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The Economic Consequences of Widowhood

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The Economic Consequences of a Husband's Death: Evidence from the HRS and AHEAD

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Abstract

We analyzed the economic consequences of a husband's death using events that occurred between the first two waves of the HRS and AHEAD studies. We compared poverty transitions against published results from Social Security's Retirement History Survey of the 1970s. Widowhood remains an important risk factor for transition into poverty, although somewhat less so than twenty years ago. Women over age 65 (AHEAD) are less likely to experience severe economic changes than women under age 61 (HRS). Several factors account for the age differences: the declining importance of husband's earnings with age, the rising importance of Social Security benefits, and the occasionally large out-of-pocket medical expenses associated with husband's death before Medicare eligibility. The greater economic impact of widowhood at younger ages is consistent with our cross-section evidence that poverty rates rise with duration of widowhood but are only weakly associated with age.

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INTRODUCTION

High rates of poverty among widows, especially those living alone, remain a primary concern of policies for the elderly (Burkhauser, 1994; Sandell and Iams, 1997). It is important to establish how a relatively low rate of poverty among married couples just before or after retirement yields such high rates for widows. The evolution of the economic status of widows can be decomposed into three major components: 1) potential resources for widowhood inherent in the financial situation of intact married couples, 2) effects associated with the event of husband's death, and 3) declining status associated with duration of widowhood. A similar classification was used by Zick and Smith (1991) in an analysis of transitions into widowhood using the Panel Survey of Income Dynamics (PSID).

This paper addresses the question of the origins of widow poverty by making use of both the cross-sectional and the longitudinal aspects of the Health and Retirement Study (HRS), part of which was formerly the study of Asset and Health Dynamics Among the Oldest Old (AHEAD). The HRS began in 1992 with a sample of 12,652 persons either aged 51-61 themselves or married to someone who was, of whom 5,181 were age-eligible women. The AHEAD began in 1993 with a sample of 8,222 persons aged 70 or older, or married to someone who was, of whom 4,540 were age-eligible women. In 1998, the two original studies were combined and two new cohorts were added to produce a cross-section sample that is representative of the US population born in years up to 1947 (51 and over in 1998). Out of a total sample of 21,351 in 1998, 11,323 were age-eligible women. For longitudinal analyses, we use 1998 plus the first

two waves (1992 and 1994) of the original HRS (persons born 1931-41), and the first two waves (1993 and 1995) of the AHEAD (persons born before 1924).

The HRS and AHEAD surveys elicit detailed information on assets, pensions, housing, insurance, and Social Security eligibility in addition to information about income. Other studies of widowhood have had to focus more narrowly on current income, neglecting the full potential to support lifetime consumption and often producing the appearance of volatile movements into and out of poverty (Bound, 1991; McGarry, 1995). The HRS can be used to replicate conventional income-based definitions of poverty but we are also able to study the long-term implications for consumption of changes in wealth associated with changes in marital status (Weir and Willis, 2000).

The HRS for 1998 represents a complete cross-section of the US population over 50, and is nearly as large a sample for that age group as the March CPS. The HRS is thus a plausible substitute or comparator for CPS-based analyses of income of the elderly (e.g., the biennial publication of the Social Security Administration's Office of Research, Evaluation and Statistics, Income of the Population 55 or Older).

CROSS-SECTION PATTERNS

Poverty by Marital Status

Table 1 compares CPS poverty rates for women with estimates from HRS and AHEAD for the same years of observation. Overall, estimates from the HRS 1998 cross-section are slightly lower than CPS figures (11.4 vs 12.2% for all women). This is most likely due to slight improvements in the HRS survey design over the CPS, most notably

the use of unfolding brackets to reduce missing data. It cannot be due to differential composition by marital status, race, or age, because the HRS analytic weights are post-stratified to match the CPS. One difference between the studies not corrected by weighting is that HRS treats unmarried couples who report they live together "as if married" as if they were a single financial unit, combining the incomes of both partners. CPS does not indicate whether two unrelated people have a shared financial relationship. That is also not likely to be the most important factor, however, because the gap between the studies for married women is greater than for the total (and therefore greater than for the non-married).

Both data sources show the enormous differential in poverty rates between married women and those who are not. In recent years, the economic status of widows has improved relative to other non-married women, as shown in their lower poverty rates compared with divorced or never-married women in most of our comparison periods.

Table 1 also shows the familiar pattern of poverty rates increasing with age. This can be seen by comparing early waves of HRS with AHEAD, and in the age categories for 1998. Looking within marital status categories, however, there is not a consistent age pattern. Most of the overall trend with age is due to the fact that the percentage of women with living husbands declines as they age.

Income Security

The HRS can look at income security from several perspectives, as in Figure 1. Many women would be in poverty if they had only their own earned or private pension and asset income to depend on. In Figure 1, we show the percent of women by age who

would fall into poverty if deprived of marriage, income of other family members, or Social Security. The percentages are calculated by deducting the indicated source of income and recalculating the poverty rate (as in Grad, 1996). For women under 62, Social Security is of rather small importance, because very few women meet the special eligibility requirements for payments before 62. In contrast, over 11% would be in poverty without their spouse's income (at the higher per-capita income threshold for poverty for singles compared with married). Between ages 62 and 65 Social Security surpasses marriage slightly. Because most husbands retire by the time the wife is 65, marriage declines in importance with age, while Social Security rises. By age 85, 43% of women are kept out of poverty by Social Security. Other (non-spouse) family income is of trivial importance prior to 65, but becomes increasingly important thereafter, rising to a 5 percentage point reduction in women's poverty by age 85.

In Figure 2 we look at the impact of Social Security by marital status. Under age 75, it is primarily widows who are lifted out of poverty by Social Security. Although the impact on widows continues to rise with age, the impact of Social Security on married women and divorced women rises even more rapidly to the oldest-old, where over 40% of all marital status groups are kept from poverty by Social Security.

Duration of Widowhood

Standard CPS publications on poverty do not report rates by marital status, only by living arrangement. The Social Security Administration's biennial reports using CPS do calculate income by marital status (see e.g., Grad, 1996), but are not able to study effects by duration in marital status because that is not available in CPS. The HRS

obtains retrospective marital history information from all respondents at baseline. From this, we can calculate for all widows present in 1998 the date at which they most recently became widowed, and thus the length of time they have been widowed.

Figure 3 shows how poverty rates vary by age and by duration of widowhood. With respect to age, there is a U-shaped pattern, with poverty rates higher for women under 65, substantially lower from 65 to about 80, and then rising among the oldest-old. Duration effects are more of a J-shaped pattern: high at very short durations, lower for the next ten years, and then rising rapidly at longer durations. The short durations are problematical (see also Burkhauser, et al., 1986). By the nature of the HRS interview, no income earned by the deceased husband will be reported, even if he was alive for part of the preceding calendar year. Some of these women may not yet have received the increments to Social Security or pension survivor benefits that will eventually raise their incomes.

If we exclude short durations, the statistical association between poverty and duration of widowhood is clear. In an analysis of variance, the duration categories explain about twice as much of the variance as do the age categories. Regression analysis can be used to generate synthetic profiles of the risk of poverty as a function of age and duration. These profiles are shown in Figure 4. Bearing in mind that these are synthetic profiles estimated from a single cross-section, and not true longitudinal observations, the simulated profiles suggest that over 15% of women widowed at 55, prior to eligibility for Social Security retirement income, will be in poverty once widowed. There is some initial decline in poverty up to about age 65, probably because of the take-up of Social Security benefits, and then a systematic increase in poverty as they age. Women widowed at 65 or

75 have lower initial poverty rates, but their economic position deteriorates steadily. At any given age, the women who had been widowed longest (youngest) had higher poverty rates.

The strong statistical association between poverty and duration of widowhood could reflect any number of causal influences. Current age is of course exactly equal to age at widowhood plus duration of widowhood, and no statistical method can correctly identify separate effects of all three. Because in our model we hold current age constant in the analyses, duration of widowhood is equivalent to (minus) age at widowhood. Moreover, because we are working with a single cross-section, duration of widowhood is also equivalent to (minus) date of widowhood. Age at widowhood is likely to be important because of the life-cycle pattern of saving and dissaving for retirement. Losing a husband before retirement incurs a loss of potential future private saving, pension accrual, and Social Security benefit increases. Consumption must be supported for several years before pension or Social Security benefits begin. Death is often associated with high medical expenses, more of which may be out-of-pocket expenses when death occurs before Medicare eligibility at age 65. For these cohorts, date of widowhood may also matter. Women who lost their husbands more than twenty years before the baseline interviews were widowed before the ERISA reforms of 1974 improved the rights of women in their husband's private pensions.

Duration of widowhood also proxies for the effects of several selection mechanisms that operate over time. We would expect that mortality rates are higher for poor women, leaving a smaller proportion of poor women as duration increases–just the opposite of what we observe. That does not mean that mortality selection does not

operate, only that it is dominated by something else. If better-off widows are more likely to remarry, then we would expect to find increasing poverty with duration of widowhood. It is unlikely, however, that remarriage selection could dominate the mortality selection because remarriage is too rare. Among HRS widows at wave 1, 17 died and 6 remarried by wave 2. Among AHEAD widows, 286 died and 8 remarried.

Duration of widowhood could also have a direct effect on income. Social Security, which is adjusted for inflation at the same rate as the poverty thresholds, should not be much affected by duration of widowhood. Private pensions are not always indexed and survivor benefits may not always be for the life of the widow, so it is possible that income from private pensions decreases with duration of widowhood. Finally, if private savings are consumed at too high a rate early in widowhood there will be less asset income available at later durations.

Crude descriptive evidence, then, indicates that current age and duration of widowhood are separately and independently related to widow poverty rates. Because current age minus duration of widowhood equals the age at which widowhood began, we cannot infer from cross-sectional data whether this pattern arises from true duration effects, such as over-consumption out of assets, or from effects due to age at widowhood, such as greater shocks to lifetime income or stronger income-related selection effects at younger ages. The fact that the age profile of recent widows shows higher poverty rates at younger ages suggests that age at widowhood may be the primary factor in effects by duration.

Program Benefits by Duration of Widowhood

Social Security benefits do not decline over time for an individual. We can use the benefits reported in HRS to demonstrate that age at widowhood is at least partly independently responsible for the duration patterns shown above. Figure 5 shows how the average annual benefit received by widows (over age 62) varies by duration of widowhood, holding age constant. Social Security benefits decline with duration (except at the shortest durations, where some women have probably not had their benefits adjusted yet). The drop is about 1600 dollars from durations 2-7 to 20+. That implies, for example, that on average a 75-year-old woman widowed at age 70 would receive $133 per month more than a 75-year-old woman widowed at age 50. Because we know that Social Security benefits for an individual do not decline over time, this pattern suggests that women who were widowed at younger ages had lower couple lifetime earnings, either because of lower incomes or shorter working lives.

Supplemental Security Income (SSI) benefits are means-tested to provide an income slightly below the poverty line and are therefore a sensitive indicator of poverty. Figure 6 shows that benefits from SSI increase with duration of widowhood, as one would expect if poverty rates increase with duration. Note, too, that SSI benefits are higher at very short durations, indicating that the higher poverty rates observed there may not be entirely an artifact.

LONGITUDINAL ANALYSES

Using HRS cross-sectional data for 1998, we found that poverty rates tended to be higher for widows who had been widowed for a longer time, holding age constant. The

pattern appears to be consistent with two underlying processes: a higher initial rate of poverty among women widowed earlier in life, and a general tendency for poverty rates to rise with length of widowhood. Cross-sectional data have limitations, however. We cannot entirely rule out the possibility of cohort or period effects generating the patterns we see. Moreover, even if we were certain that age at widowhood and duration of widowhood were both related to poverty rates by age, that does not tell us what economic or demographic forces produce such a pattern. Longitudinal data can examine directly whether and why early widowhood is associated with higher poverty, and what happens to widows over time.

Longitudinal analysis using HRS is limited to the two cohorts who entered the study prior to 1998: the original HRS birth cohort of 1931-41 introduced in 1992, and the AHEAD birth cohorts born 1923 and earlier who were introduced in 1993. Women who were in the age-eligible cohorts in 1992 (51-61) were younger and predominantly "pre-retirement," in contrast to the AHEAD women (70+ in 1993) who were mostly past retirement. That means, for example, that most of the HRS women did not receive Social Security benefits in 1992, but a substantial number became eligible between 1992 and 1998, while most of the AHEAD women were eligible and receiving Social Security.

Historical Comparison of Poverty Transition Rates

One advantage of longitudinal data is the ability to study the effect of economic status in marriage on the probability of being poor when widowed. Table 2 shows transition rates into poverty for the Retirement History Survey of the 1970s, and two transition periods each for HRS and AHEAD. Note first the central columns for "new

widows" which compares the poverty status of women widowed by the end of a transition period with their poverty status in marriage prior to widowhood. The 1970s were a harder time for widows generally: in the RHS 37% of women widowed from non-poor marriages were in poverty afterward, while 85% who began in poor marriages remained poor. Compare that to the AHEAD cohort, which shows relatively stable patterns of 10-12% of non-poor married women becoming poor after widowhood, and 42% of poor married women leaving poverty after widowhood. The HRS evidence is more mixed, suggesting perhaps that poverty rates in 1994 were overestimated (income underestimated at the low end of the distribution). If that were true, then the 1992-94 transition rates into poverty are too high and the 1994-98 transition rates too low. What's clear is that the rate of transition from non-poor to poor for new widows was higher, perhaps twice as high in HRS as in AHEAD, while still being lower than in the RHS study. Thus, despite substantial progress, the risks of entering poverty after a husband's death are considerably greater for women widowed before retirement than for those widowed later.

SES, Mortality, and Selectivity of Widowhood

The first comparison we make is of the force of the well-known correlation of mortality and socio-economic status. Using married couples at baseline (1992 or 1993), we estimated separate logistic regressions of the probability of a husband's death between baseline and 1998 as a function of husband's age and family income as a percentage of poverty. Figure 7 shows how the relative risk of a husband's death varies as a function of household income relative to the poverty line. The relative risks were computed

separately for each cohort, thus neutralizing the much higher average death rate in the older cohorts. The younger HRS cohort shows a somewhat steeper and more regular path of declining mortality with higher income. Couples at under 150% of the poverty line were 2.3 times more likely to experience a husband's death than the comparison group of 300-600% of poverty. The AHEAD cohort shows similar but smaller differences by SES: the group at under 150% of poverty was 1.8 times more likely to experience a husband's death. The highest income group in the HRS experienced only 60% of the deaths that the reference group did, while in AHEAD there was essentially no difference between the top group and the reference group.

Because the income distributions differ between HRS and AHEAD, we re-estimated the logistic regressions using percentile ranking in the cohort-specific income distribution instead of income relative to poverty. Figure 8 shows much the same pattern as Figure 7: a steeper and steadier SES gradient in HRS, and a more shallow one for AHEAD. Beyond the median income, there is no clear benefit to higher income for married men over 70.

The stronger the SES-mortality gradient, the greater the selectivity of mortality. In the HRS, where couples near the poverty line have a greater relative risk of producing a widow than in the older cohorts, we expect new widows to be disproportionately represented by women from households with few resources. That will still be true at older ages, but less so. One factor relating age at widowhood to risk of poverty, then, is the stronger association of SES and mortality at younger ages.

Changes in Income by Source

Although the selectivity of mortality contributes to a higher rate of poverty among women widowed at younger ages, there are also differences in the impact of resources lost at widowhood. The economic status of widows is determined by assets, earned income, pension income, Social Security, and by the income of family members in the same household. We look at the trends in each income source, by type of marital transition and by cohort. In each case, we compare trends between baseline (1992 for HRS; 1993 for AHEAD and 1998). Three groups are shown: women who were married throughout the interval ("married"), women who became widowed during the interval ("new widows"), and women who were widowed throughout the interval ("widows").

Figures 9 and 10 show the course of median net worth (in 1998 dollars) for HRS and AHEAD women, respectively. By comparing the baseline position of new widows with that of the other married couples, we see again the selectivity of husband's mortality: new widows had lower median net worth while married than did married couples who remained married in 1998. Similarly, women who were widowed prior to baseline had even less net worth than the two married groups. In both cohorts, continuing widows made essentially no gains during a boom market, while stably married couples showed further increases in wealth. The main contrast between the two age groups is that while HRS new widows lost wealth to fall nearly to the level of continuing widows by 1998, the new widows in AHEAD posted gains in net worth. One possible explanation of this pattern is that in the absence of Social Security income, consumption pressures on new younger widows led to a greater rate of consumption out of assets.

Another is that a higher proportion of net worth pre-retirement is held in business assets whose value depends on the survival of the husband.

Figures 11 and 12 show the changes in household Social Security benefits for the same groups, also in 1998 dollars. The AHEAD cohorts in Figure 12 reflect perfectly the rules of the Social Security system, in which benefits are based on lifetime earnings and adjust by formula after widowhood. New AHEAD widows had nearly the same benefits as other married couples in 1993, indicating that they had similar lifetime incomes despite having less wealth. Following a husband's death, widow benefits will in general range from 67% of the married level, assuming the spousal benefit was equal to half that of the primary earner, down to 50% replacement in the case where both partners had equal benefits based on earnings. Thus, new widows averaged around $10,000 per year in benefits compared to just over $15,000 while married. Continuously married and continuously widowed households showed essentially no change.

In the HRS cohort, the patterns are primarily determined by who claims benefits and who does not. The median-aged members of the HRS cohort only reached age 62 in 1998, so roughly half the cohort was not eligible to claim retirement benefits. New widows were more likely to be receiving benefits while married in 1992, probably because their husbands were older or retired sooner due to poor health. After widowhood, these new widows had higher average benefits because many of them became eligible to claim between 1992 and 1998. Continuously married couples experienced the greatest growth in mean benefits received because they were less likely than the others to be receiving benefits in 1992 and because they were entitled to higher benefits when claimed.

Pension and annuity income, shown in Figures 13 and 14, behaves similarly to Social Security benefits, largely because of similar eligibility rules by age. Thus, in HRS, continuing widows and continuously married couples both increased pension and annuity income as more became eligible. New widows in both HRS and AHEAD lost pension and annuity income between baseline and 1998. In both cases the gap between new widows and the married in 1998 was on the order of five thousand dollars per year. It is somewhat surprising that pension income in HRS should decline, because many men had not yet claimed pension income. It appears, however, that among married men at baseline, those who would eventually leave a widow were more likely to have taken early retirement, perhaps because of poor health, and in both cohorts pension benefits were reduced after death. ERISA laws require both spouses' signatures to claim pension benefits on a single life, but joint-and-survivor annuities providing only 50% survivor benefits are a common default plan that does not require the potential survivor's signature. Thus, while total loss of pension benefits after a husband's death has become uncommon, full retention is also rare. The growth in income for stable marriages and widows in AHEAD suggests that some of the income may be based on funds whose payout depends on equity values, which improved over this time period.

Responses to Widowhood

The economic consequences we reviewed above are essentially passive: women cannot respond to the death of a husband by simply choosing to have more wealth or higher pension benefits immediately. There are, however, a few response options available. One way in which widows at any age can compensate for reduced economic

status is to co-reside with other family members. Not much is known about exactly how such living arrangements allocate resources within the household. The poverty scales assume that income is pooled, and treat coresident family members as a single economic unit.

In Figures 15 and 16, we trace the changes in other-person income for the three marital transition groups. Continuously married couples have very little other-person income. In HRS, this average level declines over time due to the departure of young adult children from some households. Baseline widows had much higher levels. In both HRS and AHEAD, newly-widowed women increased their other-person income in by about $1500. By 1998, they had substantially more than continuously married, but still less than continuously widowed women. This could reflect either a slow adjustment process for new widows, or a worse economic situation for women widowed earlier. In the AHEAD cohort, where the difference between new and continuing widows in 1998 was very large, it almost certainly reflects lower personal resources of early widows who moved in with other family in the past.

A second response mechanism is earnings from work. We examine this for the HRS cohort only in Figures 17 and 18. In Figure 17 we see mean family earnings for the three marital transition groups. All decline over time as some of the cohort retires. New widows lost more than the others. From this chart we cannot say how much was lost husband's income and how much was due to changes in the woman's earnings. Figure 18 provides earnings information for women only. There we see that all women had earnings declines, with new widows consistently at lower earnings levels. By subtracting women's earnings from family earnings, we find that at baseline the men in marriages

that would remain intact earned about $36,000 compared with only $18,000 for men who would leave a widow by 1998. Earnings response was therefore not a significant factor improving widows' economic position even in a cohort aged 57-67 at the end of observation.

CONCLUSION

The Health and Retirement Study (which now subsumes the AHEAD study) is a compelling source for studying the economic circumstances of widows. For the older population, the biennial cross-section data are a reasonable substitute for CPS for measuring poverty and its relationship to basic demographic variables. Because the HRS cross-sections have so much more information on wealth, health, and retrospective marital histories, they can be used to study more complex associations. Even more importantly, the longitudinal perspective permits the study of the dynamics of poverty and the changes in economic status that accompany a husband's death and the years that follow it.

In this paper we found that duration of widowhood had a strong negative relationship with economic status at any age. A substantial part of that relationship is due to effects associated with age at widowhood. Women widowed in their 50s were more likely to have been poor before widowhood, and suffered greater loss of assets and pension income compared with women widowed after age 70. A substantial part of pension accrual and retirement savings occurs in the years just preceding retirement, so early widowhood prevents future growth in resources, as well. Social Security, which is so important in alleviating widow poverty for women widowed after 65, and for

protecting dependent children and their widowed mothers, is of relatively little help for women widowed in their 50s. Few receive benefits for dependent children, and they must wait several years for retirement benefits.

Faced with the loss of resources in widowhood, women have only a few options available to respond by improving their economic status. Remarriage is difficult because of the demographic imbalances caused by shorter male life expectancy. It is too rare in the HRS to study its benefits. Co-residing with children or siblings is another way to be part of a household with more resources. We found that widowhood did increase the income of other family members in the widow's household as one would expect. Earning income through work is the other main way women can improve their status. That becomes increasingly difficult with age. Even for women in the HRS cohort, however, there was little evidence that the loss of a husband led to higher earnings by the woman.

Social Security policy needs to remain attentive to the special situation of widows. Within the current age rules, the main concern will be with the fairness of the distribution of widow (and spouse) benefits in which a low-earning widow may have lower benefits than a married woman who never worked. We would suggest that additional attention be paid to the welfare of women widowed after their children have grown but before they have completed their retirement preparations. Not only are widows at that age more vulnerable, they are more likely to be in poverty many years later.

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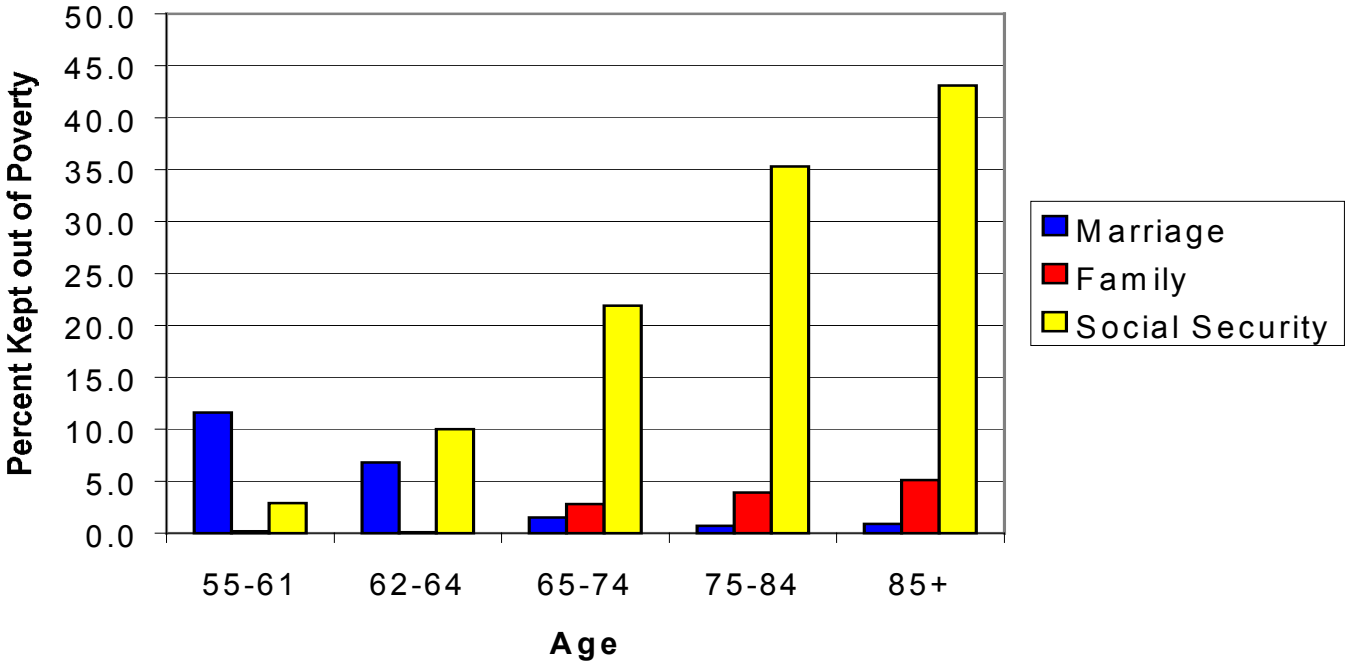
Table 1. Poverty Rates of Women by Age, Marital Status, and Survey Year: HRS/AHEAD Compared with CPS

		HRS and AHEAD					Current PopulationSurvey				
Age	Year	Married	Div/Sep	Widowed	Never Mar	All	Married	Div/Sep	Widowed	Never Mar	All
51-61	1992	4.9	21.6	21.5	21.1	10.3	6.1	21.9	25.3	19.9	11.2
53-63	1994	4.8	23.6	26.5	26.5	11.6	6.4	21.7	24.8	22.0	11.7
57-67	1998	4.2	20.2	19.7	26.9	10.4	6.4	23.1	21.6	25.5	12.2
70+	1993	6.1	29.3	20.1	24.2	15.8	7.6	27.6	22.0	26.3	17.5
72+	1995	4.4	26.9	18.3	21.9	14.2	7.3	29.1	20.3	29.7	17.0
75+	1998	2.7	27.2	17.8	31.3	14.4	6.1	25.0	18.3	20.2	15.0
51-64	1998	4.5	16.5	19.6	22.3	9.4	5.5	21.5	21.4	22.8	11.0
65-79	1998	2.8	26.0	14.5	26.6	10.3	5.5	23.9	17.2	21.5	12.2
80+	1998	4.0	33.3	20.3	41.1	19.0	7.5	21.0	19.1	16.2	16.6
All	1998	3.9	19.7	17.3	26.2	10.9	5.6	22.1	18.6	21.4	12.2

Figure 1.



Percent of Women Kept out of Poverty by Marriage, Other Family, and Social Security; by Age

Figure 2.

Percent of Women Kept out of Poverty by Social Security: by Age and Marital Status

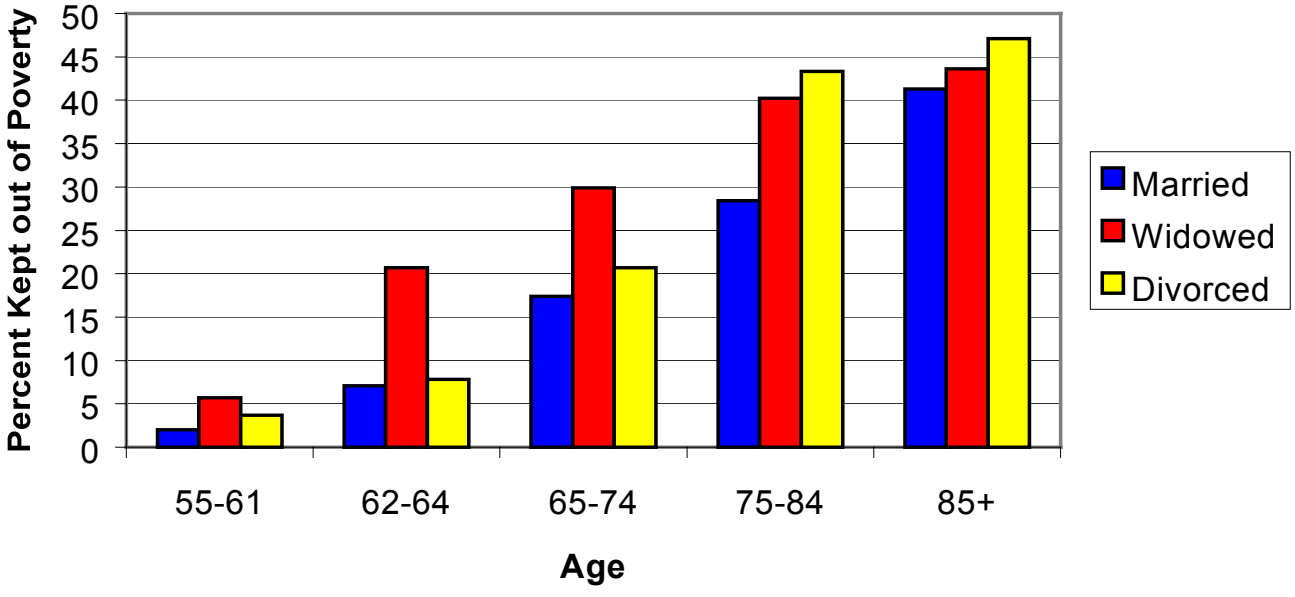


Figure 3.
Widow Poverty Rates, by Age and Duration of Widowhood

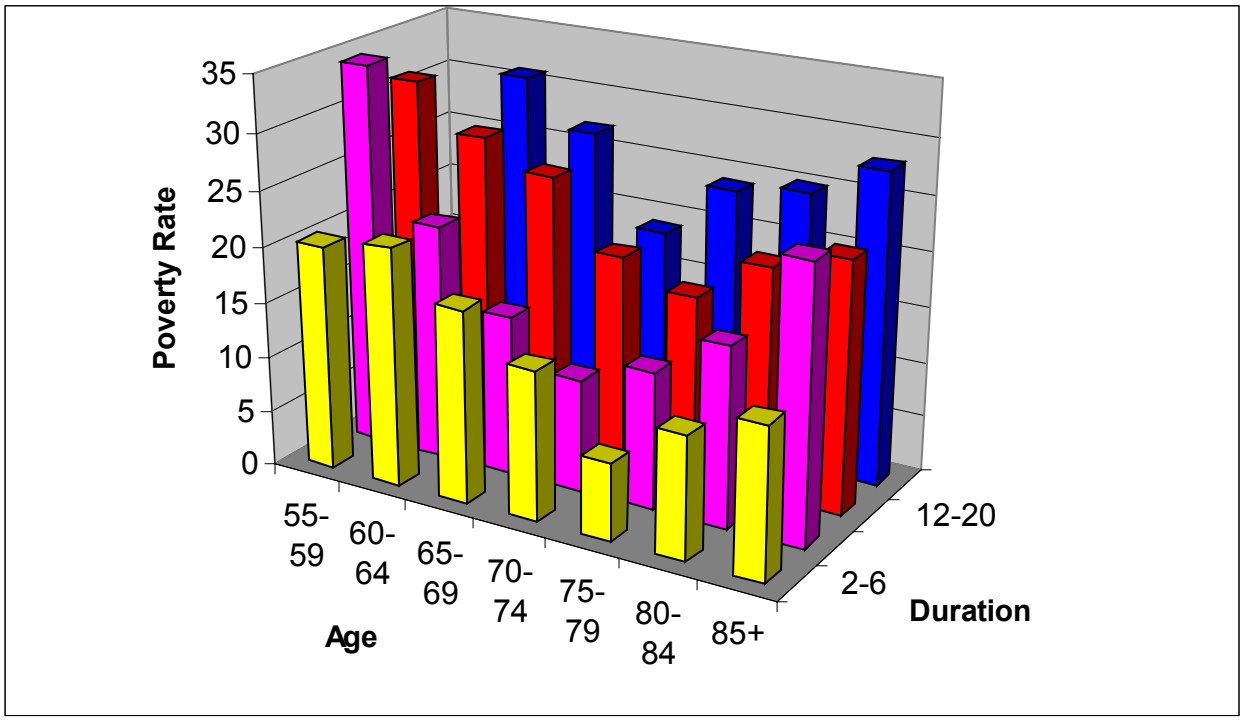


Figure 4.

Poverty Rates of Widows, by Age at Widowhood and Age

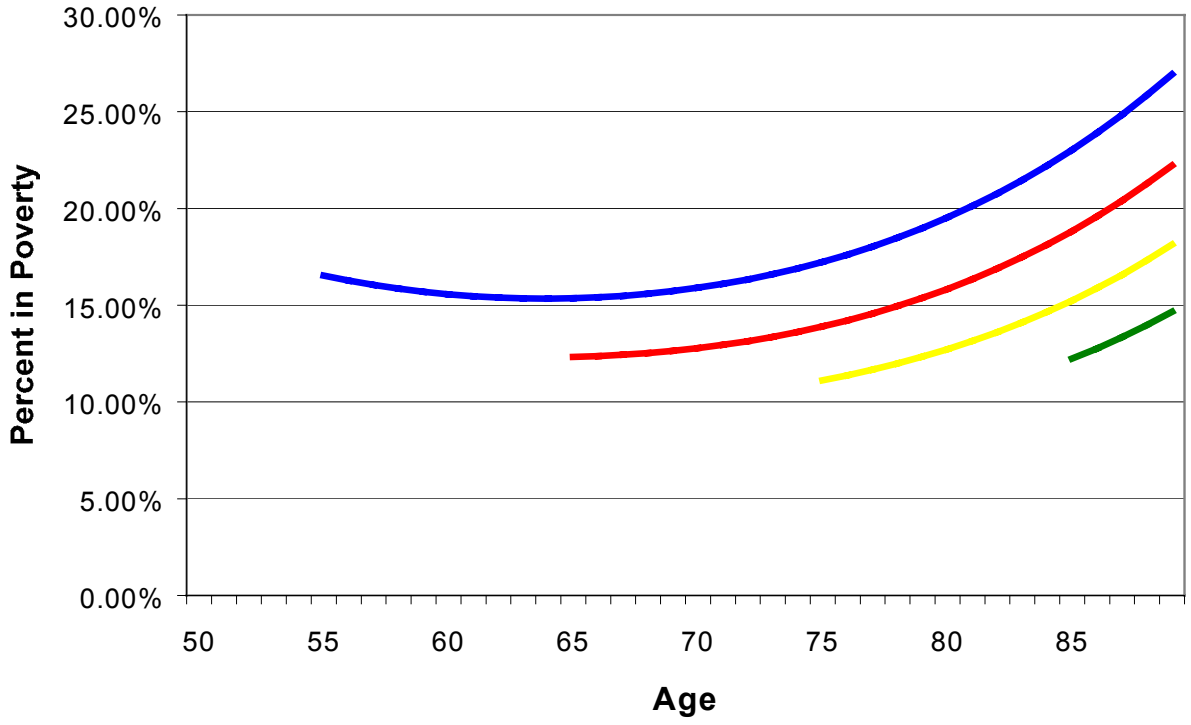


Figure 5.
Social Security Benefits by Duration of Widowhood, Holding Age Constant

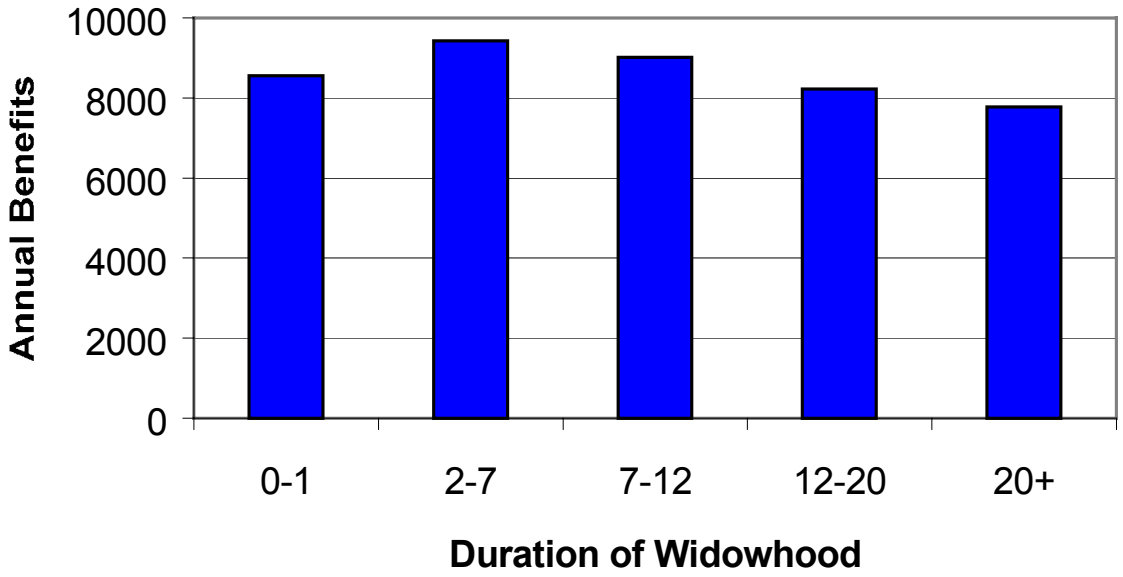
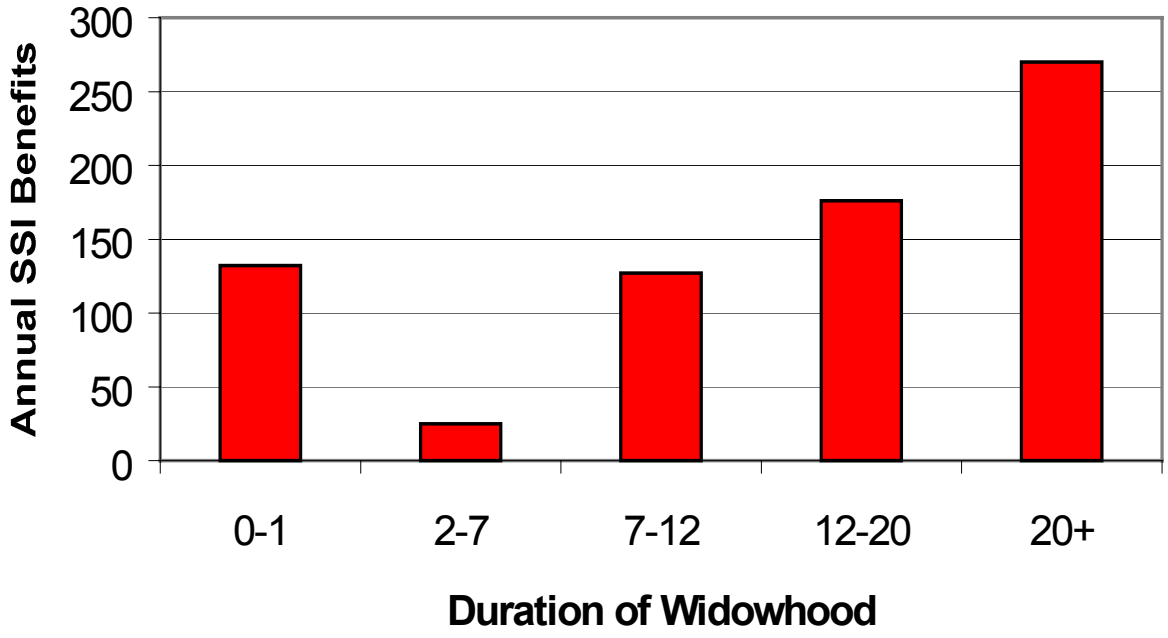


Figure 6.
Supplemental Security Income Benefits by Duration of Widowhood, Holding Age Constant
Figure 7.



Relative Risk of Husband's Death, by Family Income as a Percent of Poverty

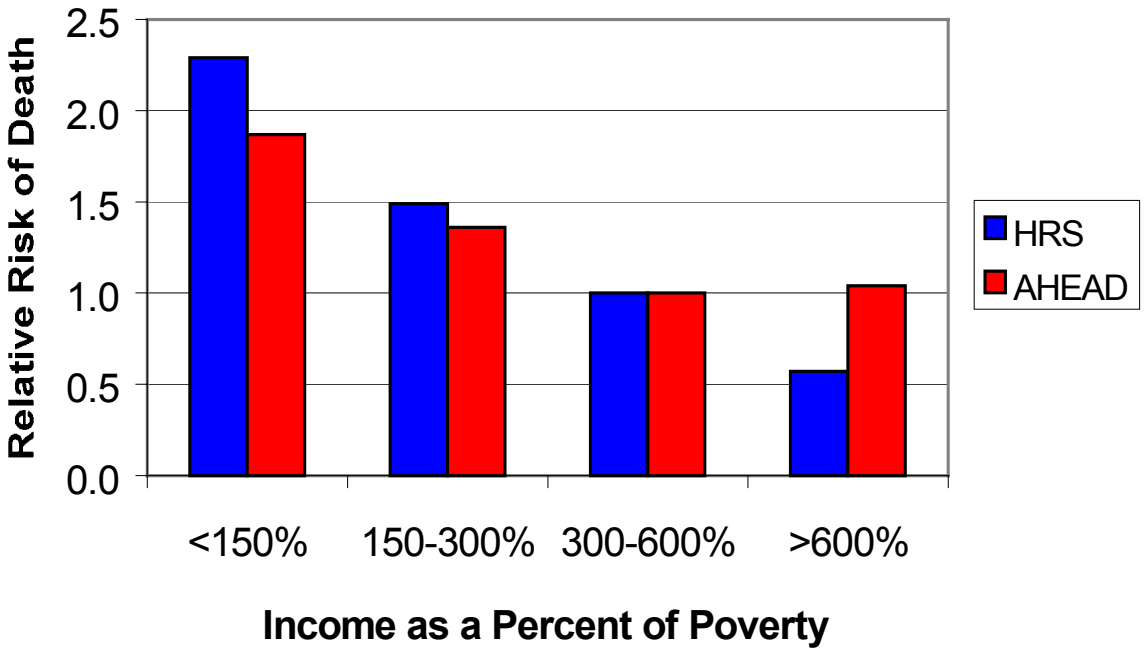


Figure 8.
Relative Risk of Husband's Death, by Percentile Ranking of Family Income Within Each Cohort

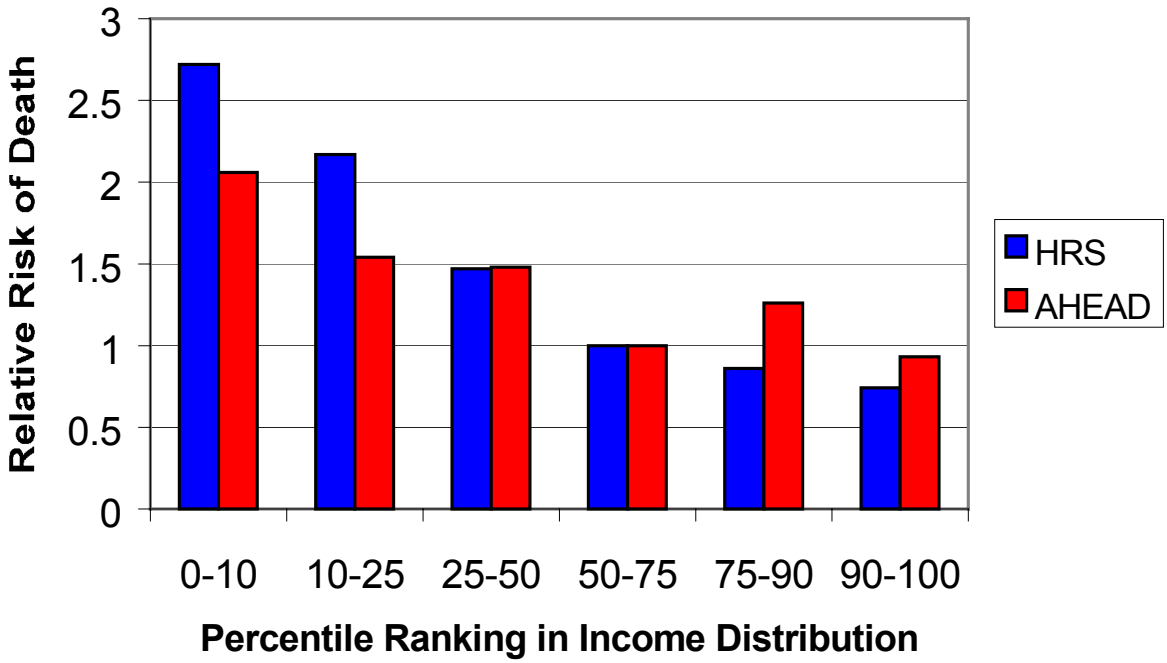


Table 2.
Transition Rates into Poverty by Marital Status at Beginning and End of Period: HRS and AHEAD Compared with RHS

Transition Interval	Married in Both		New Widows		Widow in Both	
	Poor at Start	Not Poor at Start	Poor at Start	Not Poor at Start	Poor at Start	Not Poor at Start
RHS 1973-75	49	4	85	37	50	11
HRS 1992-94	39	3	82	30	59	14
HRS 1994-98	30	3	43	15	44	7
AHD 1993-95	31	2	58	10	54	9
AHD 1995-98	44	2	58	12	63	10

Sources: Authors' calculations from HRS 1992, 1994, 1998, and AHEAD 1992, 1995; RHS data from Hurd and Wise (1989, Table 6.3).

Figure 9.
Changes in (Median) Net Worth by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)

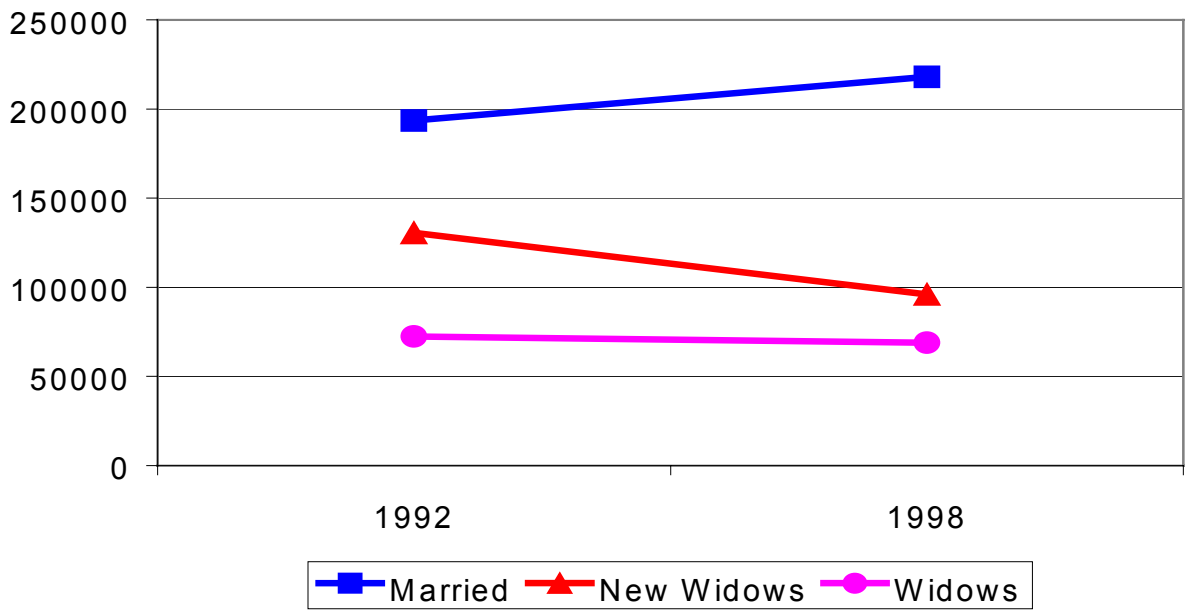


Figure 10.
Changes in (Median) Net Worth by Marital Status from 1993 to 1998: AHEAD Women (70+ in 1993)

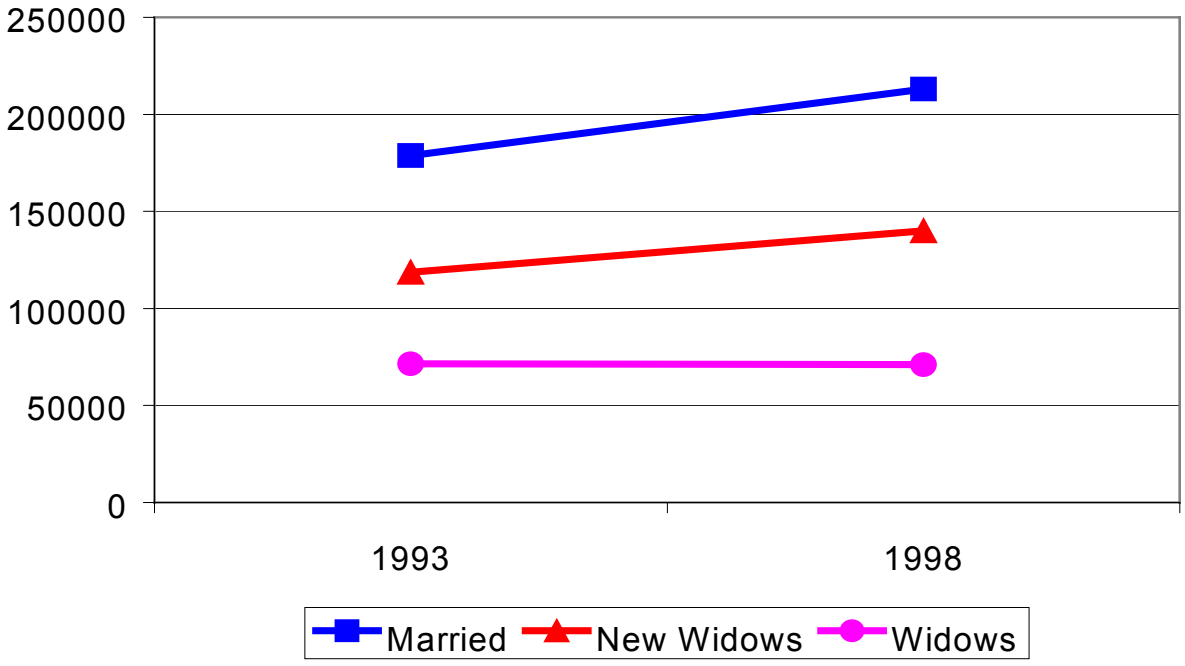


Figure 11.
Changes in Social Security Benefits by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)

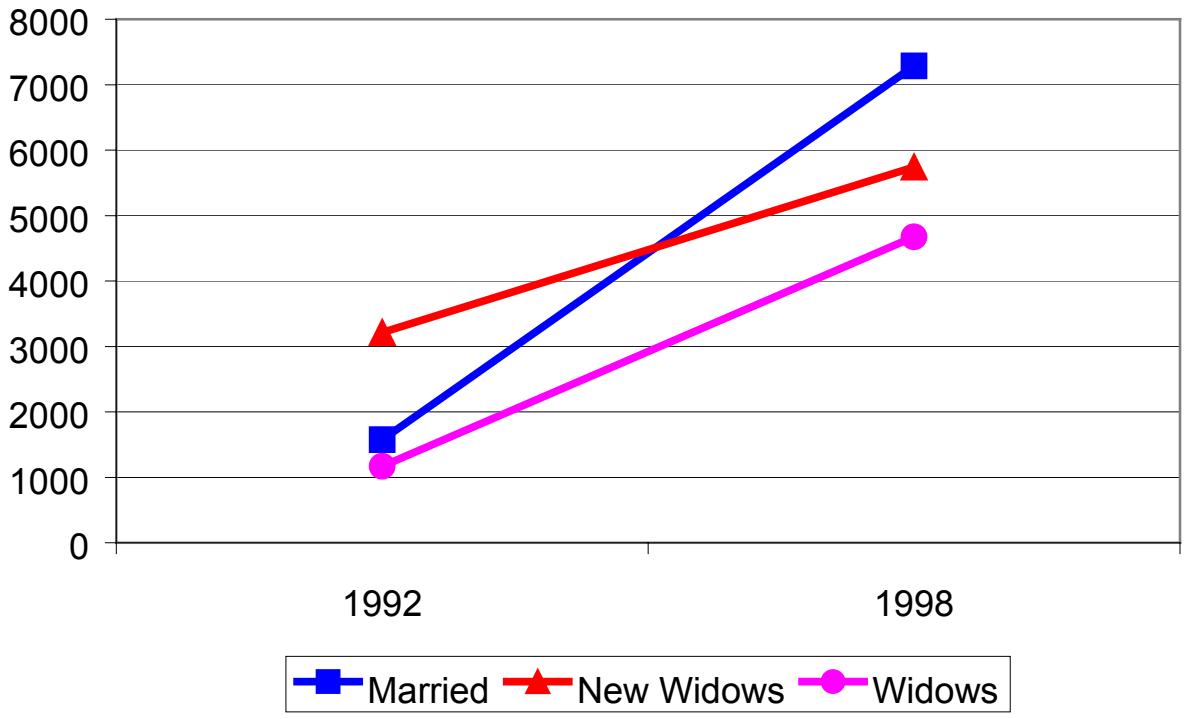


Figure 12.
Changes in Social Security Benefits by Marital Status from 1993 to 1998: AHEAD Women (70+ in 1993)

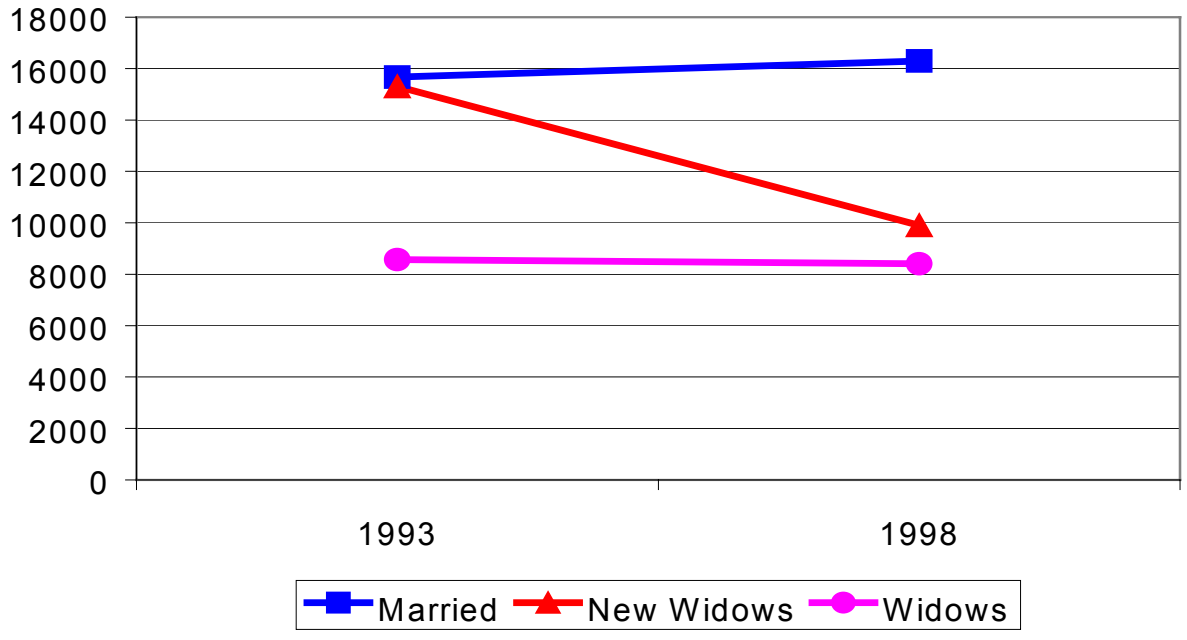


Figure 13.
Changes in Pension and Annuity Income by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)

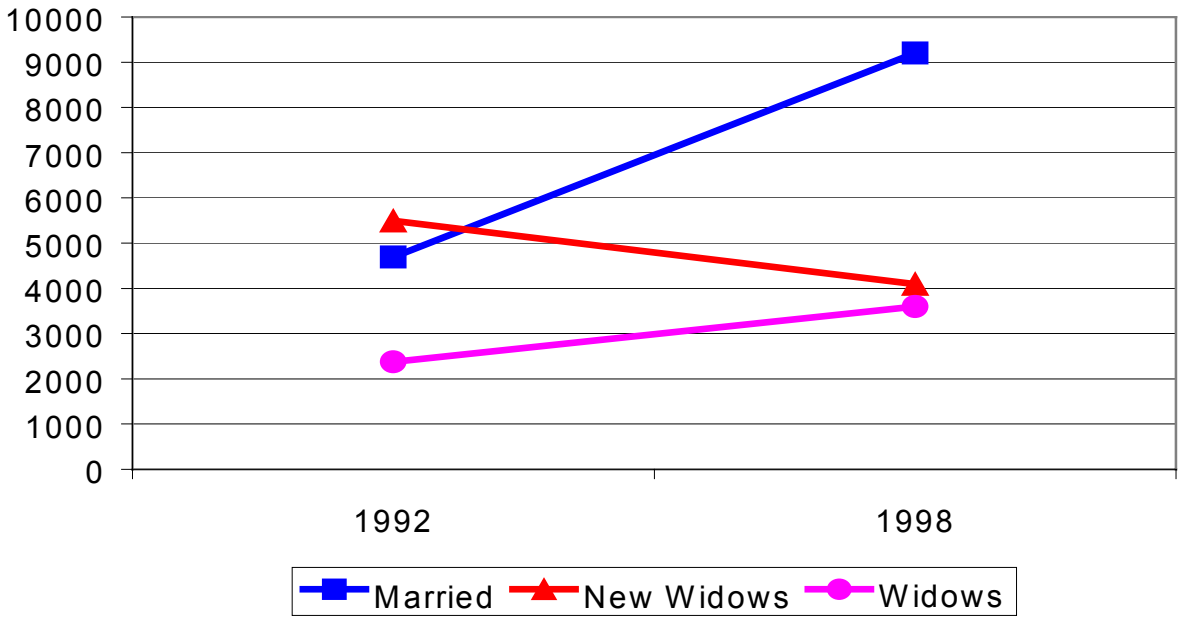


Figure 14.
Changes in Pension and Annuity Income by Marital Status from 1993 to 1998: AHEAD Women (70+ in 1993)

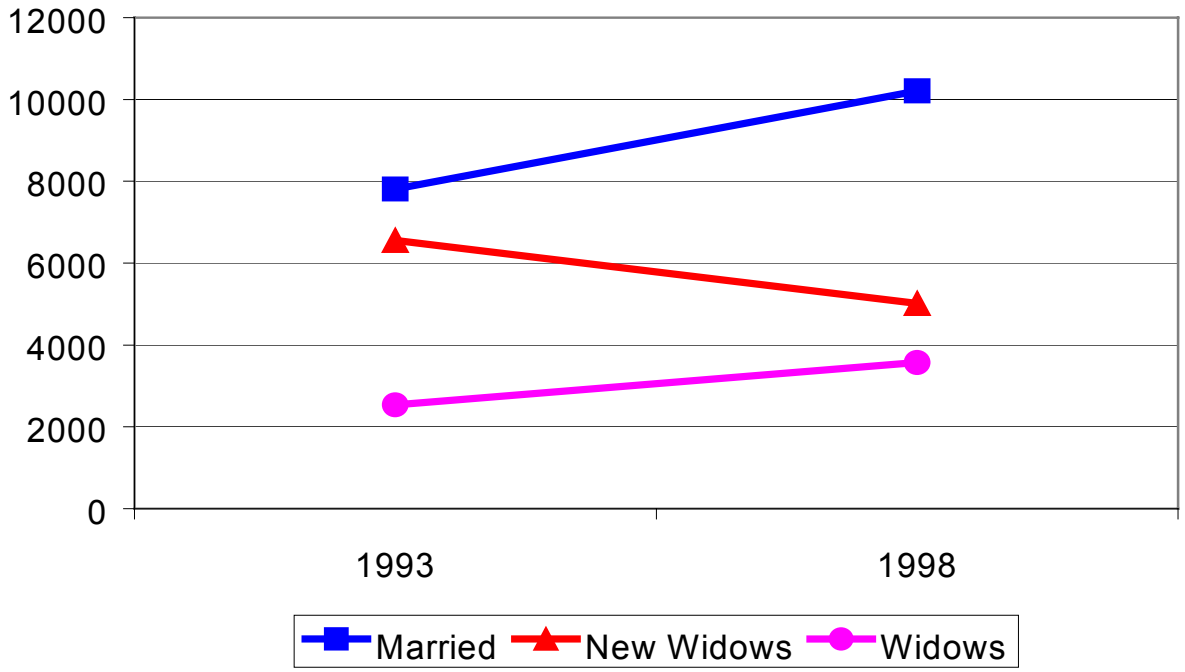


Figure 15.
Changes in Income of Other Family Members by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)

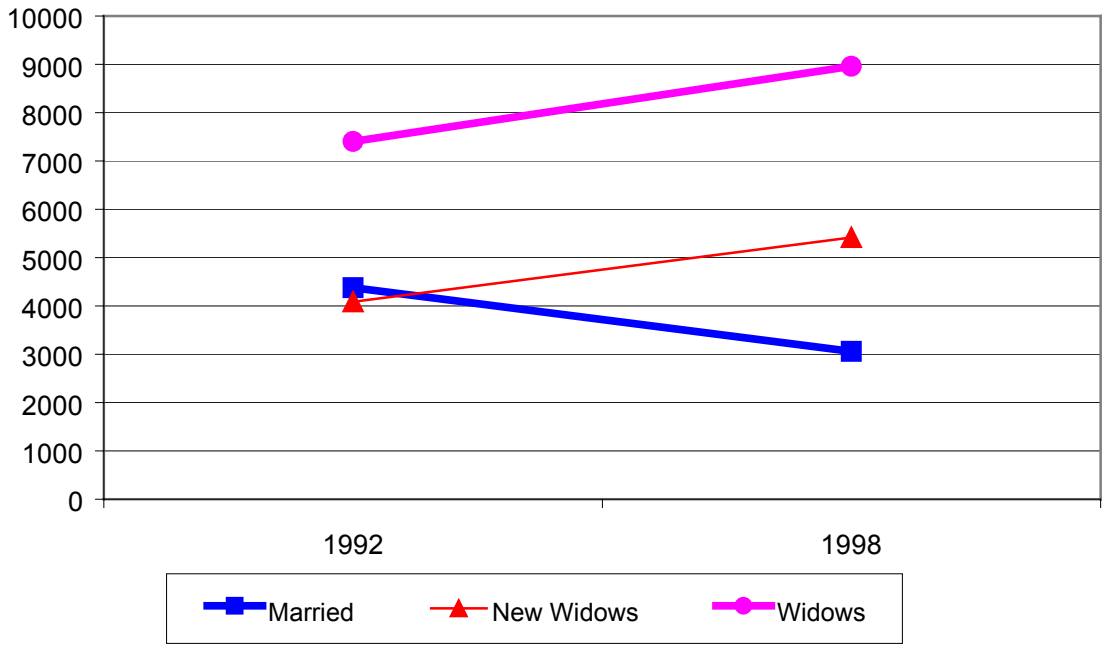


Figure 16.
Changes in Income of Other Family Members by Marital Status from 1993 to 1998: AHEAD Women (70+ in 1993)

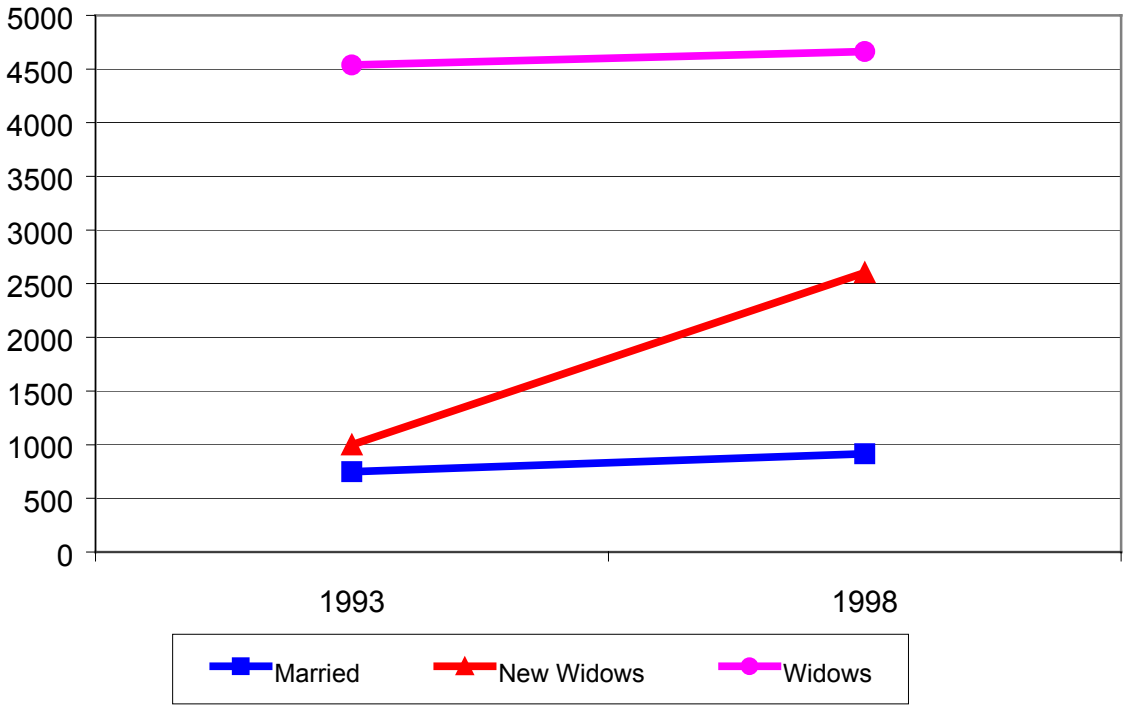


Figure 17.
Changes in Mean Family Earnings by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)

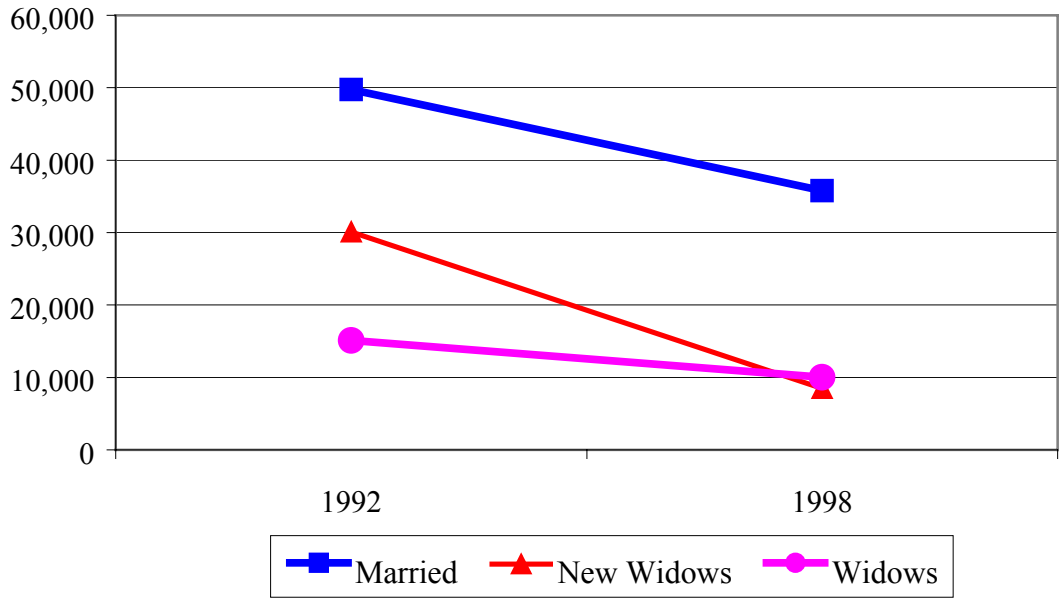


Figure 18.
Changes in Wife's Earnings by Marital Status from 1992 to 1998: HRS Women (51-61 in 1992)