

The Panel Study of Income Dynamics and Mobility

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Workshop on The Potential for Research Using Linked
Census, Survey, and Administrative Data to Assess
the Longer Term Effects of Policy

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PSID in the Beginning

- Began in 1968 with 4,800 American families, including oversample of low SES families
- Originally designed to understand the causes and consequences of poverty in US

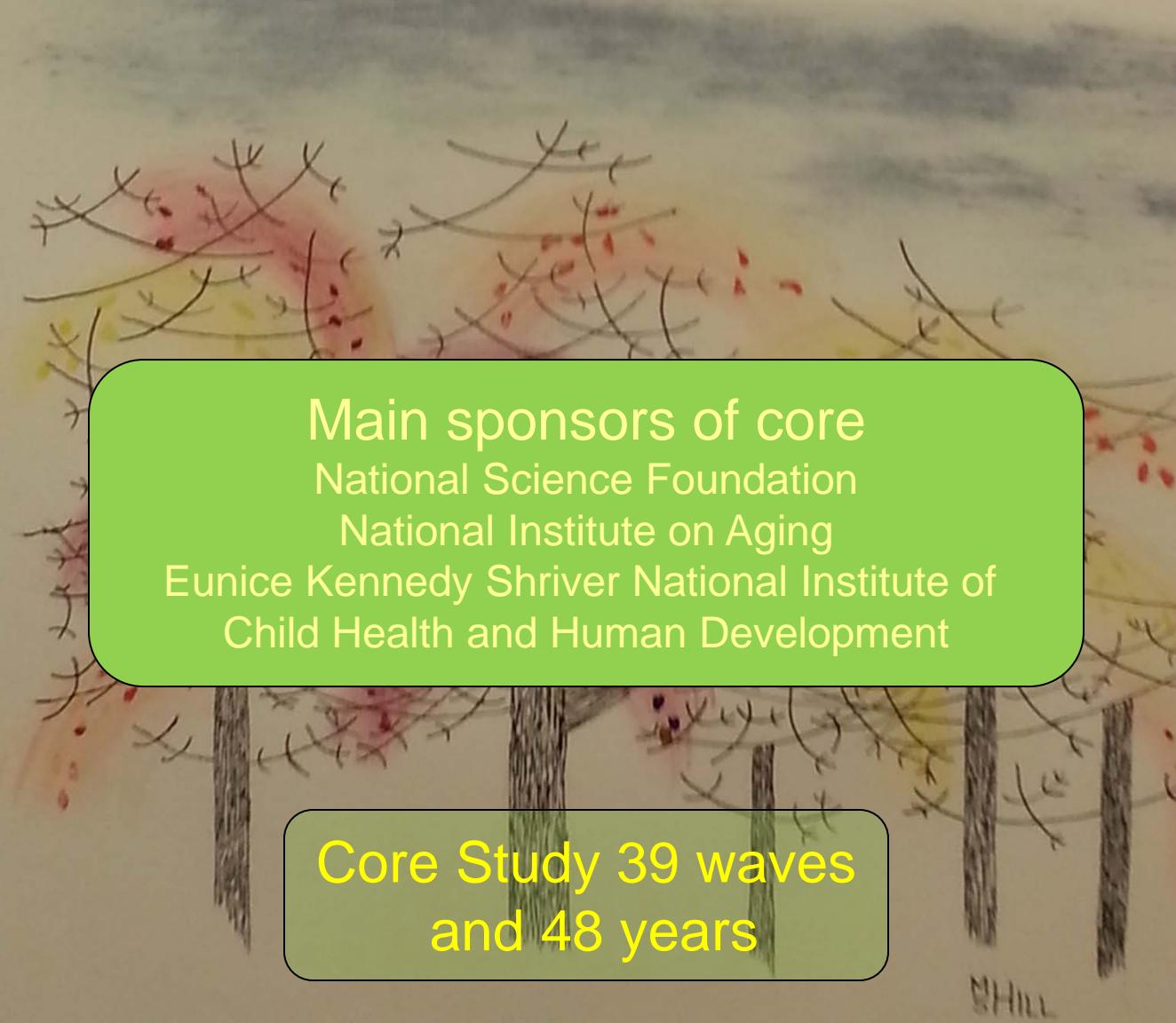


Almost 50 years Later

- World's longest running nationally representative household panel survey
- Family of studies: Main interview ("Core"), regular supplements (Child Development and Transition to Adulthood Supplements), age and content-specific supplements, add-on modules, and linkages



The Family of Studies



Main sponsors of core

National Science Foundation

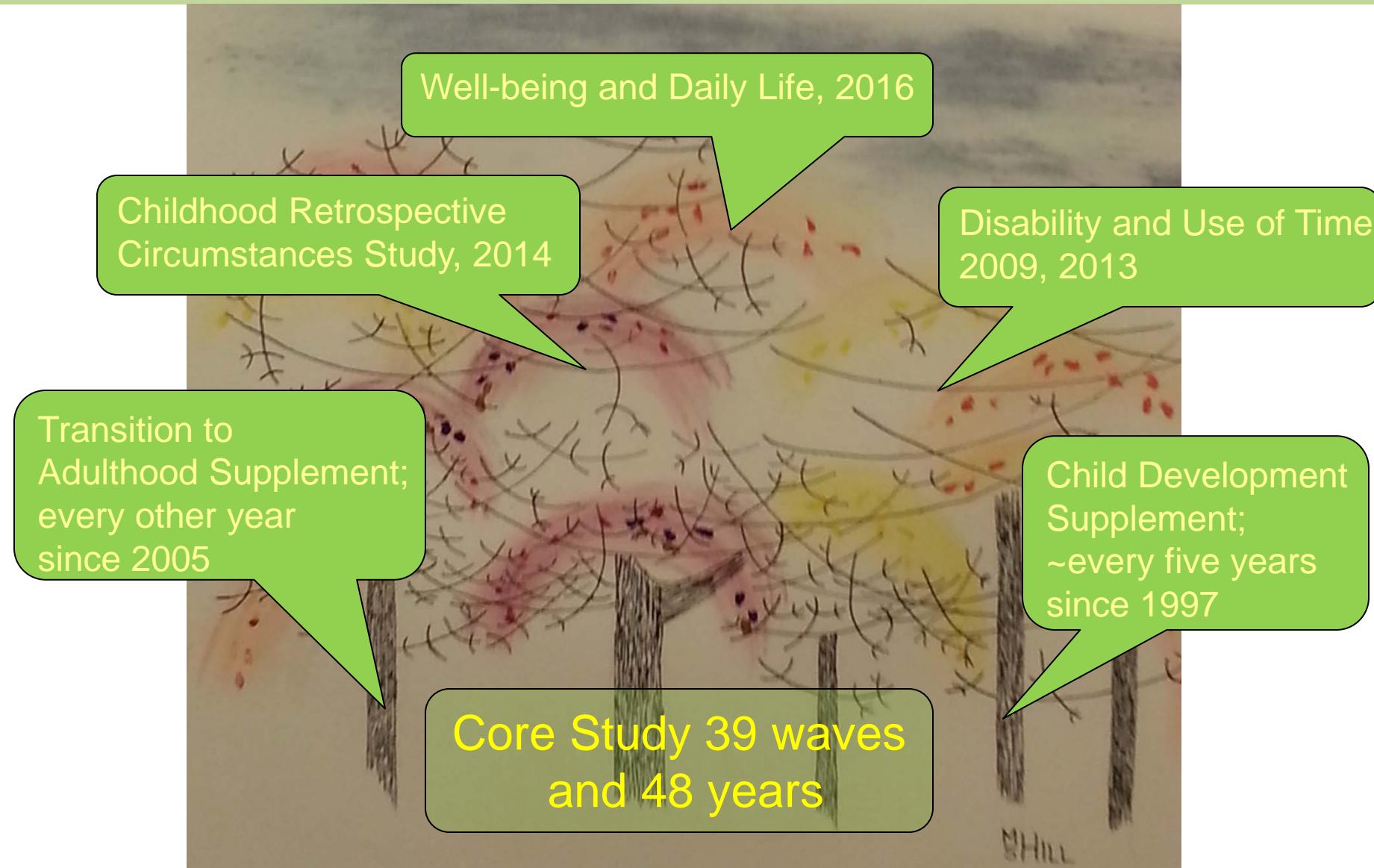
National Institute on Aging

Eunice Kennedy Shriver National Institute of
Child Health and Human Development

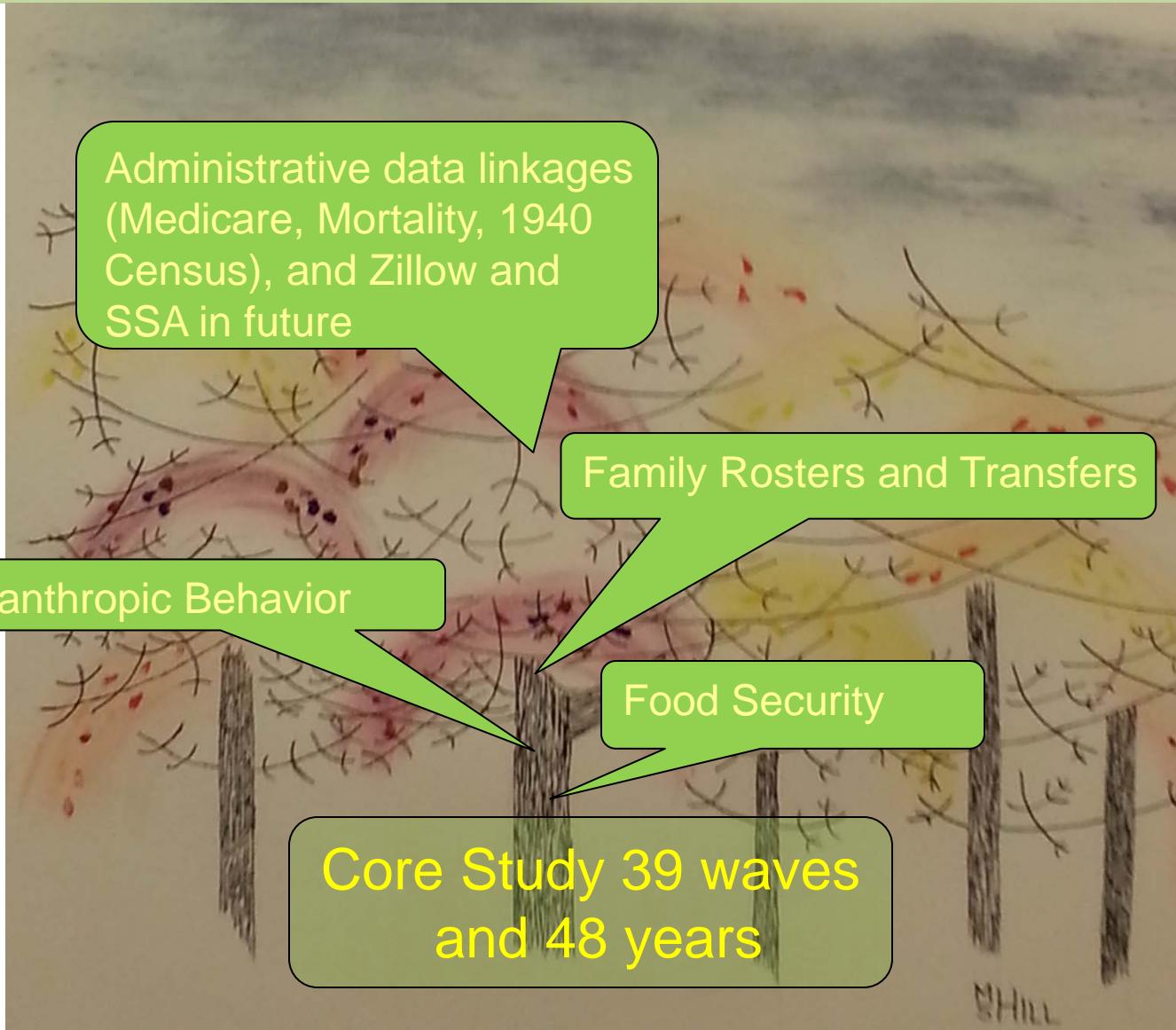
Core Study 39 waves
and 48 years



The Family of Studies



The Family of Studies





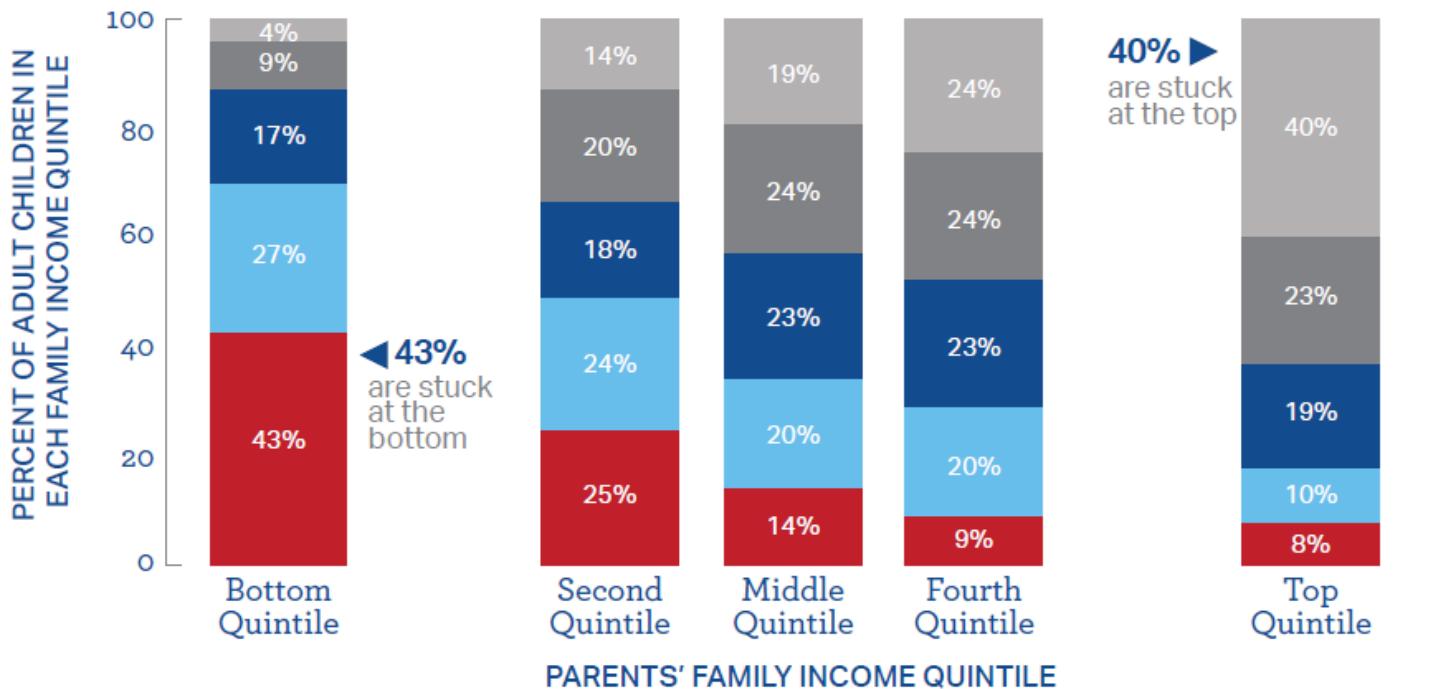
PSID Sample

- 39 waves of PSID data collected 1968-2015
- In 2015, ~25,000 individuals in 10,000 families
- Sample Growth
 - When adult children “split off” and form their own economically independent households, they are invited to join
 - 1997 and upcoming 2017 immigrant refresher samples
- Multiple generations

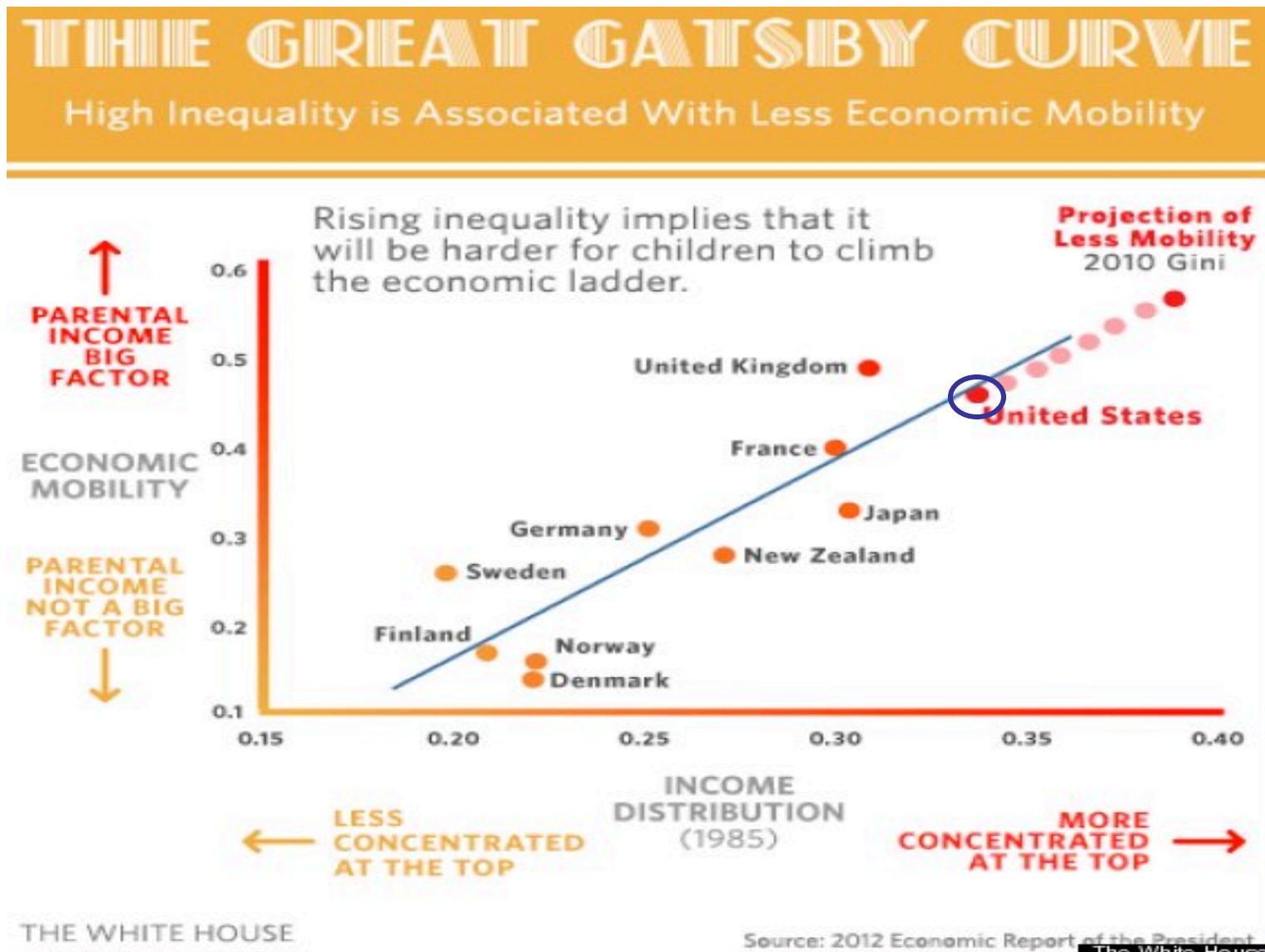


Key Figure in AEI/Brookings report on Poverty and Opportunity

FIGURE 3
INCOME QUINTILE OF CHILDREN WHEN THEY GROW UP RELATIVE TO THEIR PARENTS' INCOME QUINTILE
Percent of Adult Children with Income in the:



US Mobility point in Gatsby Curve is from an estimate using PSID



PSID has been used for Mobility research since the beginning (some examples)

- Smith, J. and Morgan, J. "Variability of Economic Well-being and Its Determinants," *American Economic Review*, 1970.
- Corcoran, M., Jencks, C. and Olneck, M. "The Effects of Family Background on Earnings," *American Economic Review*, 1976.
- Lillard, L. and Willis, R., "Dynamic Aspects of Earnings Mobility," *Econometrica*, 1978.
- Solon, G. Intergenerational Income Mobility in the United States. *American Economic Review*. 1992.
- Altonji, J. and Paxson, C. Labor Supply, Hours Constraints, and Job Mobility. *Journal of Human Resources*. 1992.
- Duncan, G., Boisjoly, J. and Smeeding, T. Economic Mobility of Young Workers in the 1970s and 1980s. *Demography*, 1996.
- Burkhauser, R., Holtz-Eakin, D. and Rhody, S. Labor Earnings Mobility and Inequality in the United States and Germany During the Growth Years of the 1980s. *International Economic Review*. 1997.
- Bjorklund, A. and Jantti, M. Intergenerational Income Mobility in Sweden Compared to the United States. *American Economic Review*. 1997.

Some Recent Mobility Research using PSID

- Song, X. and Mare, R. Prospective Versus Retrospective Approaches to the Study of Intergenerational Social Mobility. *Sociological Methods & Research*. 2015.
- Mazumder, B. and Acosta, M. Using Occupation to Measure Intergenerational Mobility. *The ANNALS of the American Academy of Political and Social Science*. 2015.
- Bloome, D. Income Inequality and Intergenerational Income Mobility in the United States. *Social Forces*. 2015.
- Pfeffer, F. and Killewald, A. "How Rigid is the Wealth Structure and Why? Inter- and Multigenerational Associations in Family Wealth," manuscript, 2015
- Fisher, J., Johnson, D., Latner, J., Smeeding, T. and Thompson, J. "Inequality and Mobility using Income, Consumption, and Wealth for the Same Individuals," forthcoming in *Russell Sage Foundation Journal of the Social Sciences*, 2016
- Mazumder, B. "Estimating the Intergenerational Elasticity and Rank Association in the United States: Overcoming the Current Limitations of Tax Data," In Inequality: Causes and Consequences, 2016

Current linkages with Commercial and Administrative Data

- Geospatial Information
- National Death Index
- Medicare Claims (CMS)
- School Identifiers
- Assisted housing (HUD)
- 1940 Census
- Currently Investigating
 - Zillow
 - Social Security

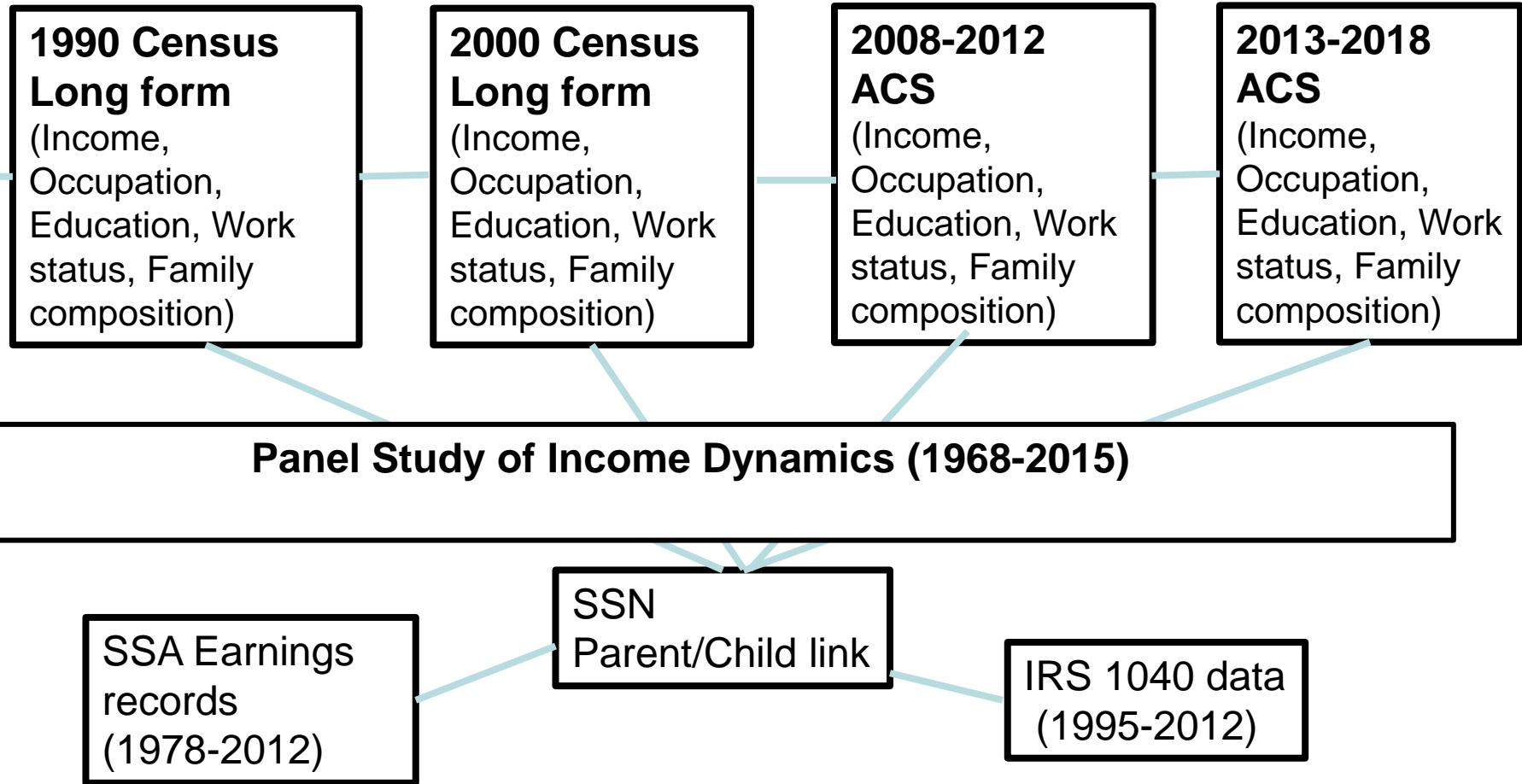
Example of Uses for Policy Evaluation

- Linking Food Stamp participation and child outcomes
Hoynes, Schanzenbach, and Almond, “Long-Run Impacts of Childhood Access to the Safety Net,” *American Economic Review*, 2016
- Linking school characteristics and educational outcomes
Jackson, Johnson, and Persico, “The Effects of School Spending on Educational and Economic Outcomes: Evidence from School Finance Reforms,” *Quarterly Journal of Economics*, 2016

Challenges of using Administrative Data

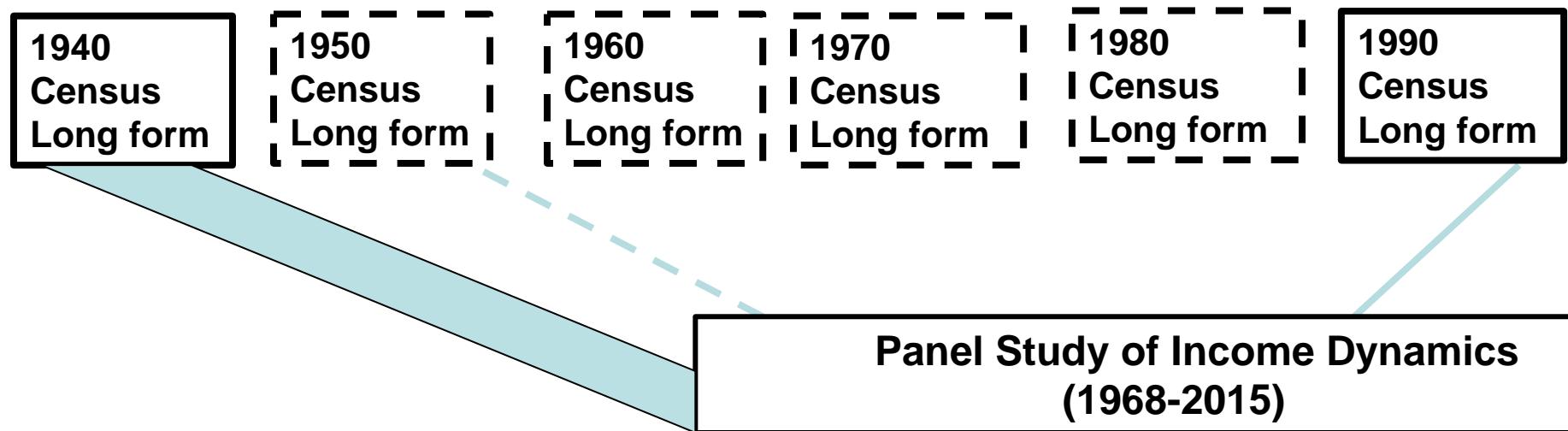
- Determining when consent and permission needed, under what conditions data can be used
- When permission required, gaining cooperation from respondents
- Regulatory environment and data acquisition
- Protection of data and minimize risks of disclosure
- Who does the linking
- Dissemination and project approval at Michigan enclave or FSRDC
- How do we contract with Census

The possibilities of the AOS and PSID





Linking PSID to 1940 Census finds many original PSID sample as kids in 1940



Possible Linking PSID to current ACS could find people who attrit from PSID

1940
Census
Long form

1990
Census
Long form

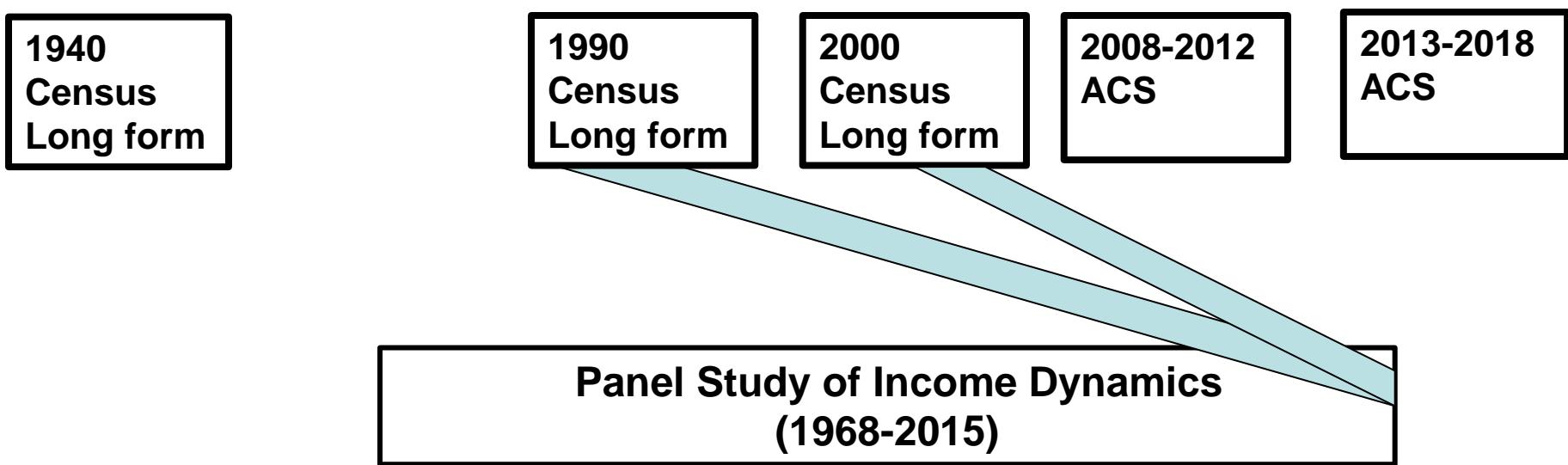
2000
Census
Long form

2008-2012
ACS

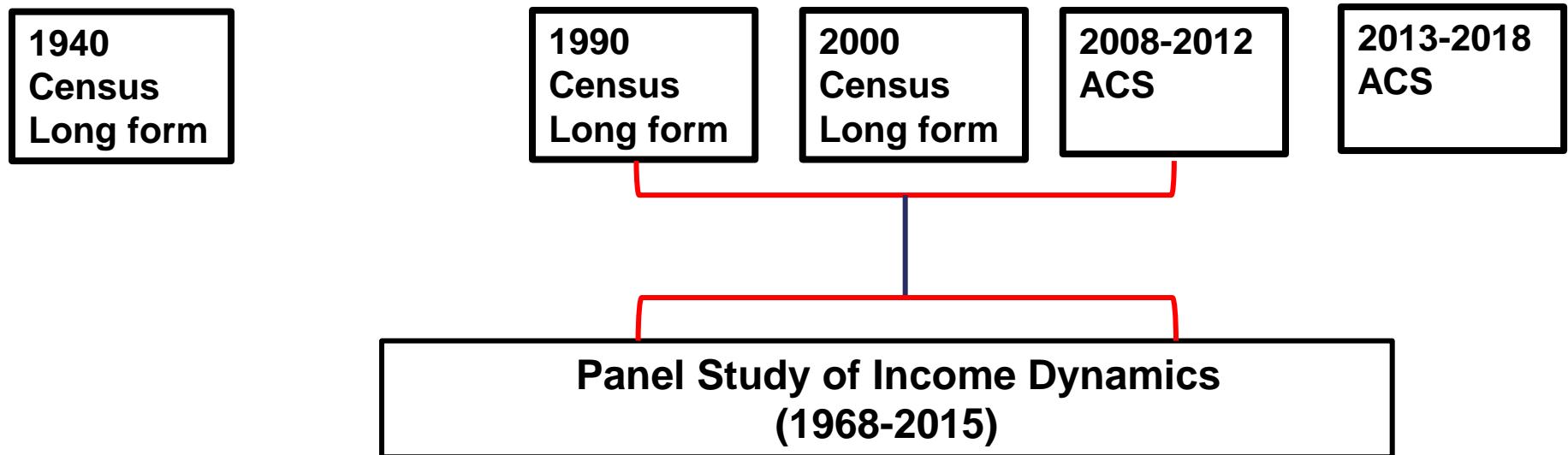
2013-2018
ACS

Panel Study of Income Dynamics
(1968-2015)

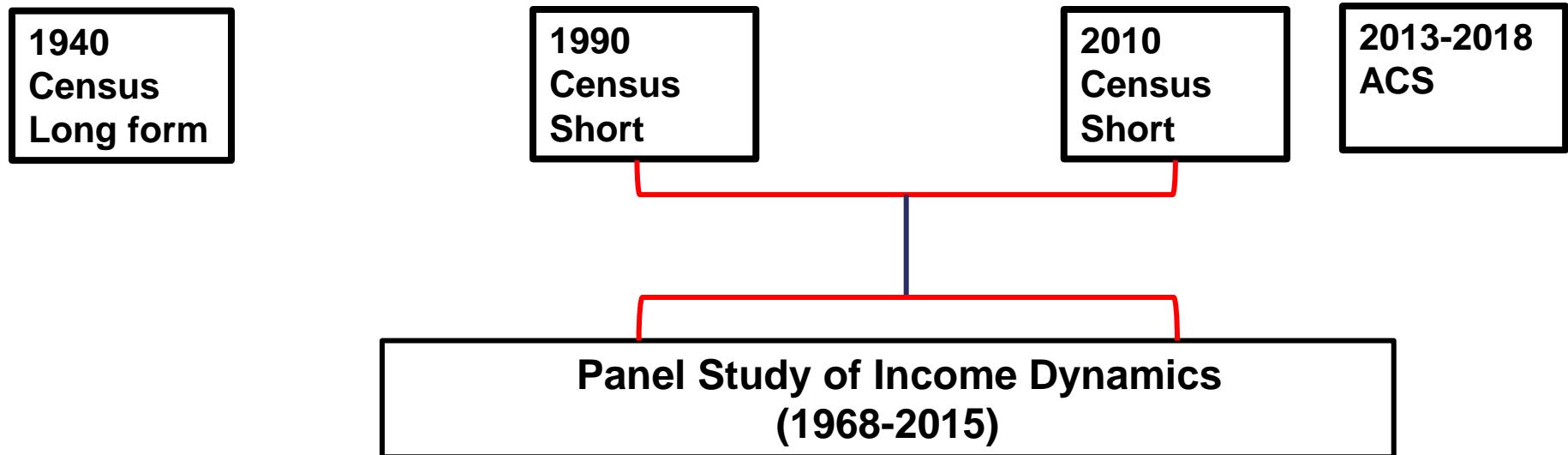
Possible Linking PSID to Census data could find new people who enter PSID



PSID linkage could be used to test the links across Census data



PSID linkage could be used to test the links across Census data



Questions from the AOS Committee

- What are the research questions you study, what data, including administrative data, do you now use in that research?
- What are the limitations of these data?
- How would access to an intergenerational panel improve the quality of research in your area? Linkage to which administrative data would be most important for your research?
- How would this intergenerational panel with linked administrative data improve the evidence base in assessing longer-term impacts of policy on key outcomes in your research area?
- What access/barriers to use do you foresee?