as other sociodemographic information. Prenotification letters, including a \$1 cash incentive, were mailed to names and addresses matching the telephone numbers in the sample (sampling is discussed in more detail below). To be eligible for the study, the household was required to have 2 or more individuals related by blood, marriage, or adoption living in the household. Among eligible households, one adult was randomly selected to be the respondent. If the respondent was unable to complete the survey at the time they were reached, a more convenient time was scheduled to call back and complete the survey. This method yielded 476 completed surveys and a response rate of 52 percent.

Sampling

A sample was desired that would be representative of families in rural Pennsylvania, but that would also feature an oversampling of low-income families. To this end, a random sample of listed telephone numbers was drawn, distributed proportionately across nonmetro Pennsylvania. Using a predictor of household income derived from a multiple regression analysis of both

individual household data and data at the block group level, the sample was pulled in two separate income groups, oversampling for families with low-incomes. Weights were then calculated and applied to the data to adjust for sample stratification.³

Table 1 presents selected data from the sample and compares it to data from the 2000 Census. Adults in the sample are older, more likely to be female, better educated, and less attached to the labor force. The sample is predominately white, which matches closely with the data from the Census. Due to the sampling strategy, the sample has a greater share of low-income families than is shown by the Census data. Respondents in the sample are less likely to be married, than is reflected by the Census, though the number of unmarried in the sample is likely inflated because respondents were not necessarily the householder (i.e., the respondent could be an adult child living in a married couple household). Households in the sample are less likely to have children present, but are of the same median size.

[Table 1 about here]

Measuring Informal Work

Following the approach used in previous survey research (Jensen et al., 1995; Tickamyer & Wood, 1998, 2003), respondents were asked about the participation of household members in particular tasks to measure involvement in informal economic activities. The preamble read: "I'm going to read a list of extra work some people do to help make ends meet. You or others in your household might be doing one or more of these things to save your family money, earn extra money, or in exchange for something else. Again, we're interested in things people in your household are doing to help make ends meet. We ask that you do not include something done purely for recreation or as a hobby." Thirteen closed ended questions followed that asked if, in

the past 12 months, any member of the household had participated in a specific informal economic activity.⁴

Data Analysis Strategy

In the analysis that follows I begin by examining the participation of adult household members in the formal labor market. I then explore the prevalence of participation in various assistance programs, followed by descriptive statistics outlining engagement in informal economic activities. Last, I examine how households combine formal work, participation in assistance programs, and engagement in informal economic activities as part of their livelihood strategy. Throughout, the unit of analysis is the household, and special attention is paid to differences between higher and lower income households. Higher income households are defined as those earning an annual household income of \$25,000 or more, while lower income families are defined as those earning an annual household income below \$25,000.⁵ This is admittedly a rather crude comparison. Unlike the official poverty thresholds this cutoff does not adjust for family size or composition. However, it does provide a basis upon which to compare livelihood strategies by income. Indeed, for most families in the sample it is a more generous cutoff than that defined by the U.S. government; \$25,122 was the average poverty threshold for a family of *six* in 2004 (U.S. Census Bureau, 2005).

RESULTS

Formal Employment

Table 2 shows the mean percentage of adult family members in the sample by employment status. Overall, an average of 43.3 percent of adult family members were working full-time (35 hours/week or more), 16.1 percent were working part-time (less than 35 hours/week), and 41.9

percent were not currently working in the formal labor market. That is, most adults in the sample were working in the formal labor market, and among working adults more were doing so full-time than part-time. It should be noted that these numbers also include elderly-only households (i.e., households where all adult members are 65 years of age or older). When the analysis is restricted to exclude elderly-only households formal labor market participation increases to 50.3 percent of adult family members working full-time, 17.8 percent working part-time, and 33.4 percent not working (data not shown).

[Table 2 about here]

Table 2 also compares the employment status of adults in families earning an annual household income of less than \$25,000 and those earning an annual household income of \$25,000 or more. Not surprisingly, lower income families are shown to have a significantly smaller share of adults working in the formal labor market on a full-time basis (13.5 percent versus 55.0 percent), and a significantly greater share of those not participating in the formal labor market (62.0 percent versus 31.9 percent) as compared to higher income families. However, lower income families are also shown to have a significantly greater percentage of part-time workers than is true among higher income families (25.1 percent versus 15.2 percent). When elderly-only households are excluded from the analysis formal labor market attachment increases among both income groups, though the same statistically significant differences remain.

It is, of course, not at all surprising that higher income families would show greater formal labor supply. However, it should be noted that not all nonworking adults necessarily prefer this status; this group also includes those who are currently unemployed or on layoff as well as those who would like to be working, but have grown discouraged with their prospects

and ceased looking for work. The same point holds true concerning part-time work. While a significantly greater share of adults in lower income families reported working part-time, this does not necessarily reflect a preference for fewer hours. Indeed, research has shown that the problems of underemployment by low hours, unemployment, and discouragement are a persistent problem in rural America (Jensen et al., 1999; Lichter & Costanzo, 1987; Slack & Jensen, 2002).

Assistance Programs

Table 3 shows the percentage of families reporting participation in various governmental assistance programs. Overall, 43.0 percent reported participating in some type of assistance program. The most common of these was Unemployment Insurance (17.4 percent), followed by Medicaid (13.5 percent) and Public Assistance (11.8 percent).

Table 3 also compares program participation among families earning an annual household income of less than \$25,000 and those earning an annual household income of \$25,000 or more. Not surprisingly, a significantly greater share of lower income families reported participation in assistance programs as compared to higher income families (68.5 percent versus 39.4 percent). Lower income families were significantly more likely to receive Public Assistance, food stamps, Medicaid, Section 8 housing, energy assistance, child care assistance, reduced school meals, and other types of assistance. The receipt of Unemployment Insurance was actually greater among higher income families, likely reflecting the greater labor force attachment among this group, though this difference was not statistically significant.

[Table 3 about here]

Informal Economic Activities

Table 4 shows the percentage of families reporting the participation of household members in informal economic activities. The percentages presented in the first row of the table represent the percentage reporting participation in any type of informal work, and the remainder of the table presents the percentage reporting participation in particular informal economic activities. Overall, 46.4 percent of the sample reported participation in some type of informal work. The most common informal economic activities were household repair (18.1 percent), participating in garage sales and flea markets (15.4 percent), yard work and landscaping (15.1 percent), and snow removal (14.7 percent). Overall, the mean number of informal economic activities reported was 1.3, while among those reporting at least one activity the mean number of informal economic activities was 2.7. The maximum number of informal economic activities reported by any household was 10.

[Table 4 about here]

Table 4 lends support to those who argue that the informal economy is not simply a survival strategy pursued by the poor. There are very few statistically significant differences between higher and lower income households in terms of participation in informal economic activities. In fact, the only two activities that do show a statistically significant difference by household income are raising animals/growing produce and gathering/cutting firewood. Interestingly, both of these activities show significantly greater levels of participation among higher income households. The mean number of activities reported overall (1.2 versus 1.5), among those reporting participation in at least one informal economic activity (2.4 versus 2.9), and the maximum number of activities reported (7 versus 10) also suggest greater levels of

participation among higher income families. That said, none of these differences were statistically significant.

Family Livelihood Strategies

Table 5 shows how families combine formal work, informal work, and participation in assistance programs as part of a broader livelihood strategy. Overall, the most common livelihood strategy pursued by families in the sample was to participate in formal work alone (23.9 percent).

However, not far behind is the combination of formal and informal work and participation in assistance programs (21.4 percent). While only slightly fewer still combined formal and informal work, but did not participate in assistance programs (18.3 percent). A similar pattern holds among higher income households. However, among lower income households the combination of formal work, informal work, and participation in assistance programs is the most common livelihood strategy (22.5 percent). This is followed by equal shares who report combining formal work and assistance programs and those who report living on assistance programs alone (15.7 percent). These results illustrate the varied nature of livelihood strategies, and underscore the need to conceptualize such strategies more broadly to include not only formal work and assistance programs, but informal economic activities as well.

[Table 5 about here]

CONCLUSION AND IMPLICATIONS

This paper provides a descriptive overview of the livelihood strategies used by families in rural Pennsylvania, including participation in the formal labor market, assistance programs, and the informal economy. Overall, the results show that participation in a varied livelihood strategy is widespread. Not surprisingly, the results show greater formal labor force participation among

higher income families, and greater participation in assistance programs among lower income families. Engagement in the informal economy, however, is shown to differ little by household income. The results presented here suggest that the informal economy is not simply a refuge for those on the economic margins, but rather a specific form of economic relationships undertaken by a much broader segment of the population. Indeed, these results reinforce the need for social scientists, policymakers, and community development practitioners to conceptualize livelihood strategies more broadly and to recognize their varied nature.

This study builds upon past research that has utilized a survey approach for studying informal work (Jensen et al., 1995; Tickamyer & Wood, 1998, 2003), and further demonstrates the feasibility of such methods. However, like previous studies, this project involved a targeted sample in a single state. Adding questions addressing informal economic activities to large-scale surveys would provide more representative information on the prevalence and scope of such activities across larger populations and among demographic subgroups. Further, the ability to track trends in informal economic activity over time would allow for a better understanding of the linkages between the formal and informal sectors as well as how social and economic change influences participation in the informal economy.

This research holds a number of implications for public policy aimed at poverty alleviation and community development. Working poverty and others forms of underemployment have long been a troubling characteristic of rural America (Economic Research Service, 2000; Economic Research Service, 1995; Jensen et al., 1999; Lichter & Costanzo, 1987; Lichter, Johnston, & McLaughlin, 1994; Slack & Jensen, 2002). Concern over employment adequacy has heightened since the welfare reform bill of 1996. Seeking to address concerns over welfare dependency, the Personal Responsibility and Work Opportunity

Reconciliation Act (PRWORA) of 1996 ended the nation's largest cash assistance program (Aid to Families with Dependent Children [AFDC]) as an entitlement, and replaced it with time-limited assistance (Temporary Assistance to Needy Families [TANF]) and an emphasis on encouraging work and marriage as the best ways to reduce poverty and increase self-sufficiency. Thus, the economic well-being of the poor is increasingly dependant on their prospects in the formal labor market. Therefore, a primary focus of policymakers must be on filling the gaps between what formal employment provides and what families need.

There are a number of straightforward ways in which policymakers might address this gap, including raising the minimum wage, expanding the Earned Income Tax Credit (EITC), and making a greater commitment to the provision of work supports (Bernstein, 2004). Raising the minimum wage and expanding the EITC serve to increase the incomes of working families, while also encouraging work greater effort. Work supports, such as subsidies for transportation and childcare, provide important assistance to those working on the economic margins, as do subsidies less directly tied to work, such as those aimed at offsetting housing and health care costs. These types of supports are particularly important to the growing numbers of nonstandard workers (i.e., those who are not full-time, full-year employees), who rarely receive fringe benefits from their employers.

The informal economy presents policymakers and community development practitioners with a paradox (Thetford and Edgcomb, 2004). Some see informal economic activities in a negative light. Such activities, by definition, operate outside the regulatory control of the state, and thus rarely comply with environmental, health, safety, or labor standards, or the payment of taxes. In this sense the informal economy can be seen as posing a threat to well-being and a drain on public coffers. However, the informal economy can also be viewed in a positive light in

so far as it provides needed goods, services, and income, particularly for low-income families and underserved communities. The central challenge for policymakers and community development practitioners is to craft programs that encourage the positive contributions of the informal economy, while discouraging its downsides (Thetford and Edgcomb, 2004).

Programs aimed at encouraging micro-entrepreneurship, such as micro-credit and micro-enterprise initiatives, are important methods through which capital and business development services can be provided to informal entrepreneurs. In some cases such initiatives may serve to facilitate the movement of informal entrepreneurs into the formal economy, thus creating locally owned and operated businesses with strong connections to their communities. In other cases such initiatives may aid the endeavors of informal entrepreneurs, but formalization may be neither the desired nor the appropriate outcome. Indeed, it is important that community development practitioners “treat informal economic activity as valid and valuable in its own right, and not exclusively as a stepping stone to formal employment” (Ratner, 2000, p. 17). If the goal of community development is to take the all of a community’s assets into account and think creatively about various development options, practitioners must broaden their perspective to consider the role the informal economy can play in that process (Ratner, 2000; Thetford & Edgcomb, 2004). In the end, the work of developing sustainable communities and sustainable livelihoods requires building relationships that help bridge the divisions of social class and the other social cleavages that divide our communities to encourage and extend opportunities for exchange and participation, including that which takes place in the informal economy.

NOTES

¹ See Slack and Jensen (2005) for a more in-depth discussion of the qualitative interviews.

² Metropolitan (metro) and nonmetropolitan (nonmetro) areas are a county-level classification defined by the Office of Management and Budget (OMB). The definition of metro and nonmetro counties used in this study was based on data from the 1990 Census, the most current classifications at the time of the project. According to this classification scheme metro areas contain (1) core counties with one or more central cities of at least 50,000 residents or with a Census Bureau-defined urbanized area (and a total metro area population of 100,000 or more), and (2) fringe counties that are economically tied to the core counties. Nonmetro counties are outside the boundaries of metro areas and have no cities with as many as 50,000 residents. For the purpose of this paper, the terms rural and nonmetro are used interchangeably.

³ Weights were calculated to yield a representative sample of nonmetro Pennsylvania family households. Population estimates were obtained from the 2000 Census Summary File 3 (SF3) for this set of counties, including number of persons in the household, household income, and age of the householder. The distributions in the sample were compared to these population figures and weights were calculated for each of these characteristics. These were then combined into a single weight for each household and applied to the data to adjust for the oversampling of low-income households.

⁴ A list of the specific informal economic activities asked in the survey and the percentage reporting each is shown in Table 3. For an in-depth discussion of this approach to measuring informal work see Tickamyer and Wood (1998).

⁵ Data on annual household income was either refused by or unknown by approximately 24 percent of those surveyed. Data from these households are included in the overall numbers, but are excluded from the income specific comparisons.

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Table 1: Comparison of selected sample characteristics with 2000 census data

Variable	Sample*	2000 PUMS 5%
<u>Individual</u>		
Gender (%)		
Male	46.0	49.3
Female	54.0	50.7
Race/Ethnicity (%)		
White	96.5	96.8
Black	0.7	1.0
Hispanic	2.2	1.2
Other	0.5	1.0
Education (%)		
Less than high school	11.0	18.6
High school	46.0	47.9
More than high school	43.0	33.5
Employment (%)		
Working	51.4	65.2
Not working	48.7	34.8
Median age	51.0	45.0
<u>Household</u>		
Household income (%)		
Less than \$25,000	24.1	20.3
\$25,000 - \$49,000	37.4	37.5
\$50,000 or more	38.5	42.3
Family structure ^a (%)		
Married	71.4	83.1
Unmarried	28.6	16.9
Children present (1 or more)	47.5	59.9
Median household size	3.0	3.0

Note: 2000 Census data is restricted to family households. For both data sets data on individuals are restricted to those aged 18 and older. Data from the sample are restricted to those providing valid responses. Percentages may not sum to 100 due to rounding.

^a Information on marital status is limited to the respondent.

* Individual N=1010; Household N=476

Table 2. Mean percent of adult family members by employment status

Employment status	Total	Annual household income	
		Less than \$25,000	\$25,000 or more
Full-time	43.3	13.5 *	55.0
Part-time	16.1	25.1 *	15.2
Not working	41.9	62.0 *	31.9
Number of unweighted cases	476	111	250

Note: Statistical significance determined by t-tests.

* $p < .05$

Table 3. Percent participating in assistance programs

Means tested program	Total	Annual household income	
		Less than \$25,000	\$25,000 or more
Any program	43.0	68.5 *	39.4
Public assistance	11.8	34.4 *	6.0
Food stamps	7.1	27.0 *	2.5
Medicaid	13.5	29.9 *	9.2
Women, Infants, and Children (WIC)	6.7	8.9	7.0
Unemployment Insurance	17.4	14.4	20.4
Section 8	1.6	8.9 *	0.0
Energy assistance	7.1	25.6 *	2.1
Child care assistance	2.8	9.0 *	1.1
Reduced school meals	11.1	33.3 *	5.3
Other assistance programs	9.8	20.2 *	8.4
Total program participation (mean)			
Total sample	0.9	2.2 *	0.6
Among those with 1+	2.1	3.2 *	1.6
Number of unweighted cases	476	111	250

Note: Public assistance includes receiving income from TANF, General Assistance, or SSI. Statistical significance determined by chi-square and t-tests.

*p < .05

Table 4. Percent participating in informal economic activities

Informal Activity	Total	Annual household income	
		Less than \$25,000	\$25,000 or more
Any informal activity	46.4	47.8	51.1
Household repair	18.1	18.9	21.8
Personal service	11.7	5.6 *	14.0
Raise animals/grow produce	3.0	3.4	3.2
Raise, board, or tend non-farm animals	1.2	1.1	1.4
Crafts/sew	7.1	4.4	8.8
Garage sale/flea market	15.4	17.8	17.0
Gather/cut firewood	8.2	2.2 *	12.3
Sell or trade clothes, car parts, etc.	10.4	16.9	10.5
Bookkeeping/ typing	6.4	3.4	7.4
Yard work/landscaping	15.1	13.3	18.0
Snow removal	14.7	13.3	17.2
Car repair/mechanical	9.8	7.9	12.3
Other informal activity	3.6	6.7	2.5
Total activities reported (mean)			
Overall	1.3	1.2	1.5
Among those with 1+	2.7	2.4	2.9
Maximum number reported	10	7	10
Number of unweighted cases	476	111	250

Note: Statistical significance determined by chi-square and t-tests.

*p < .05

Table 5. Percent combining livelihood strategies

— Total —				
Informal economic activities				
	Yes		No	
	Assistance programs		Assistance programs	
	Yes	No	Yes	No
Formal work				
Yes	21.4	18.3	12.4	23.9
No	3.6	3.2	5.7	11.6
— Annual household income less than \$25,000 —				
Informal economic activities				
	Yes		No	
	Assistance programs		Assistance programs	
	Yes	No	Yes	No
Formal work				
Yes	22.5	5.6	15.7	7.9
No	14.6	5.6	15.7	12.4
— Annual household income \$25,000 or more —				
Informal economic activities				
	Yes		No	
	Assistance programs		Assistance programs	
	Yes	No	Yes	No
Formal work				
Yes	24.3	23.6	11.6	26.4
No	2.5	1.0 ^a	8.1	2.5

^a Based on count of less than 5.