

Patterns of connectedness, economic hardship, and psychological well-being

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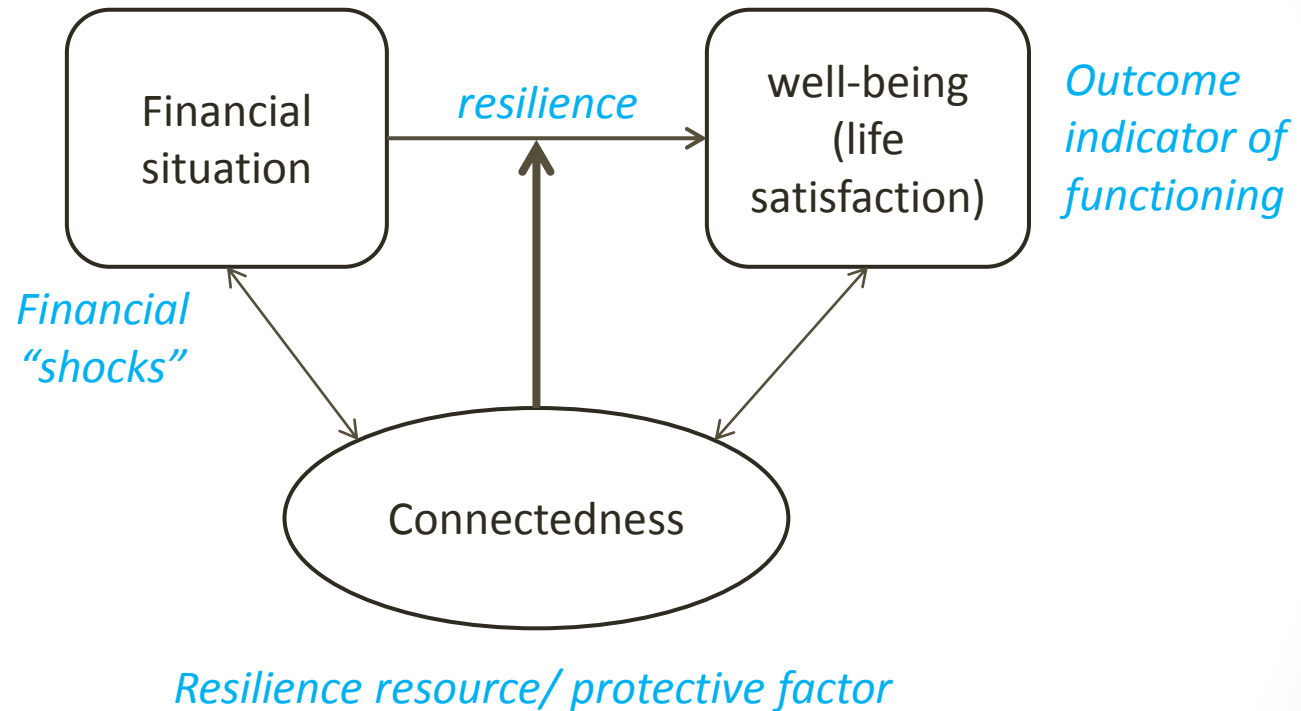
(1)

Presentation for Social stratification research seminar 13th September 2013

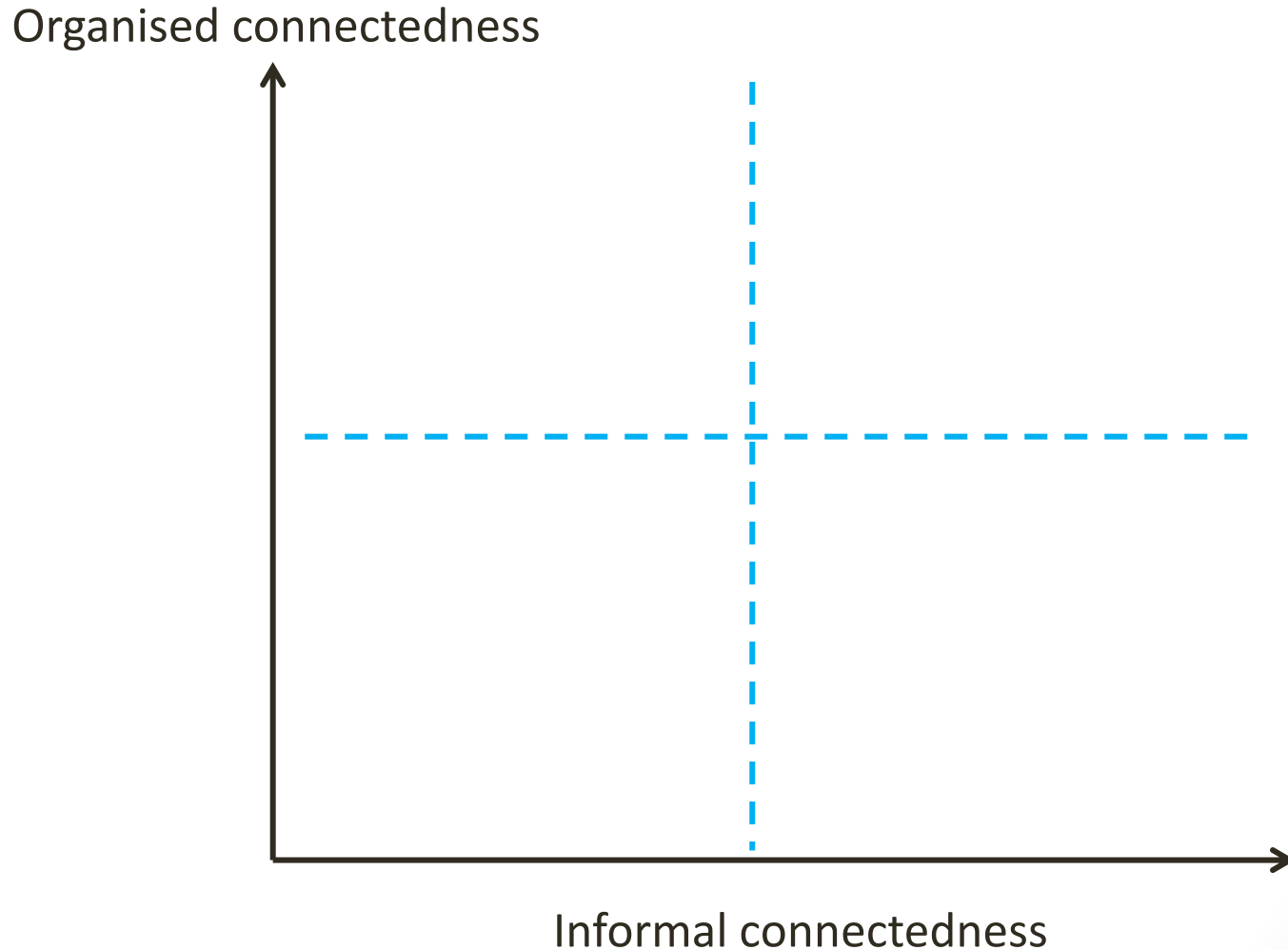
This talk...

- Draws on three chapters of my PhD thesis, and analysis is presented in 3 parts:
 1. The measurement model: “Patterns of Connectedness” which is then used as explanatory factor in...
 2. Connectedness as a “resilience resource” (i.e. a buffer to hardship &/or influencing factor in the subjective assessment of financial situation)
 3. Changes in connectedness: changes in resilience?
- And finally, conclusions and possible explanatory mechanisms

Research question



Patterns of connectedness: framework

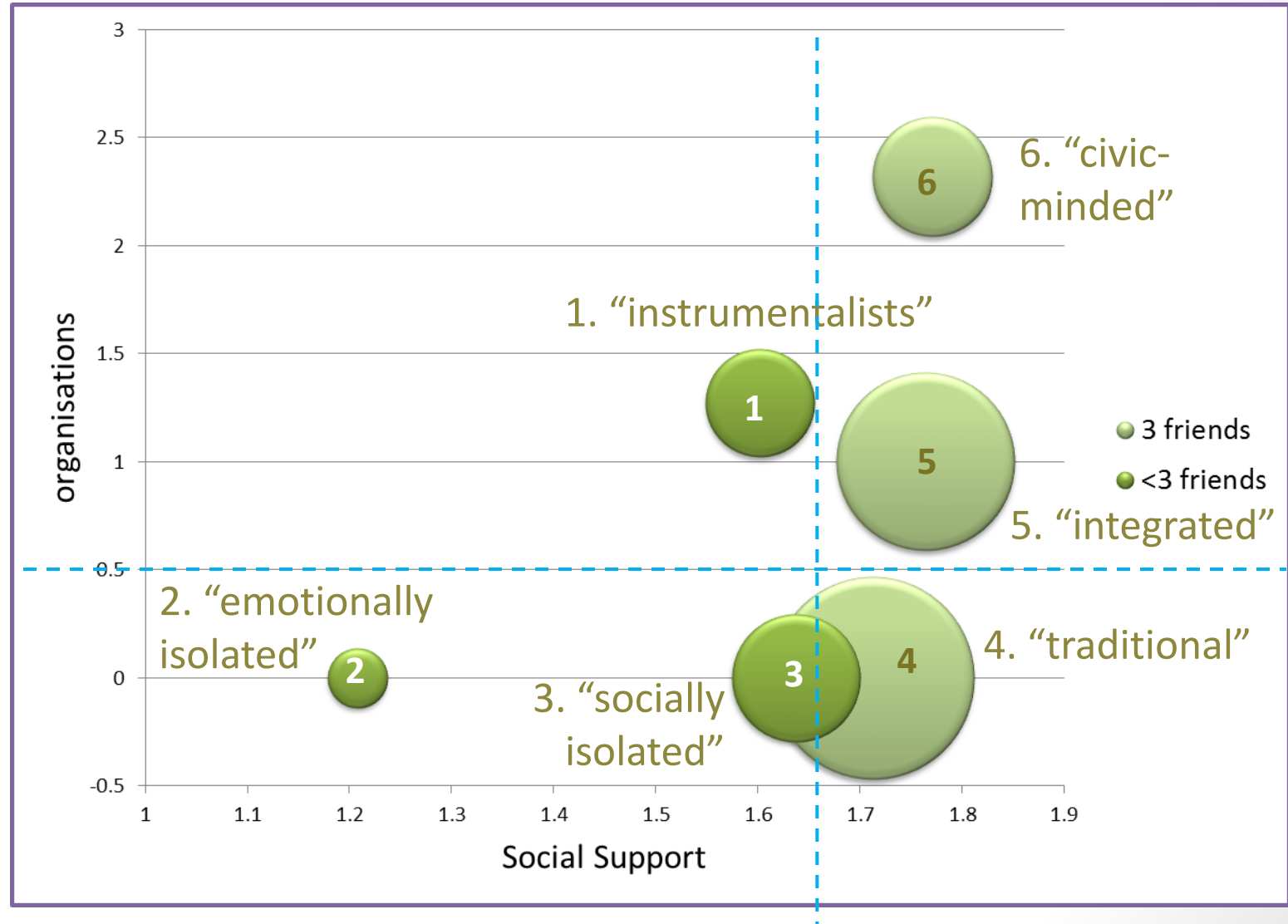


Patterns of connectedness = personal network types

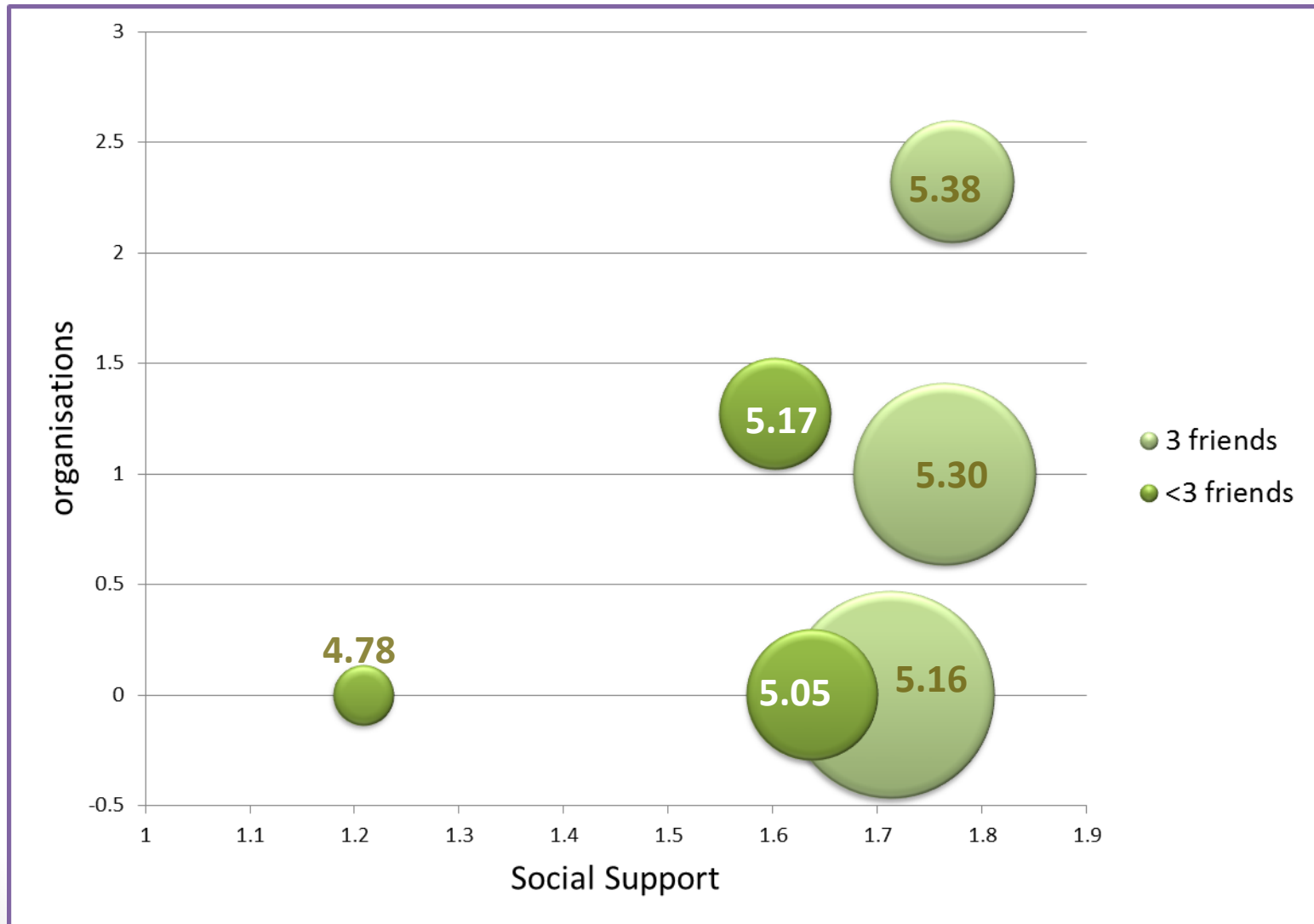
Patterns of connectedness: methods

- Confirmatory latent class analysis using Mplus (also with covariates a.k.a the 'mimic model' and latent transition analysis)
- BHPS waves 13 & 14 (also waves 17 & 18)
- N = 15,000
- Informal connectedness indicators: friends and perceived social support (=quantity & quality)
- Formal connectedness is number of organisations *active* with and frequently attending groups
- Data limitations: friends scale 0 – 3 (self-complete questionnaire completed but friends data missing – assume zero friends); two waves need to be combined to get all indicators in a single dataset.

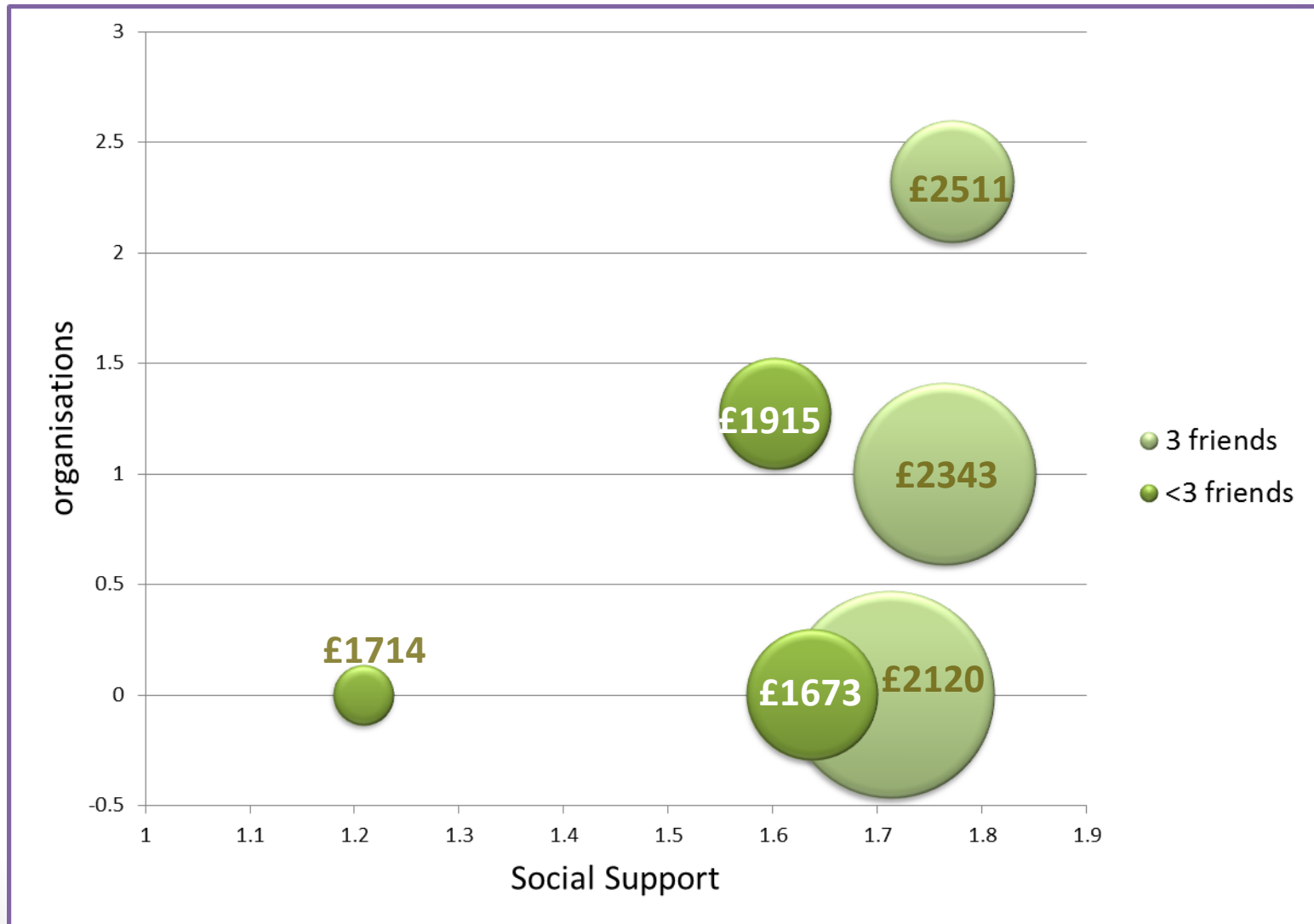
The latent class model: results



Life satisfaction means



Household income means



Resilience: data & methods

- BHPS waves 12 – 18
- A subsample of those with unchanging connectedness are extracted (about a third of sample)
 - 37,806 measurement occasions
 - 5,580 individuals (avg. 6.7 obs per person)
- Multilevel model framework: observations nested within individuals
 - 'year' used as a time variable (therefore a 'growth curve')
 - Fitted using xtmixed command in Stata

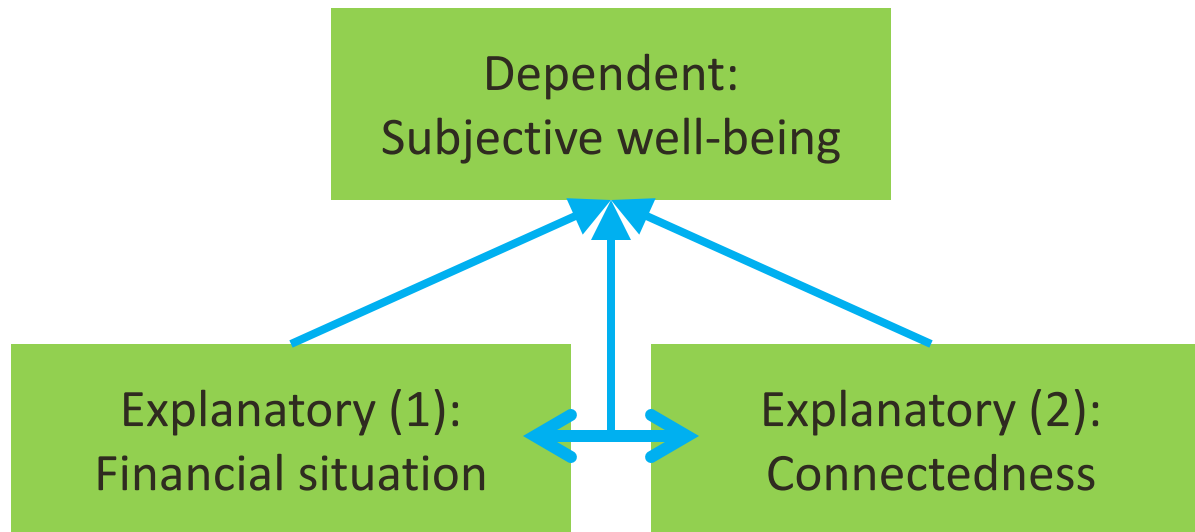
The use of the non-changing subsample establishes a baseline of the effect of a stable resource, and eliminates potential confounding direct effects of changes in social ties on well-being

Operationalising financial situation

- Household income
 - Deflated to £2002
 - Equivalised for household composition
 - Logged
- Subjective financial situation (fisit):
 - “How well would you say you yourself are managing financially these days?” (living comfortably, doing alright, just about getting by, finding it (very) difficult)
- How this compares to last year:
 - Better off
 - Worse off (= a perceived financial ‘shock’)
 - Or, about the same

Analysis is concerned about effects above the poverty line: financial difficulty (“difficult to keep up with housing payments”) is controlled

The model



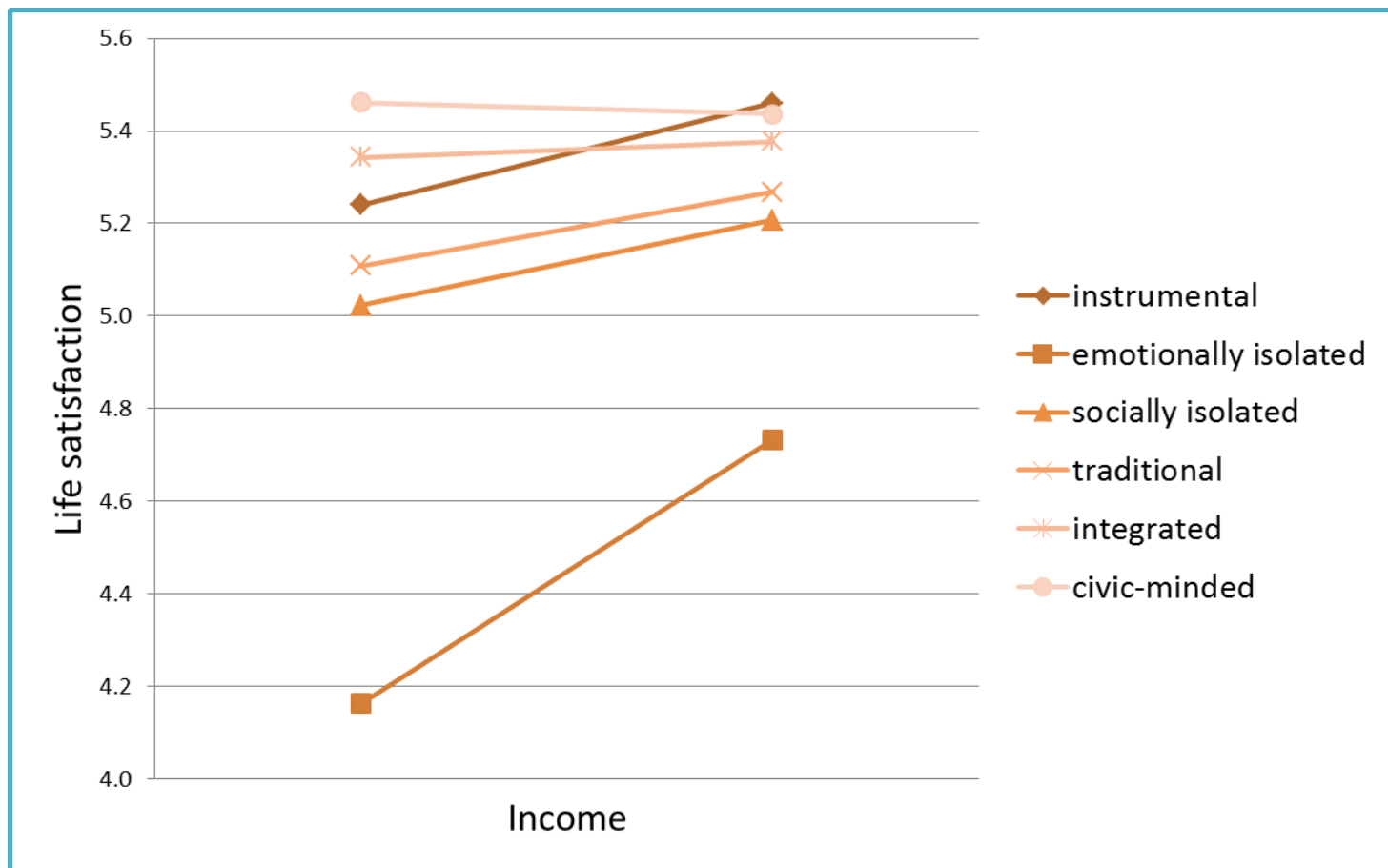
Results: summary of interactions

- Table shows multilevel linear regression coefficients
- Those in **bold** are statistically significant at $p < 0.05$
italics at $p < 0.10$
- These effects are weakened when controlling for socio-demographic and personality factors, and some lose significance

	<u>income</u>	<u>fisit</u>	<u>better off</u>	<u>worse off</u>
main effect (ref cat = civic-minded)	-0.013	0.201	0.066	-0.186
instrumentalists	<i>0.134</i>	0.024	-0.06	-0.177
emotionally isolated	0.332	0.114	0.267	-0.366
socially isolated	0.043	0.025	0.041	<i>-0.149</i>
traditional	0.096	0.052	<i>0.066</i>	0.015
integrated	0.031	<i>0.044</i>	-0.028	-0.004

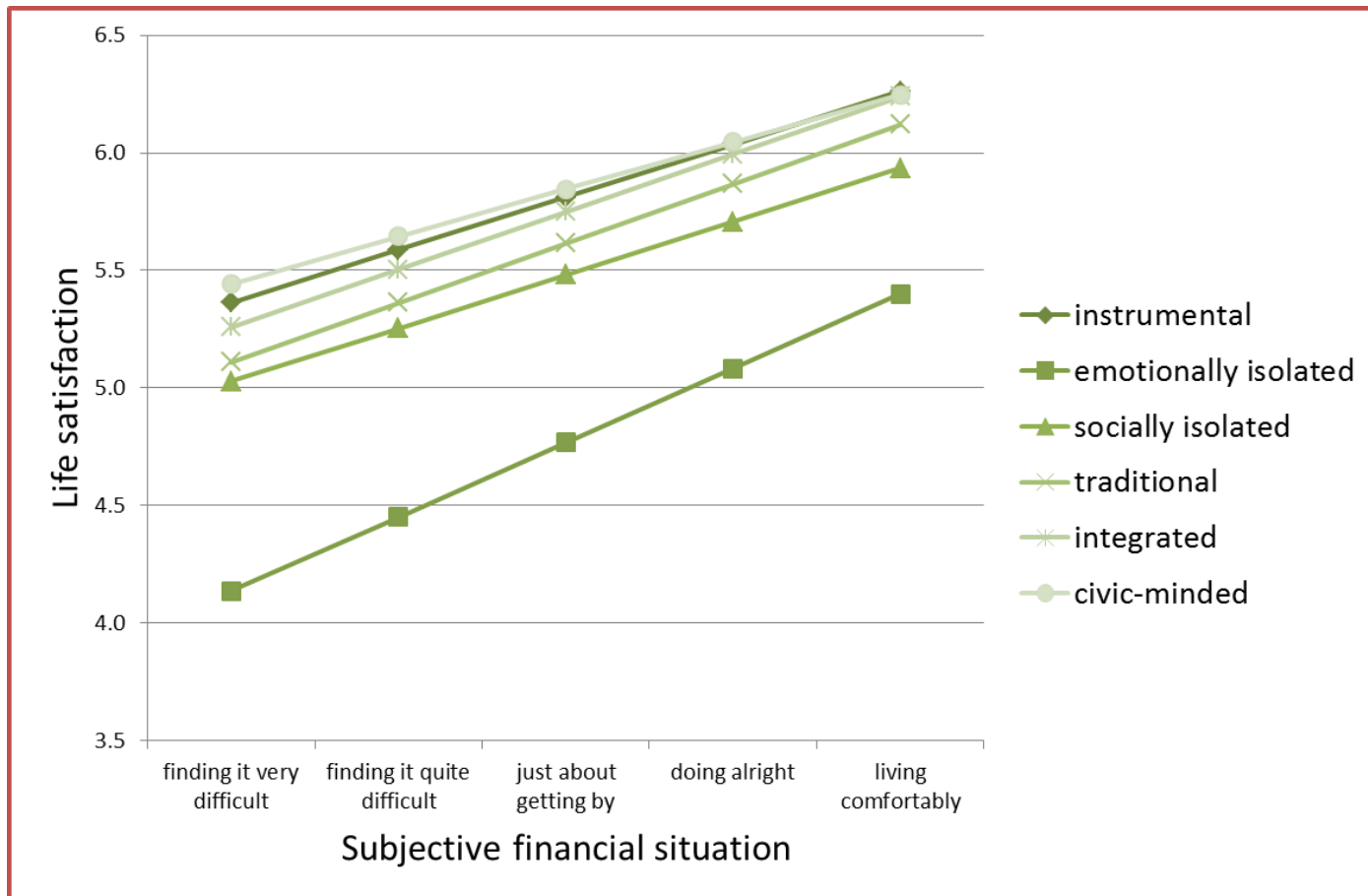
Predicted values (1)

- Chart shows predicted values of life satisfaction by 5th and 95th percentiles of income across connectedness



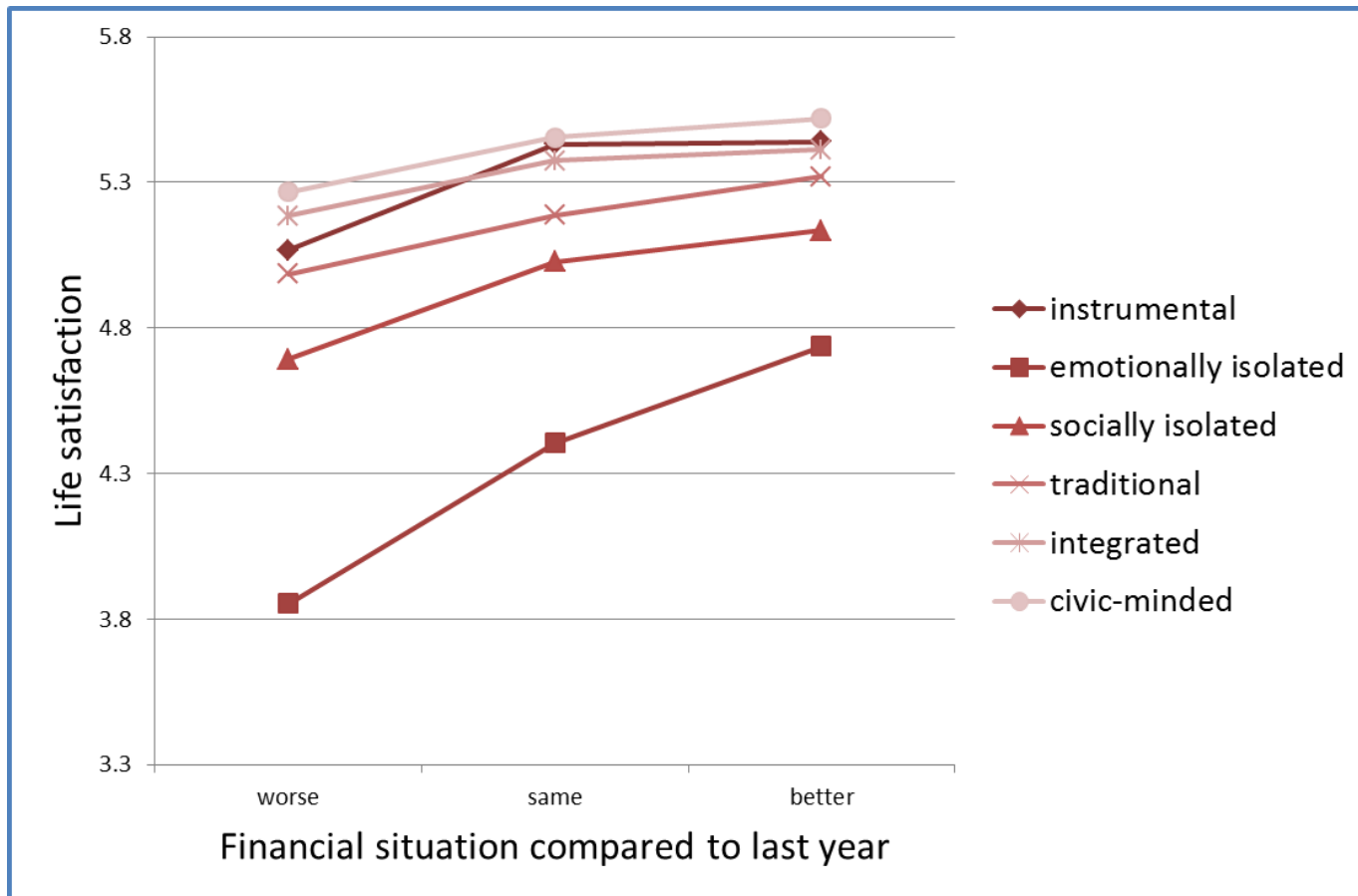
Predicted values (2)

- Chart shows predicted values of life satisfaction for all 5 categories of financial situation by connectedness



Predicted values (3)

- Chart shows predicted values of life satisfaction for financial situation compared to last year by connectedness



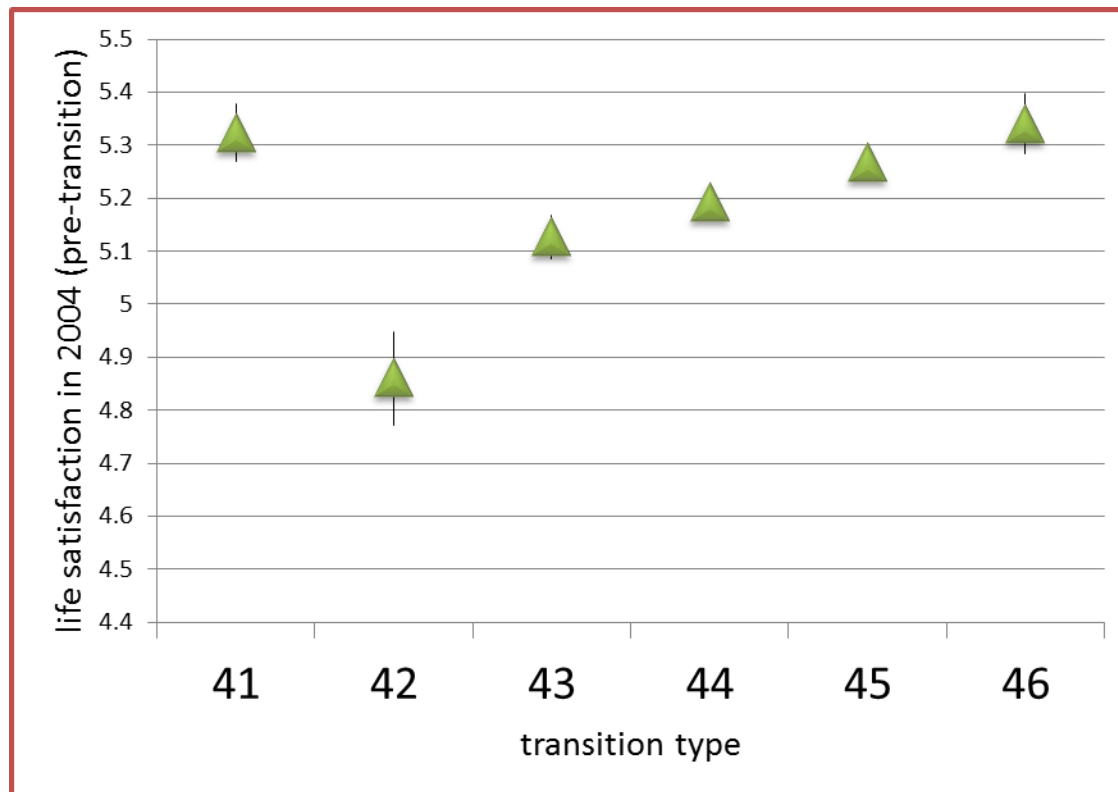
Changes in connectedness...

- ...leads to changes in resilience?

What is the nature of connectedness as a resilience resource? Is it 'internal' or trait-based, or can it be interpreted as an 'external' resource?

Connectedness transitions

- Descriptives stats show the transition is predicted by levels of life satisfaction *before* it happens i.e. some underlying trait predisposes less happiness and a propensity to become isolated



Changes in resilience: data & methods

- BHPS waves 12 – 18 (as above)
- Whole sample, although main models restricted to cases where connectedness data present at both occasions with non-missing life satisfaction
 - 77,574 measurement occasions
 - 11,868 individuals (avg. 6.5 obs per person)
- “Multiple group” model applied (in Mplus), comparing EARLY (first connectedness status) to LATE (post-‘transition’ to new status)

Approach designed to empirically separate resilience from the individual i.e. to search for change within the same individuals at different points in time

Results (2)

- Those who become emotionally isolated later are already have a different relationship with income before it happens
- Those who transition to civic-minded change their income-satisfaction relationship
- Other 'lesser' changes in connectedness show little effect
- This result is echoed with subjective financial situation but there are no significant results for feeling worse off

fixed effect	coefficient	std. err	coefficient	std. err
year	-0.01	0.01	0.02	0.00
ninstrum	-0.17	0.05	-0.26	0.05
nemotisol	-0.73	0.08	-0.76	0.08
nsocisol	-0.39	0.05	-0.40	0.05
ntrad	-0.25	0.03	-0.28	0.03
ninteg	-0.10	0.03	-0.10	0.03
transto6	0.07	0.04	0.13	0.04
transto2	-0.27	0.08	-0.35	0.07
othertransless	-0.06	0.03	-0.10	0.03
othertransmore	0.04	0.03	0.06	0.03
incc_wave	0.06	0.02	0.06	0.02
transto6 * inc	0.00	0.05	-0.08	0.04
transto2 * inc	0.21	0.09	0.05	0.06
othertransless * inc	-0.05	0.04	0.00	0.03
othertransmore * inc	-0.03	0.03	-0.02	0.03
_cons	5.48	0.03	5.43	0.03
random effect	variance		variance	std.err
random intercept: person	0.90		0.90	
occasion variance	0.69		0.66	
Intra-class correlation	0.56		0.58	
N: observations / individuals	11808 / 33410		11792 / 44164	
Overall model fit statistics				
AIC	240136.0			
Comparative fit index (CFI)	0.963			
RMSEA	0.007			

Conclusions

- Connectedness is a buffering factor (or ‘resilience resource’) that allows individuals to maintain well-being regardless of income (above the poverty line), to deal with financial ‘shocks’. It also appears that the well-connected can detach feelings about financial matters from life in subjective scales (differential susceptibility to focusing illusion)
- The nature of the resource may be largely psychological or trait-based, but we *can* see changes in individuals who undergo dramatic changes in social ties... therefore, connectedness may be considered an ‘external resource’ as well as being dependent upon ‘internal’ resources (e.g. happiness set-point, values, sociability) to some degree (a lot)

Implications/ future work

- Much of the power of social ties may be enabled through dispositional factors
- The relatively good position of the socially isolated suggests that the 'need model' of social networks should be considered (i.e. emotional needs can be met by a small number of ties, do not suppose that formal ties are 'better')
- There is considerable individual variability in the money-happiness relationship.
- The relationship between materialistic values and interpersonal ties may be interesting
- Studies looking at the effect of organisation-based activity on SWB may benefit from looking at both informal and formal ties in combination

Mechanisms of effect

- Social comparison: but this can't be the whole story. Those with very low incomes are likely to come into contact with people who are better off, so why do the very poor also benefit from a widened network?
- Social capital, i.e. resource-based explanations: having available financial and practical support, better-placed to find/improve job... but again, must be more to it, how can this explain the differential relationship between visit and satisfaction?
- Psychological-based benefits: self-esteem & self-worth, values (social influence of?), (possibly social support but this is directly measured)

Thank you

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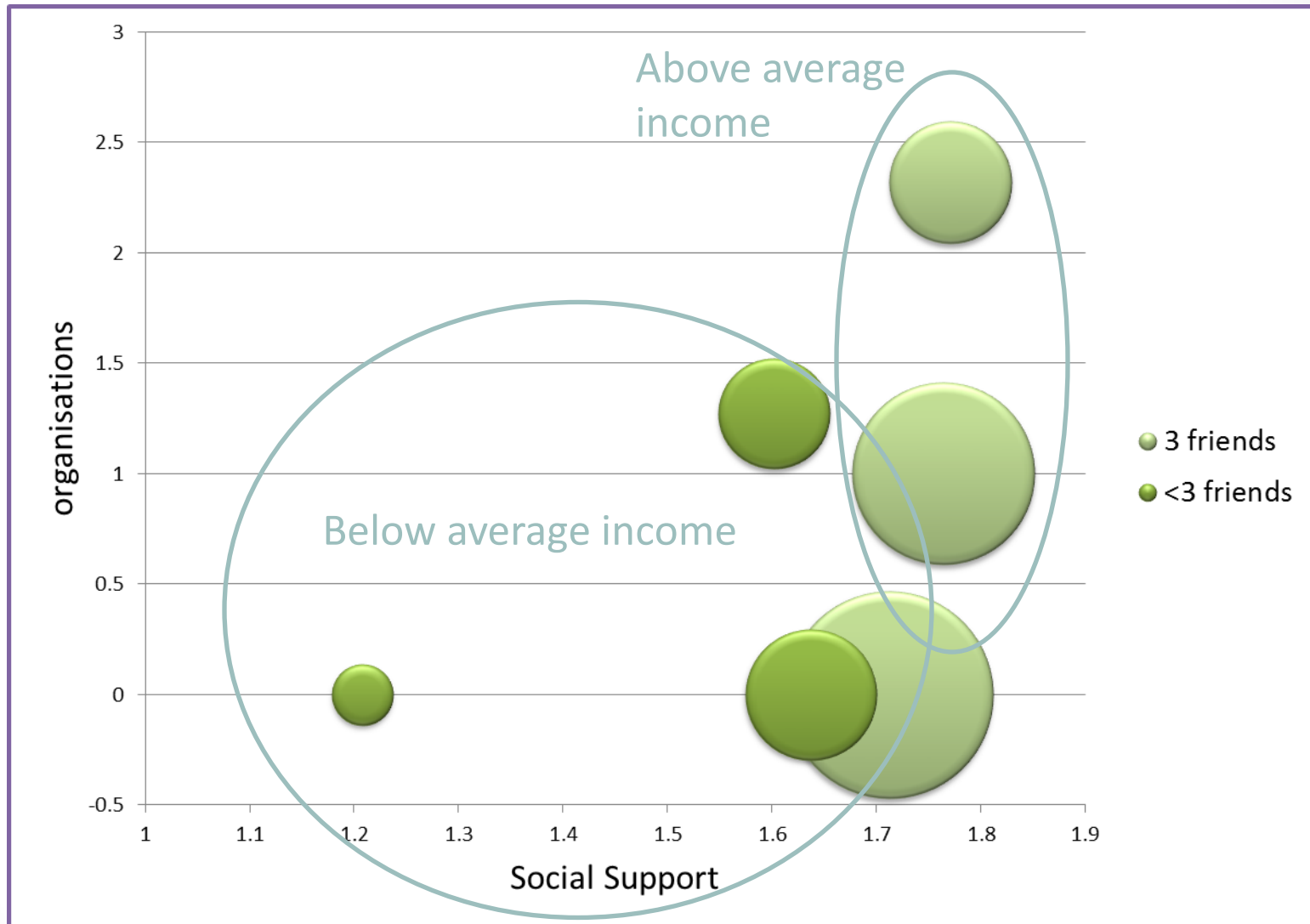
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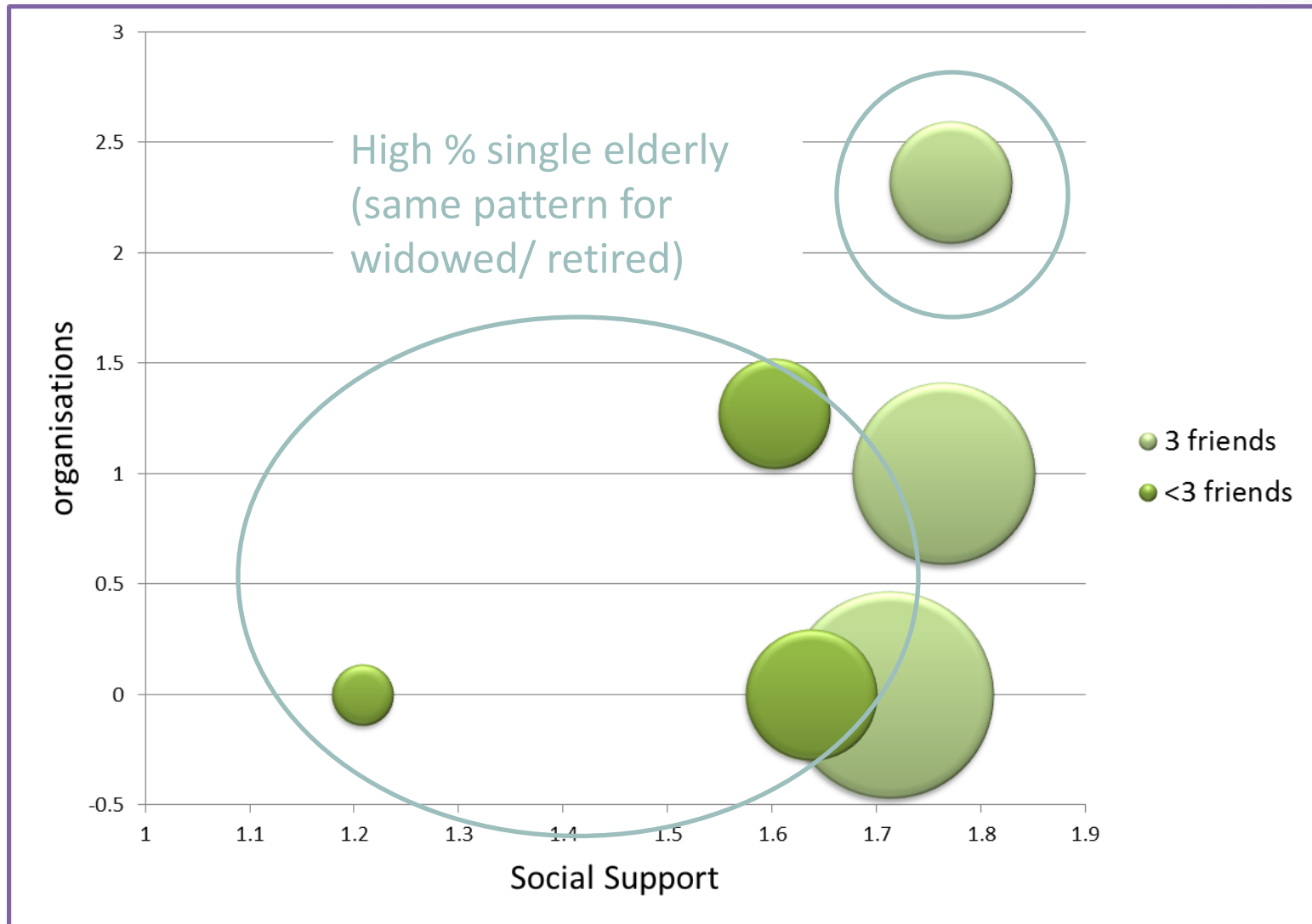
Appendix

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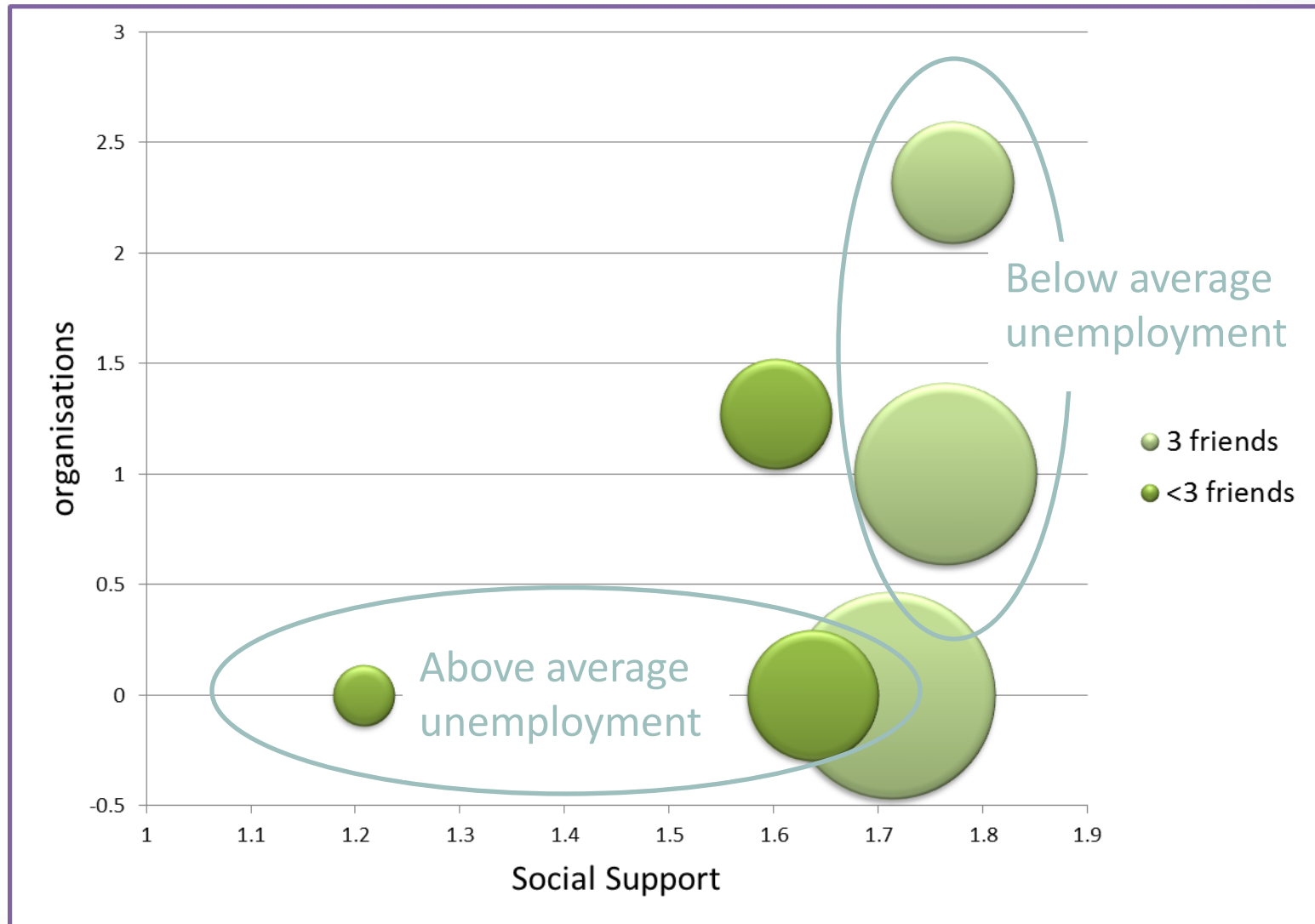
Social space of connectedness (1)



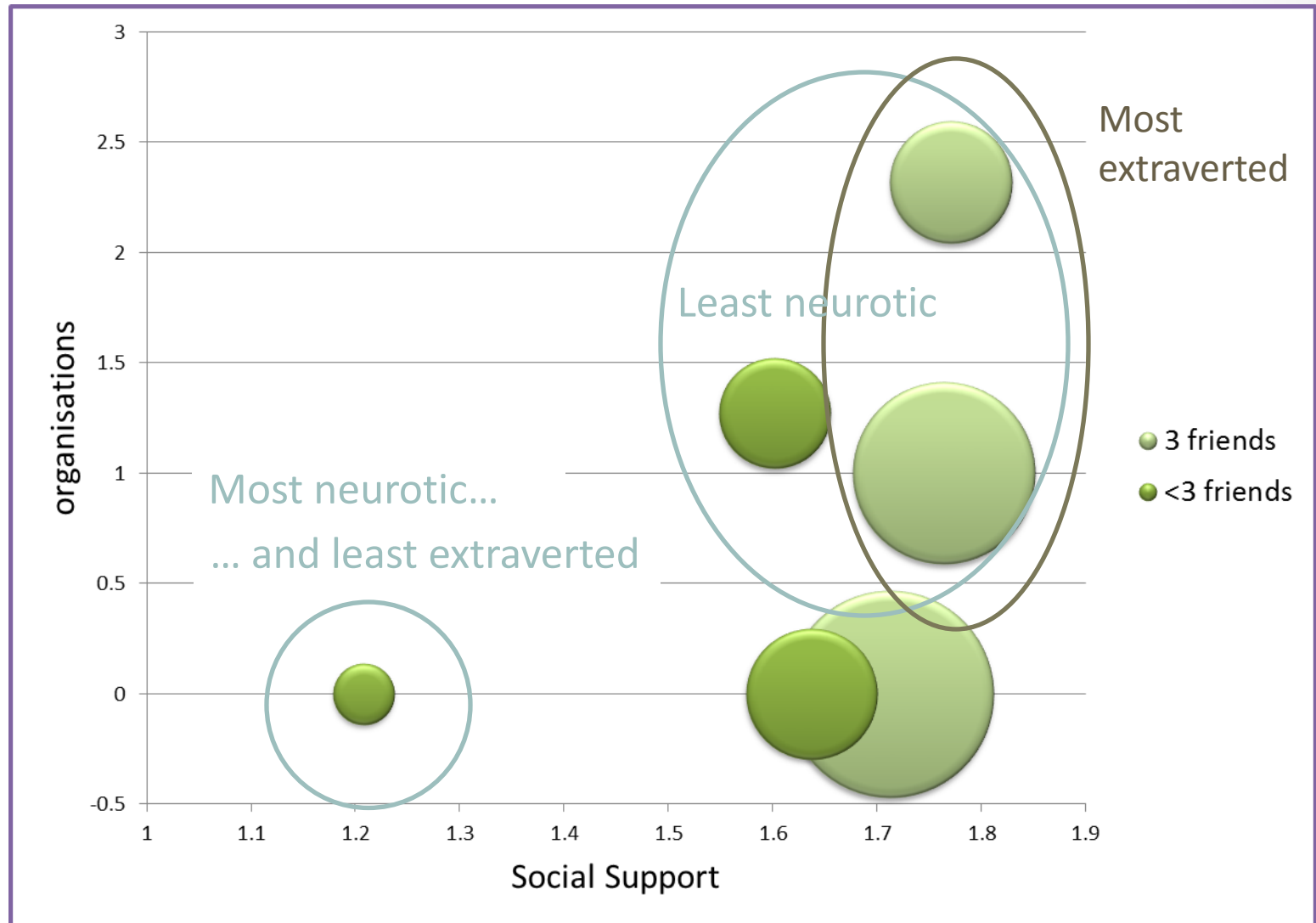
Social space of connectedness (2)



Social space of connectedness (3)



Psychological space of connectedness



Background of the study

- The research is concerned with the relationship:

Money (hard times) – connectedness – subjective well-being

- It draws on several strands of literature:
 - Subjective well-being, especially the money-happiness relationship (psychology & economic)
 - Social capital
 - Social support, coping and other psychological resources e.g. self-esteem, 'resilience'

Mechanisms

1. Social capital: personal ties can provide informal help, loans, weak ties aid occupational attainment (Granovetter 1973; Lin 2001; Wellman 1982)
2. Social comparison processes: income relative to others a stronger predictor of well-being. Comparison assumed to be directed either 'upward' or 'downward' (Festinger 1954)
3. Self-esteem/ self-worth: self-evaluation through social comparison. (Weiss 1974; Thoits 2013) Self-worth gained from social activity may reduce the importance of money
4. Purpose and meaning: role-identities linked to normative behavioural expectations, provide sense of meaning (Thoits 2013; Moen *et al* 1989)
5. Sense of control: effortful accomplishment associated with role obligations provides sense of control – efficacy and belief that (financial) problems can be overcome (Ross & Mirowsky 2013)
6. Social influence – values (“post-material”)/ aspirations (Inglehart 1981; Kasser & Ryan 1993)
7. Social support network ties as conduits of emotional, informational, and instrumental support (Thoits 2011; House *et al* 1988)

Patterns of connectedness: background

- Why treat connectedness as a type?
 - Allows for interactions between informal/ formal connections, e.g. both is better than the sum of parts? Organisations can compensate for lack of close ties?
 - Can show different pathways to well-being and resilience
 - Explicitly explores effects of being isolated and different types of isolation

LCA results

	Instrumental	Emotionally isolated	Socially isolated	Insular/ embedded	Integrated	Super civic
Wave R(Q) 2008	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6
Friends	0.723	1.788	0.364	3	3	2.987
Max friends	0	0	0	1	1	1
Orgs	1.273	0	0	0	1	2.32
Social support	1.602	1.208	1.637	1.712	1.764	1.771
n	1404	415	1936	4898	3772	1706
%	0.09936	0.02937	0.137	0.34661	0.26693	0.12073

N = 15065