

Chapter 5

Family, Work, and Benefits for Hispanic Women

In the last chapter we documented the extent of benefit disadvantage among Hispanic males and showed the particularly precarious situation of Mexican-origin men. The data make it clear that those disadvantages result from multiple sources including human capital deficits and labor market factors that confine large numbers of Hispanic male workers to low-paying jobs in construction, agriculture, and the service sector and in small firms that do not offer health or retirement benefits. In this chapter we examine the situation of adult Hispanic women and ask how their access to benefits is affected by marriage, as well as their own employment. For women, and especially for those whose culture places great value on the family and defines a woman's core roles as those of wife and mother, dependency on a male partner is common. Yet given limited earnings and the lack of benefits among Hispanic males, for many Hispanic women marriage is no guarantee of economic security or access to health insurance or retirement income. As is the case for lower class African-American women, for a large fraction of Hispanic women the traditional male-breadwinner model of family economic security no longer operates, if indeed it ever did, and the future marriage market for Hispanic females may operate very differently than it has in the past. For women in general, their unique economic vulnerabilities can be traced in large part to the fact that the employment-based benefit system that emerged after World War II in the United States was firmly based on the male-breadwinner model of family economic security. That model, which was historically precarious for lower class women, has become increasingly unreliable in assuring a family's economic security.

In the idealized traditional family the male partner's role is to serve as the primary or sole breadwinner while his wife remains home to manage the house and raise the children (Moen and Roehling 2004). Although the reality of family life has changed profoundly and the number of single-parent households has increased among all racial and ethnic groups, the male-breadwinner model continues to form the basis of many social welfare policies as well as public expectations. The two-parent family is still the ideal in the public mind, and for traditionalists it remains the optimal if not the only environment in which to successfully raise children. The fact that a single parent must often assume the full financial burden of the household without anyone to share domestic and childrearing tasks gives some credence to this value judgment. There can be little doubt that the earnings disadvantage faced by single women

greatly increases the potential stressors associated with single motherhood. Despite the desire to preserve the traditional two-parent family, though, demographic and social realities have changed and are unlikely to return to what they were.

Today women enter the labor force at rates almost as high as those of men and younger women are as career oriented as their male peers. Increasingly, women do not expect marriage to assure their own or their children's economic well-being. As the new social reality of marriage and family takes hold, women must face the fact that an adult female's role set includes that of worker in addition to that of parent. Women who do not work or those who exit and reenter the labor force in response to family needs lose both earnings and benefits, as well as the continuity and potential mobility of a career. Women are simply finding that by choice or necessity they need to work. Yet as is the case for men, the economic rewards of work can be limited. Those rewards depend on many individual and job-related factors as well as on gender-based labor force factors that result in lower earnings for women than for men. In 2002 non-Hispanic white women earned on average 78.2% of what non-Hispanic men earned. Perhaps because of the more limited earnings capacities of minority men, in that same year African-American women earned 90.2% of what African-American men earned and Hispanic women earned 88.2% of what Hispanic men earned (Bureau of Labor Statistics 2003). Women, therefore, face many of the same challenges as men to economic security through work, with the added disadvantage of a gender-based wage penalty. As we will show, this gender-based penalty interacts with a minority penalty to place Hispanic women in a particularly disadvantaged position.

The ethnicity penalty is revealed by the fact that the earnings of employed Mexican-origin women are considerably lower than those of non-Hispanic white and African-American women. In 2000 African-American women earned 95% of what non-Hispanic white women earned but Mexican-origin women earned only 60% as much (Duncan et al. 2006). These low earnings among Hispanic women are largely accounted for by the foreign-born; while native-born women earn 84% of what non-Hispanic white women earn, foreign-born women earn only 37% as much. There can be little doubt, then, that gender, minority group status, and nativity each represent important dimensions of disadvantage, and in combination they clearly define the most vulnerable individuals in our society. Although an upper middle class non-Hispanic white professional woman may experience gender-based disadvantages in terms of promotion and income, she is in a very different situation than a foreign-born Hispanic domestic worker who works for minimum wage if she is lucky. If one adds single motherhood to this pool of factors, the result is an even more precarious economic profile and one in which a large fraction of children, and especially minority children, find themselves today. In 2007, 58% of African-American, 28% of Hispanic children, and 19% of non-Hispanic children were growing up in a female-headed household (U.S. Census Bureau 2008b). For single women with children, work or welfare or both are the only options for even minimal economic security. Unfortunately, given the labor force disadvantages that women with little education face, work is often a dead end. For African-American women the average level of education is 12.9 years and for

non-Hispanic white women it is 13.7 years (Everett et al. 2007). The average educational attainment of Mexican-origin women is less than high school among the native-born and just 9 years for the foreign-born. For many of the foreign-born, the little education they have was often obtained in Mexico and may have been of low quality.

Nonetheless, because they are often the sole providers for their families, African-American women have historically worked and they have had more continuous labor force attachment than non-Hispanic white women (Yoon 1996). Unlike professionals, poor women who take marginal jobs do not work for self-fulfillment or satisfaction, they do so of necessity. Many Mexican-origin women work out of financial necessity because the low earnings of Mexican-origin men are inadequate to support large families, even if the supposed cultural norm for Hispanic women is that of homemaker (Moreno and Muller 1996). For minority women, work and family life are interconnected in new and evolving ways that reflect a new social reality.

The social reality of marriage and family is changing in ways that do not bode well for the traditional family form, even among Hispanics. Although the traditional family form lies at the core of many people's conception of an orderly society the cultural, economic, and social forces that supported the traditional family in specific cultural and historical contexts are under extreme stress in our modern globalized world. In traditional peasant societies, such as those characteristic of Mexican villages in the not too distant past, marriage was a cultural imperative and large families was the norm to which one had no choice but to conform. In such societies men provided a minimal level of economic support through basic agrarian and other subsistence activities. The stability and stasis of such a cultural arrangement have been torn asunder by rural to urban and international migration. In the urban environment and in more modern societies, a man's ability to provide materially takes on a new meaning. To provide for his family a male must negotiate the urban labor market, a task that is very difficult if one has little education and is not fluent in the language. In order to thrive in urban Mexico or in the United States, basic peasant-level skills or productivity are not enough, and true economic security requires more education, skills, and the ability to deal with complex social organizations. As time passes, and as Hispanic families adopt the norms of the new urban environment, women may find that the men whom they might have married as the result of social convention are no longer desirable since they cannot provide economic security.

Yet even as gender roles change and as the traditional family declines, our basic vision of the economic role of marriage has only recently begun to adjust to this new reality. In the traditional view of marriage a woman marries early in life and remains married to the same male until one member of the couple dies. During her childrearing years a wife depends on her husband's income and family health insurance policy for economic security and health care. After age 65 she enjoys the security that the couple's accumulated assets and her husband's retirement plans provide. Although she may have worked temporarily, the primary source of her income, her health-care coverage, and her retirement security are her husband's employment. In the traditional view, family and not work define a woman's role set.

This idealized life course based on early and continuous marriage to a single partner is increasingly irrelevant for large segments of the female population. Indeed, for many women married to men with low earnings capacities, including a large fraction of Hispanic and African-American women, marriage never has provided financial security. Today the increase in the number of women who cannot depend on marriage for financial security is growing. This growth comes from several sources with which most of us are familiar. A growing number of women never marry or have children; others never marry the fathers of the children they do have; yet others divorce, often more than once. Even when they do marry, though, for many women marriage provides little real economic security or access to benefits. A husband with high earnings and good benefits may provide his wife a comfortable and secure life; a husband with a low earnings capacity and no benefits cannot provide that same comfort or security. Let us examine some of the demographic and social changes in family and work that affect Hispanic and other minority women in today's world.

The Decline of the Family

The changing nature of the family represents a cultural shift of monumental proportions and is the reason why we devote a separate chapter to women's access to benefits. In earlier times we might well have approached the issue of benefit coverage as a family matter and examined only the male breadwinner's access to health insurance and retirement coverage. Such an approach is no longer reasonable since many women find themselves responsible for their own and their family's economic security and access to health care. The fact that women are responsible for children and the home makes the analysis of their employment behavior and access to benefits more complicated than is the case for men. Changing marital and family realities mean that a woman's source of income and social benefits can change with her marital status and her own employment, potentially several times during her lifetime. Understanding women's economic situation generally, then, requires the simultaneous examination of her family and work roles.

Although increasing rates of marital disruption are a major cause of increased female employment, women's entry into the labor market has also been fueled by a general increase in consumption levels (Coontz 2000). Owning a home, two cars, and all of the material accessories that have come to define a middle-class American lifestyle increasingly requires two incomes. For lower class women and their families simply making do often represents a daunting challenge. Although many women work simply to supplement household income, a growing number do not see their work as only temporary or supplemental. This commitment to a career is reflected in the dramatic increase in the number of women who earn professional degrees. Between 1979–1980 and 2005–2006 the number of women doubled earning professional degrees, from 3,486 to 7,555 in law and 7,555 to 20,843 in medicine (National Center for Education Statistics 2007a). Today, more than half of students admitted to law schools and medical schools are women and women are taking

their places in government, academia, and business (National Center for Education Statistics 2007a). Women are also assuming a greater responsibility for their own retirement and health benefits. Yet for many women, and especially minority women, work is no guarantee of an adequate income or benefits. While highly educated professional women have access to retirement and health plans, poorly educated women who work in the low-wage service sector usually do not. Despite the growing number of women with their own benefit coverage, marriage continues to represent a major source of economic well-being and access to health benefits for a large fraction of women (Moen and Roehling 2004; Meyer and Herd 2007). Women with little education and no specialized skills have limited employment opportunities. In addition, institutionalized gender role expectations place women at a disadvantage relative to men in terms of access to benefits and increase their reliance on a male breadwinner (Pascall and Lewis 2004; Orloff 1993). Unfortunately, for minority women that breadwinner is very often limited in what he can provide.

The changing demographic and social reality that is rapidly transforming marriage and family life has especially significant implications for minority women, including Hispanic women. Minority status interacts with gender to place Hispanic and African-American women at elevated risk of economic insecurity throughout life. Although one might argue that minority group status trumps gender as a dimension of disadvantage or vice versa, there can be no doubt that together, gender, race, and Hispanic ethnicity form the major dimensions of labor market segmentation and economic vulnerability in the United States today. The cumulative disadvantage that the combination of minority group status and female gender entails has serious negative consequences not only for a woman's economic well-being but also for her physical and mental health as well as that of her children. An inadequate income and a lack of health insurance not only increase health risks but undermine a woman's ability to obtain care for herself and her family. This serious interactive impact of gender and minority status on women's and children's well-being is rooted in a long history of minority exclusion in the United States as well as institutionalized gender-based economic disadvantages that interact with race and Hispanic ethnicity to undermine access to health care and retirement security for minority women.

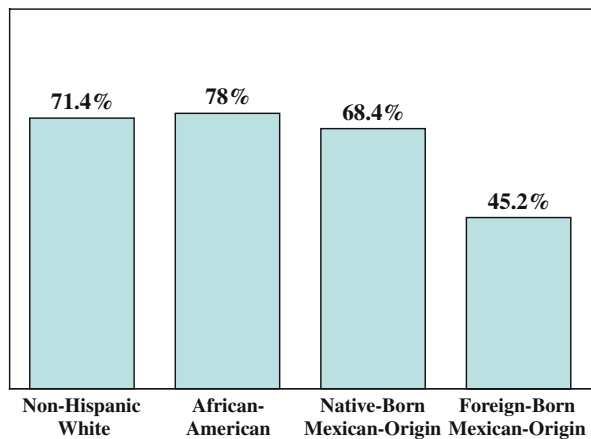
As we did for men in the last chapter, we pay particular attention to the labor force situation of Mexican-origin women. Our justification for focusing on Mexican-origin women is the same as it was for focusing on Mexican-origin men; at all ages the Mexican-origin population has by far the highest level of income insecurity and the lowest rate of benefit coverage of any racial or ethnic group in the United States (Escarce and Kapur 2006). In addition, cultural norms associated with familism and masculine dominance that are often held to be characteristic of Mexican culture may exaggerate gender-based differences and further weaken the occupational options of Mexican-origin women (see Vandello and Cohen 2003). The core question we address, then, is whether Hispanic women's marital and family statuses influence their employment experiences, and ultimately their health insurance coverage and retirement security.

Gender, Hispanic Ethnicity, and Access to Benefits

Since they are for the most part employment benefits, access to retirement plans and health insurance depends upon the quality of one’s job. Almost by definition, a good job is one that provides not only a good salary but also benefits. Access to adequate health care and a secure retirement, then, depends on possessing the human capital that qualifies one for a good job and a career. Given the important role of marriage in securing benefits for women, access to benefits depends on a husband’s human capital as well as that of his wife. As we saw in the last chapter, for Hispanics as a whole and Mexican-origin families in particular, low levels of human capital are a major barrier to adequate benefits. Low levels of human capital limit the type of jobs for which many Hispanics qualify. Minority women face an elevated risk of inadequate benefit coverage for several reasons, including their own often limited human capital. As we will see, Mexican-origin women are disproportionately confined to low-wage occupations that do not offer coverage and they are more likely than non-Hispanic white women to be married to men who do not have benefit coverage.

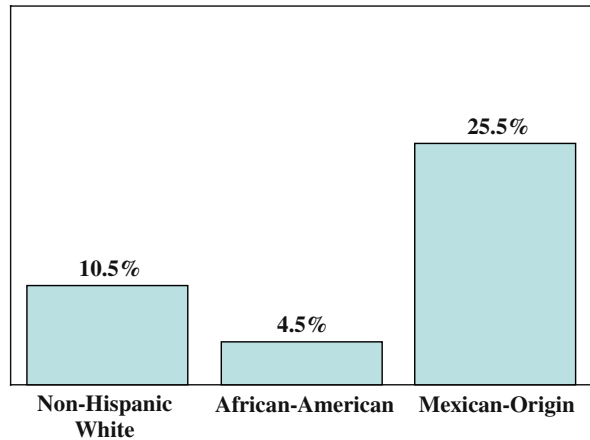
Figure 5.1 shows that among women aged 25–64 years African-Americans are the most likely to be employed with 78% in the civilian labor force, followed closely by non-Hispanic white women at 71.4%, native-born Mexican-origin women at 68.4%, and finally, foreign-born Mexican-origin women at 45.2%. Again reflecting their more traditional domestic roles, employment rates are far lower among foreign-born Mexican-origin women than among the native-born; while 68.4% of native-born women are in the labor force, only 45.2% of foreign-born women are employed.

Figure 5.1 Employed women aged 25–64 years by race, Mexican ethnicity, and nativity, 2006
Source: Current Population Survey (2004, 2006).



The more traditional orientation of Mexican-origin women is revealed in Fig. 5.2, which shows that Mexican-origin women are especially likely to stay at home to raise children. As a result of higher fertility, Hispanic women put in fewer years at work and lose out on years of paying into a retirement plan (Laudale and Oropesa 2007). Fertility cannot wait and occurs during the prime working years, resulting in

Figure 5.2 Stay-at-home mothers by race, Mexican ethnicity, and nativity, 2006
Source: Current Population Survey (2004–2006).

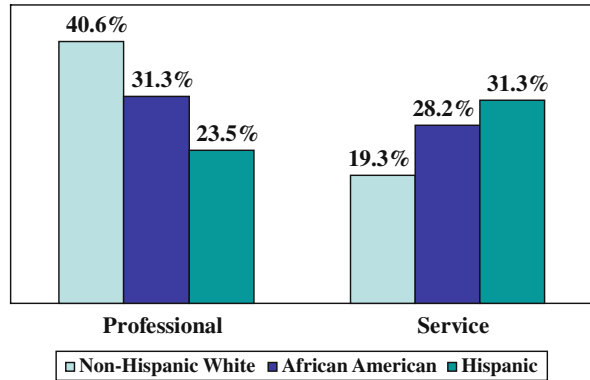


an inevitable tradeoff between having children and working. The types of work that women with little education qualify for do not offer the maternity leaves that professional women can often rely upon. Women who choose to take time out to raise children, or who are forced to do so by necessity, lose those prime working years and when they return to the workforce they do so at the same level at which they left, often with obsolete skills, giving them even less opportunity to save. Given the limited work opportunities available to many of these women, their own employment is unlikely to compensate for the economic weakness of marriage. Few of the service sector jobs for which they qualify are likely to provide even minimal benefit packages that include a retirement plan. These sources of vulnerability in conjunction with the increasing longevity among the Mexican-origin population may result in women outliving their savings or the meager assets they and their spouse were able to accumulate.

Figure 5.3 shows, compared with non-Hispanic white and African-American women, Hispanic women are overrepresented in benefit-poor service occupations. In 2008, they are also less likely than African-American and non-Hispanic white working women to belong to unions (10% versus 13.3 and 11.1%, respectively) (Bureau of Labor Statistics 2009c). Because undocumented Mexican women have limited opportunities to work in the formal sector, most find informal employment in which benefits do not exist (Hondagneu-Sotelo 1997). Even when they work Hispanic women, and especially Mexican-origin women, are less likely than non-Hispanic women to work in occupations that offer benefits. Given their low levels of education, it is not surprising that Mexican-origin women are far less likely than non-Hispanic white women and even African-American women to be employed in management and professional occupations (Santos and Seitz 2000).

This economic and benefit disadvantage among Hispanics begins early in life and continues into old age. As we showed earlier, Mexican-origin individuals are the least likely of any racial or ethnic group to have health insurance at all ages. Mexican-origin children are far less likely to be insured than non-Hispanic white,

Figure 5.3
Professional/Service Sector
Employment by
Race/Ethnicity
Source: Current Population
Survey, 2008.



African-American, or other Hispanic children (Angel et al. 2007; Hamilton et al. 2006). Forty-five percent of Mexican-origin adults have no health insurance, compared with 25% of Cuban-Americans, 23% of Puerto Ricans, 24% of African-Americans, and 13% of non-Hispanic whites (Angel et al. 2007). Mexican-origin families are far more likely than other families to have incomplete family coverage, a situation in which some members are covered but others are not (Angel et al. 2007; Amey et al. 1995). In the years prior to retirement, older Mexican-origin adults continue to have lower rates of coverage than other groups and after retirement they are less likely to have supplemental Medigap health insurance to cover the costs that Medicare does not pay (Angel and Angel 1996). The situation is especially problematic for married women with husbands who are eligible for Medicare and for older Mexican-origin women in particular (Angel et al. 2009).

Marriage as a Source of Benefit Coverage

Given the fact that marriage continues to be one of the primary sources of benefit coverage for women and their children, we must examine the marriage/benefits connection in some detail. For many women marriage is still a source of coverage (Montez et al. 2009). Married women are more likely to have private health insurance than divorced or never married women and they are less likely than unmarried women to rely on publicly funded sources for health care for their children (Anderson and Eamon 2004; Bernstein et al. 2008; Meyer and Pavalko 1996; Hahn 1993). Married women also have more continuous coverage than single women (Short 1998).

Of course the likelihood of having coverage through marriage is conditioned by the likelihood of getting married. For women the likelihood of marriage depends on the availability of marriageable males. For minority women the pool of marriageable males, meaning those with good earnings and benefit prospects, can be rather small (Wilson 1987). The lack of marriageable males is particularly serious for African-American women who are less likely to be married than either non-Hispanic white

or Mexican-origin women (U.S. Census Bureau 2006a). Although Hispanic women still marry at high rates the changing nature of modern labor markets, as well as changing cultural expectations, may reduce the marriage rate in the future. As we mentioned in the introduction to this chapter, in traditional cultures a woman marries and remains married to a man because of societal norms and men's occupational qualifications remain limited to those necessary for agrarian tasks. These motivations to marry may weaken in the United States as the earnings capacities of poorly educated Hispanic males become more of a problem. When norms cease to force women to marry men with little earnings potential, the forces that work against marriage will, in all likelihood, become more salient.

Recent studies indicate that while marriage provides economic security, including health-care security, to middle-class non-Hispanic white women, it does not necessarily do so for minority and poor women. In fact, the evidence suggests that while non-Hispanic white women tend to benefit economically from marriage, African-American women benefit more from their own employment (Angel et al. 2007; Lupton and Smith 2003; Willson 2003). Other evidence for the selective benefits of marriage is provided by the fact that while for non-Hispanic white women marriage increases the odds of having a family income above poverty, it does not necessarily do the same for Hispanic women (Lichter et al. 2003).

Several factors help to explain the more-limited economic benefits of marriage for Hispanic women. Hispanic women tend to marry at earlier ages than non-Hispanic women, a factor associated with both low educational levels and an elevated risk of poverty (Oropesa et al. 1994). Hispanic, and especially Mexican-origin, fertility rates are higher than those of the population at large (Oropesa 1996). Hispanics begin having children at earlier ages than other groups, which is also associated with lower educational levels. In one study, Hispanic middle school girls, most of whom were Mexican-origin, reported lower educational and job aspirations and a greater desire to marry and become mothers than non-Hispanic white or African-American girls (East 1998). These lower educational aspirations have serious consequences. While demographers usually treat education as a predictor of fertility, the opposite holds as well. Girls who become pregnant early often drop out of school and marry partners with little education and few job opportunities. Early marriage, low educational levels, and limited occupational opportunities, then, undermine mobility chances for individuals and families, especially among Mexican immigrants (Landale and Oropesa 2007; Raley et al. 2004).

The timing of motherhood has profound consequences for a woman's economic and occupational life course trajectory (Moen and Roehling 2004; Spain and Bianchi 1996). Women remain primarily responsible for children, and as a consequence employed women are more likely to reduce work hours or temporarily exit the labor force in response to family demands than are employed men. It comes as no surprise then that motherhood is associated with lower wages and fewer fringe benefits, an effect of parenthood that is opposite to that for men (Moen and Roehling 2004). Partly as a result of the inherent conflict between employment and family demands, many middle-class women have responded by delaying or foregoing marriage and childbearing (Spain and Bianchi 1996). For marriage to serve as a

life-long source of health and retirement benefits, it must not only be to a male with work-related benefits but also be continuous and a woman must be married without significant interruption (Wood et al. 2007). Given the growing reality of marital instability, access to spousal benefits can end abruptly. If a woman does not remarry, marriage ceases to serve as a source of benefits. If one is married for less than 10 years one cannot claim a portion of a previous spouse's Social Security. A woman's current marital status, then, rather than her marital history, is the significant predictor of her benefit status (Meyer and Pavalko 1996). As a consequence, for women reliance on marriage alone as a source of benefit coverage, as well as for economic well-being generally, is increasingly risky (Wood et al. 2007). Married women who have health insurance as dependents are more likely than those who have their own coverage to lose that insurance over time (Short 1998).

Employment as a Source of Benefit Coverage

Although marriage continues to be a major source of economic security and health insurance for women, employment is rapidly assuming an equally important role. The simple reality of modern life is that, like it or not, women are forced to deal with economic issues that in the past they left to their husbands (Bernstein et al. 2008). Yet even as employment becomes the norm for women, as is the case for men, race and ethnicity structure employment opportunities unequally, a situation that results in unequal access to material and social resources including retirement plans and health insurance (Heinz 2004; Misra 1999; Higginbotham 1997). The differential access to health insurance and other benefits among women is influenced by several factors, including their level of education, their employment statuses, the nature of the jobs they hold, and the number of hours they work, as well as the labor market opportunities in the region, state, and locality in which they live.

For workers and their families the continuity of employment benefits and health insurance is of major importance. One of the major shortcomings of public programs is that the care they provide is often discontinuous, incomplete, and temporary. Poor families often experience periods during which some of the children in the family have no health coverage while others receive Medicaid (Angel et al. 2006). Retirement plans and health insurance are largely restricted to individuals who maintain continuous full-time employment (Moen and Roehling 2004; Heinz 2004). Long periods of unemployment, part-time work, or episodic employment that reflect low levels of human capital undermine retirement planning and savings generally.

Work and Retirement Security

Negative life events or chronic hardships, including widowhood, divorce, job layoffs, one's own or a family member's health problems, or disability can drain a woman's resources and make it impossible for her to devote time to work. Combined with inadequate savings and incomplete retirement preparations, the financial

impact can be devastating. Certain evidence suggests that these forms of financial risks are greatest for older minority group women (Hounsell et al. 2006). Our own analysis of women’s retirement coverage based on the CPS corroborates these findings; older Mexican-origin women experience more of these adverse life events than other groups. The financial vulnerability faced by the female Mexican-origin population also reflects other factors, which in and of themselves represent positive demographic trends. During the 20th century life expectancy at birth and at older ages increased for all racial and ethnic groups (Angel and Hogan 2004). At age 65 years Mexican-origin women have a life expectancy similar to if not higher than that of non-Hispanic white women (Eschbach et al. 2007). At the age of 65 years, Hispanic women can expect to live an additional 22.8 years, 2.9 years longer than non-Hispanic White women and 4.2 years longer than African-American women (Center for American Progress 2004). As their life expectancies increase, older Hispanic women are likely to outlive their husbands, at the same time that they suffer the chronic and disabling illnesses that accompany aging. Many of these women will outlive their resources and find themselves dependent on children or the state.

Figure 5.4 presents data from the 2006 CPS comparing the extent of retirement coverage among working-age Mexican-origin and non-Hispanic women between the ages of 25 and 64 years. In the CPS, 41.7% of Mexican-origin adult women report that they are covered by a retirement plan from some source. Fifty-eight percent of African-American women and 61.4% of non-Hispanic white women report such coverage. Unfortunately, the CPS does not provide information on the type or source of retirement plan a woman has or whether she has coverage on her own (Sanzenbacher 2006). Among those women 50 years and older who own a retirement plan, the median annual benefit in 2007 was only 64.6% of that received by men, \$13,573 compared with \$19,787 (Employee Benefit Research Institute 2008). Although we do not have information by racial and ethnic group, we suspect that the amount of retirement income received by Mexican-origin women is less than that

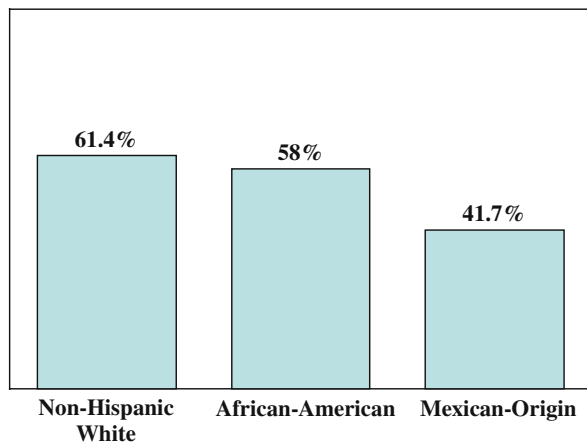


Figure 5.4 Any pension coverage for women aged 25–64 years, 2006
 Source: Current Population Survey (2004, 2006).

received by non-Hispanic white women for two reasons related to the labor market disadvantages we have already noted; Mexican-origin women have historically had lower wages and earnings than non-Hispanic white women and they marry men who do not have benefits.

Once again, low levels of education are a major source of the problem, Hispanic women, and especially those of Mexican origin, have very low levels of education, which limits their career choices and keeps their incomes low. Mexican-origin workers have the lowest educational levels among Hispanics. Their returns to education are lower than for other groups, and especially for the foreign-born since US employers tend to place less value on education obtained in Mexico (Thomas et al. 2006). Without an education, occupational mobility is unlikely and many Hispanic women move from one low-wage hourly job to the next with no increase in job-related human capital. Without the ability to acquire valuable skills one has little to offer but physical labor. In addition, as we have noted before, Hispanics contribute less to their 401(k)s even when they own them, a fact exacerbated by the youth of the Mexican-origin population since younger workers tend to contribute less to retirement plans than older workers (Orszag and Rodriguez 2005).

Social Security

As a result of the low levels of private retirement coverage Social Security takes on a major role in providing income support in old age for Hispanics. More than half of the total income of Hispanic couples 65 years or older comes from Social Security compared with 45.6% among non-Hispanic white couples (Social Security Administration 2000). Again revealing the unique vulnerability of the foreign born, women who were born in Mexico are the least likely of any group to participate in the Social Security program and they are at the highest risk of poverty in old age (Ham-Chande 2008; Hendley and Bilimoria 1999). Foreign-born women are less likely than native-born women to have contributed the required 10 years themselves and they are often married to men who also did not make the required contribution, leaving their wives ineligible for the surviving spouse's portion of Social Security. Some have suggested that women born in Mexico are not prepared for work in the United States (Ham-Chande 2008). Immigrant women face multiple employment barriers including low educational levels, low levels of English proficiency, and the lack of legal documentation (Hondagneu-Sotelo 2001). If they find work as domestics or in the informal economy, their employers often do not contribute to Social Security in their names (Baker 1999).

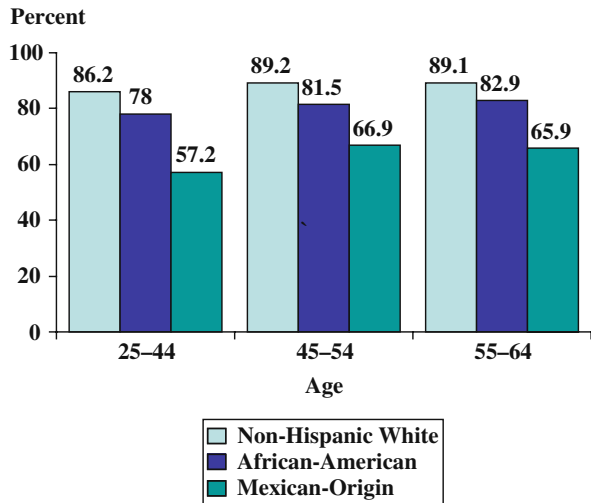
As we mentioned in the last chapter, but reiterate here because of its importance in understanding the situation of Hispanics and of Hispanic women in particular, Social Security was never meant to be an older person's sole source of income. Although the average woman gains relatively more than the average male from Social Security because the benefit structure favors dependents and low-wage earners, most of whom are women or children, as we showed in the last chapter average benefit levels are modest at best. Social Security was intended to be only one pillar of the theoretical three-pillared retirement arrangement, which also

includes private retirement plans and individual savings. The fact that Hispanics, and especially single Hispanic females, have relatively few assets and no retirement plan increases their dependence on Social Security and means that it is frequently their only source of income and increases their risk of poverty in old age (Sevak et al. 2003–2004).

Health Insurance

In addition to retirement and social security, health-care coverage rates among Hispanic women reveal an added dimension of vulnerability. Figure 5.5 presents data from the 2006 CPS that highlights the large racial and ethnic disparities in health-care coverage among women. Overall, Mexican-origin adult women are far less likely to have coverage than non-Hispanic white. These low levels of coverage persist throughout the working years and clearly negatively affect access to high-quality and continuous health care. As the data in Fig. 5.6 show, Mexican-origin women have particularly low levels of coverage at all ages. It is not until the age of 65 years when, as we will demonstrate in Chapter 7 in which we deal with the elderly, Medicare greatly reduces this health insurance gap. Even then though, as we will see, Hispanics face continuing disadvantages in terms of complete coverage.

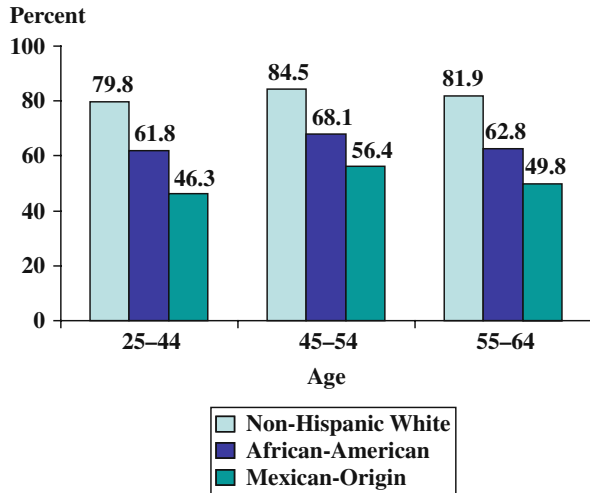
Figure 5.5 Percentage of women with any health insurance by age, 2006
Source: Current Population Survey (2004, 2006).



Mother, Worker, and Still No Benefits

We end the chapter by summarizing some of our previous multivariate analyses of the interactive impact of marriage, motherhood, and employment on the likelihood of health insurance coverage for Mexican-origin women and by speculating on how the socioeconomic vulnerabilities of Hispanic women might be addressed. We do

Figure 5.6 Percentage of women with private coverage by age, 2006
 Source: Current Population Survey (2004, 2006).



not present the multivariate analyses here because of their complexity; rather we refer the reader to the relevant published articles (Angel et al. 2009; Montez et al. 2009). Although we will deal with policy related to the benefit poverty among Hispanics generally in the final chapter, the unique situation of women, and especially working-age women, presents serious challenges that deserve discussion in their own right. We focus on health insurance because of its importance to an individual's and a family's health and because it is a core work-related benefit. Health insurance coverage and other benefits are usually part of the same employment-based package; jobs that do not offer health insurance are likely not to offer retirement plans. Given the disparities in health coverage we have documented in this chapter, two important questions related to the interaction of work and family for women emerge. These we pose as problems for future research and as vitally important policy questions.

The core question we ask and propose for further research is whether the health insurance disparities we have documented among Mexican-origin, non-Hispanic white, and African-American women result from distinct combinations of employment and family structure that operate differently for each group. Logically this involves determining whether disparities in coverage disappear or at least diminish once we statistically control for such factors as marital status and history, fertility behavior, educational levels, employment characteristics, and nativity status among others. The ethnic and racial patterns of family and work that we have presented in this chapter suggest that combining work and family has different effects on the probability of benefit coverage because of the different jobs that various groups of women qualify for, their differential fertility and marital experiences, and factors related to culture. As we have suggested, it is unlikely that race or ethnicity alone, or gender alone, places certain women at elevated risk of low income and limited or no benefits. Rather, it is increasingly clear that different combinations of factors

operate differently for each group and that for Hispanic women, and for foreign-born Mexican-origin women in particular, labor force difficulties, family demands, culture, and job opportunities interact negatively to decrease coverage. Addressing these complex interactive problems present policy makers and the Hispanic community with a great challenge.

There can be little doubt of course that low levels of education are a major source of these problems. Yet one cannot treat low levels of education as exogenous, to use the statistical term. Educational levels are part of the process by which certain groups, in this case the Mexican-origin population, are relegated to the lower social strata where their ability to move ahead is seriously compromised. Treating education as a purely individual characteristic ignores those factors, such as inferior schools and the lack of role models that we discussed in Chapter 2, that structure and institutionalize group-specific disadvantages.

These multivariate analyses we summarize here are based on the Annual Social and Economic (ASEC) Supplement to the March CPS that we have used in this and previous chapters. The sample on which they are based consists of 81,822 non-Hispanic white, African-American, and Mexican-origin women between 18 and 64 years of age who were either employed full-time or not employed. The analysis is informed by two specific theories concerning the potentially interactive roles of marriage and work in determining the likelihood of having health insurance coverage. The first is a role substitution theory, which hypothesizes that employment and marriage are substitutes for one another in providing access to health insurance (Waldron et al. 1996). The second is a role accumulation theory, which hypothesizes that the combination of marriage and employment increases the probability of coverage beyond that of marriage or employment alone (Waldron et al. 1998). The intriguing possibility, of course, is that because of group-specific historical and structural factors, marriage and work may produce different outcomes for different groups of women. As often happens in the analysis of phenomena with multiple causes, our findings support aspects of both theoretical perspectives.

What our data reveal is that after controlling for factors known to be associated with the probability of having health insurance including age, education, nativity, family income, and self-rated health, employment and marriage substitute for one another and either insures adequate health insurance coverage for non-Hispanic white women. The health insurance benefits of marriage and work are different, though, for African-American and Mexican-origin women. Employment largely compensates for lower access to spousal coverage among African-American women, but it does not for Mexican-origin women. This means that employed African-American women are more likely to have coverage regardless of their marital status than unemployed African-American women, revealing a clear employment advantage. For Mexican-origin women neither marriage nor work assures health-care coverage. The extremely low rates of health insurance coverage we have documented for the Mexican-origin population at all ages apparently result from factors other than the traditional predictors of health insurance coverage. The data also underline the extreme vulnerability of stay-at-home Mexican-origin mothers who

are at the highest risk of lacking health insurance. For these women the odds of having coverage only marginally improve with employment.

The data show then that while marital and work roles substitute for each other in terms of access to health-care coverage among non-Hispanic white women, this is not the case for Mexican-origin women. Nor does it appear that work pays off in terms of coverage for Mexican-origin women in the same way it does for African-American women. Whether they are married, employed, or both, Mexican-origin women are less likely than either non-Hispanic white or African-American women to have health insurance. Mexican-origin men are evidently unable to provide their spouses and families with this vitally important work-related benefit. Given the serious educational deficits of Mexican-origin men, this situation is unlikely to change without serious attempts to increase levels of education for both Mexican-origin men and women.

The Rise of the Female Breadwinner

This research provides new insights into the sources of structural disadvantage in benefit coverage among working-age Mexican-origin women. In order to improve our understanding of the unique vulnerabilities of Hispanic women in the United States, and especially among Mexican-origin women, we must look beyond individual characteristics to the institutional factors that structure family roles and labor market opportunities. As we have noted, in the very near future Hispanics will make up a large fraction of the labor force. A large fraction of that Hispanic labor force will be female. This growth in female Hispanic labor force representation reflects three core social and cultural factors, namely high fertility, immigration, and the likely greater propensity of Hispanic women to enter the labor force. This greater labor force involvement results from, and will probably accelerate, basic changes in Hispanic family structure. For all racial and ethnic groups, the dramatic retreat from marriage and fertility that we have witnessed in recent years, accompanied by the increase in paid employment that we have documented even among Hispanic women, may dramatically alter their sources of basic social welfare benefits.

As we noted at the beginning of the chapter, the institutionalized breadwinner model of family welfare informs much public policy in the United States. Social Security, private retirement and health plans, and other benefits are tied to a male spouse's employment (Herd 2005). Even today, public expectations and employer prejudices place women, or at least lower class women, at a clear labor force disadvantage. As we noted, women make less than men and Hispanic women earn less than non-Hispanic white women. The combination of gender, minority status, and the institutionalized structures of the male-breadwinner orientation poses serious barriers to change. As the family declines even among Hispanics, women remain responsible for children and the employment possibilities of poorly educated women with little work experience are limited not only by little human capital but also by domestic responsibilities. For a single woman the combination of financial responsibility for a family and the responsibilities of parenthood can be daunting,

especially when one has no choice but to raise one's children in unsafe and crime- and gang-ridden neighborhoods.

Of course it is impossible to deny that low educational attainment and a lack of English proficiency lie at the core of the problem of low-wage employment and the lack of benefits for both Hispanic men and women (Thomas et al. 2006). Addressing the problem, then, means identifying those social and institutional factors that undermine educational success for such a large fraction of the Mexican-origin population. As we have suggested earlier and will reiterate in the last chapter, until a critical mass of Hispanics achieve high levels of education and professional status, the collective economic and political power of the group as a whole will remain low. Jobs that pay well are the ones that offer retirement and health plans, but they also require higher levels of education and the sort of work-related skills that more education allows one to learn on the job and that enhance one's employability further. Cleaning motel rooms does not result in increments to one's human capital and such jobs are not part of a career ladder. In such jobs one can work for the same minimal wage for years. For these reasons, education must become the focus of attempts to improve the lot of Hispanics in general and Hispanic women in particular.

The evidence we have presented leads us to the conclusion that the male-breadwinner model of retirement security should be reconsidered, especially for minority women. Regardless of their race or ethnicity or even their social class, future cohorts of working-age women will be forced to take greater responsibility for their own welfare and retirement incomes. This will clearly require much more attention to education and enhanced human capital. Until their situation in the labor force improves, Hispanic women will remain on the lowest rungs of the occupational ladder and their children will suffer the consequences. Today middle-class women are as concerned with issues related to their careers and their financial security as are men. Even as they face restricted employment and earnings possibilities, Hispanic women will be forced to deal with financial issues as well. Because of the labor force disadvantages they face, though, the situation of low-wage service sector workers and the unemployed and underemployed requires special attention. Public policy related to health care, family welfare, and retirement income must guarantee the health and productivity of future generations of workers. For many Hispanic women employment will never serve as a route out of poverty or ensure an adequate retirement income.

For this reason, any changes to the present Social Security system will have to take these vulnerabilities into account. The long-term fiscal health of the Social Security system will require some retrenchment, including higher payroll taxes and reduced benefits. Proposals aimed at cutting benefits as opposed to generating revenue would have particularly serious implications for poor and minority women. For better or worse, the situation of these women argues for greater means testing of benefits. Such a move, of course, runs the risk of transforming Social Security into more of a welfare program with the potential stigma that welfare entails. In addition to the inevitable reforms to Social Security that we will see in the future, efforts to improve access to private pensions and increased personal savings and investment by low-wage employees of both sexes are clearly warranted, even if

the possibilities remain limited (Herd 2005; Meyer and Herd 2008). The partial privatization of Social Security has been offered as a means of increasing individual returns and responsibilities. Unfortunately, such reforms would in all likelihood not improve the old-age security of low-wage workers or those with noncontinuous work histories. The privatization of Social Security without other reforms to ensure an adequate income to those without adequate savings would only increase the risk for minority paid workers.

We end with the observation that reforms to the private retirement system, to Social Security, and to the health-care financing system of the United States to insure adequate coverage for the most vulnerable citizens clearly face serious practical barriers that have been made only worse by the global economic crisis. Such challenges are inevitable and require a far better understanding of the specific institutional and structural factors that increase the vulnerability of certain groups and that undermine their human capital accumulation. Such an understanding defines a clear and relevant research agenda for the future.