NORTHWESTERN UNIVERSITY

Foreclosed: Economic Decision-Making in Insecure Households

A DISSERTATION

SUBMITTED TO THE GRADUATE SCHOOL
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS

for the degree

DOCTOR OF PHILOSOPHY

FIELD OF SOCIOLOGY

By

Elyse G. Kovalsky

EVANSTON, ILLINOIS

December 2016

DISSERTATION ABSTRACT

How do households confront insecurity? This dissertation is a study of how households navigate insecurity as observed through struggles with homeownership and foreclosure. I discuss insecurity as a multi-dimensional experience that puts important resources at risk of loss and reaches into many areas of family life, including health, wealth, food, essential services, social life, housing and employment. Insecurity affects a significant portion of American households, reaching across boundaries of the poor and middle class. In this dissertation, I focus especially on households occupying an in between space between poor and middle class, highlighting the fact that many Americans who are not poor are nevertheless struggling. I draw primarily on in-depth semi-structured interviews (31 families), follow-up interviews (a subset of 10 families) and a longitudinal ethnography (3 families) with households navigating homeownership and foreclosure, as well as interviews with local professionals who interacted with households facing foreclosure (15).

In the dissertation, I focus on two broad questions. First, how do households make decisions in the face of this insecurity? Second, what strategies do insecure households draw upon in doing the work of making ends meet? While much scholarly attention has been paid to the lack of protection and heightened exposure to different forms of risk in US households, there is a need for richer data on how households make decisions and get by under these circumstances.

I find that several elements of people's social worlds play important roles in guiding and constraining decision-making. I specifically examine the social drivers of decisions around mortgage default and home foreclosure. Among these drivers are household heads'

homeownership narratives, their experiences of injustice related to homeownership, resource constraints within the household and network, and exogenous shocks that create unanticipated changes in available resources. I propose a frame of constraint that emphasizes the social embeddedness of household decision-making. This frame can help to explain some of the variation observed in households' decisions in this area. I also find that household heads draw on a wide range of strategies in doing the work of getting by, and I draw special attention to strategies of postponement. I examine opportunities for postponement across many areas of family life and consider the benefits and costs of such strategies from the perspective of household members.

The dissertation raises questions about the breadth and depth of insecurity across the population, highlights the constraints under which insecure households make decisions, and examines the implications of such decisions for multiple generations.

ACKNOWLEDGMENTS

As I complete this dissertation, it is easy to forget the uncertainty with which I embarked upon this project. I am deeply grateful and indebted to the many people who helped make it a reality. First and foremost, I want to thank the study participants who shared their stories and challenges with me so honestly and eloquently. I am especially grateful to the three families that participated in the ethnography, who welcomed me into their lives, happily answered my unending questions, and showed me innumerable kindnesses. I hope that in this dissertation I am able to honor their accounts and help others learn from their experiences. Beyond the study participants themselves, I could not have completed this research without the support of many people across the Stockton area that generously shared their time, thoughts and hospitality.

I want to offer an immense thank you to Patty and Cassie, who took a chance on me and offered me a home and family in Stockton as I developed the project and collected data.

I am grateful to many people who supported the project at different stages. Thank you to my two excellent undergraduate assistants, Alyse Slaughter and Camila Trefftz, who helped me wade through many hours of interviews and shared their thoughts on the study data. Thank you to John Mandsager, Caren Arbeit and Susan Biancani, who were among the people that kept me honest as I wrote my dissertation, and those who regularly checked in with me and provided invaluable feedback and encouragement, especially Andrea Kovalsky and Dorian Seamster.

I am indebted to Carol Heimer and Mary Pattillo, who co-chaired my dissertation committee and guided me through the dissertation process from afar. I am especially appreciative of their accessibility and constant encouragement as I moved through the stages of the dissertation process. It was only with their support that I was able to embark upon this project, and only with their wisdom and insight that I was able to see it through. I thank Mary for her fiercely practical advice and stick-to-itiveness throughout the data collection process, and Carol for always helping me to take a step back from the particulars of the study to consider a bigger picture. Thank you to Celeste Watkins-Hayes and Jeremy Freese for their support for the project, and their guidance throughout my time at Northwestern.

Lastly, thank you to my family for their engagement with my work and their help as I made my way through this endeavor. I offer my deepest thanks to my husband Josh for his constant support, from his initial enthusiasm for my embarking on field work in California's Central Valley, to his willingness to spend time there himself, to his constructive feedback throughout the process, and helping me through the final months of writing. I am grateful for his encouragement and wisdom at every moment, from my decision to apply to graduate school to preparing the final draft of my dissertation. Not insignificantly, I also thank him for providing me with a stable home as I made my way through this project. Thank you to Saul for providing welcome distractions and a reason to complete this dissertation, and for being an excellent research assistant on trips to Stockton. Thank you to my parents, Sharon and Arnold, and to my sisters, Cheryl and Andrea, for their endless encouragement, gentle check-ins, and willingness to listen.

Table of Contents

List of Tables and Figures

Chapter 1: Introduction

Gloria and Jaime Cisneros had been homeowners for over a decade before they lost their San Francisco Bay Area home to foreclosure.[1] A close and loving couple, Gloria and Jaime emigrated together from Mexico in their 20s. They had both worked for decades, Gloria in food service and Jaime as a mechanic. With three young children, they first bought a condominium in 2000, and then sold the condo in 2002 to buy a 3-bedroom, 2-bathroom house for $450,000.[2] They wanted a larger home to have room for their children to play. Gloria recounted, “We were happy. Achieving the dream was having our own home.”[3]

Jaime lost his job in 2012 and they began having trouble with mortgage payments. When they originally took out their loan, they believed it had a fixed interest rate, but that was not the

[1] All names are pseudonyms and some details have been changed or omitted to protect participants’ anonymity.
[2] In 2002, the median home sale price for a 3-bedroom house in the area where they owned was approximately $450,000, according to data from Trulia. Participants’ home prices, monthly mortgage payments, household incomes and other financial amounts are estimates they provided. Mortgage details were corroborated through publicly-available records when possible.
[3] Interviews for this project were conducted in English and Spanish. I translated excerpts from Spanish language interviews into English. In many English-language interviews, English was a participant’s second language. Excerpts from these interviews are presented as spoken, with clarification offered when necessary.

case. They hadn't understood their loan terms, a fact that they attributed to their poor English language skills (they weren't able to say if they had simply misunderstood or been intentionally misled). With an adjustable interest rate, their monthly payments had risen from $2,200 to $3,000, and they had a hard time getting by on only Gloria's salary. While they were behind on payments, an attorney contacted them promising to help save their home. He charged them thousands of dollars in cash. Desperate to save their home, Gloria and Jaime gave him $10,000 in several payments.

When Gloria and Jaime learned their house had been sold at auction and the attorney had deceived them, having done nothing to stop the foreclosure, they sought him out. Gloria recalled their conversation and the advice the lawyer offered: "Go, you have credit cards, go and spend, spend all the money that you can, and then declare bankruptcy." His suggestion infuriated Gloria, even as she recounted it a year later. "I told him that I was not going to rob the banks that had lent me money. I just wanted the property saved." After learning the house had been sold, Gloria went to the bank to see what could be done. They asked her, "'Why didn't you come directly to the bank, if you have every right to do so?' Well, I made a mistake, and I said to them, 'It's that my husband was out of work, I was scared.' The simple truth, we were afraid."

Gloria and Jaime described their departure from their home as a chaotic time. "We went to live with a woman, we paid her rent. It caught us—it was really ugly, like when they throw a bucket of cold water on you…it felt like I was on the street." After several months, they decided to move from the Bay Area, where they could only afford to rent a room, and head 80 miles east to the outskirts of Stockton in the Central Valley, where they found a house they could rent for $700 a month.

When I met Gloria and Jaime in Stockton, by some measures things had improved for the

Cisneros family. Their housing expenses were lower and Jaime had found a new job locally. Still, they struggled financially. Gloria was unable to find work in town and was afraid that her damaged credit and the paucity of her local contacts were hampering her success. When asked how they managed their current economic difficulties, Jaime responded, “Sometimes we ask [for money from] my daughter.” Gloria mentioned other strategies: “We don’t go out much…. If we go to the store, we buy everything that we need…we never go to a restaurant, we never go out to have fun, we always try to save $10 dollars, $5 dollars…. Eating only beans and nopales.” They worried about their lack of health insurance and how they would afford care as they struggled with health issues after their foreclosure. Previously they had always been insured through their jobs. They anxiously awaited the rollout of the Affordable Care Act, hopeful they could then secure needed care. In the meantime, despite their hard work, investments in the future, and commitment to self-sufficiency, they faced a great deal of uncertainty and struggled to afford the basics. They were distraught about the precariousness of their situation.

I interviewed Gloria and Jaime as part of my study on the experiences of households struggling with homeownership and foreclosure. Drawing on the accounts of households like the Cisneros family, I seek to answer two broad questions. First, how do households make decisions in the face of insecurity? I find that insecure households undertake decision-making within the specific constraints of the social context in which they are embedded. In the case of these households facing home foreclosure, homeowners’ narratives and the resource constraints of the household and broader social network were especially prominent in shaping decision-making. Second, I ask what strategies insecure households draw upon in doing the work of getting by. I find that participants relied on a range of tools, but that strategies involving postponement were especially important to these households’ ability to make ends meet.

In the remainder of this introduction, I provide background for the discussion that follows. I first briefly define insecure households and the kinds of decision-making I examine in the dissertation. I then present three potential frames through which we can view the economic decision-making of insecure households like that of Gloria and Jaime Cisneros. I discuss the frames of irrationality and immorality, often used in academic and public discourse to assess the economic decision-making of other people. I then propose the frame of constraint as an alternative lens, one that is more apt to decision-makers' realities and better able to explain the variation I and others observe in the decision-making of insecure households. I then close the introduction by reviewing literature on two key areas that provide a backdrop for the dynamics I consider in this dissertation: homeownership and foreclosure, and exposure to risk in US households.

Defining Terms: Economic Decision-Making in Insecure Households

Insecurity is a central concept in this dissertation. Scholars noting rising economic insecurity in the US offer a number of definitions of the term. Hacker (2008) understands economic insecurity as "a psychological response to the possibility of hardship-causing economic loss" (20). For Western and colleagues (2012), "Insecurity describes the risk of economic loss faced by workers and households as they encounter the unpredictable events of social life" (342). Offering a useful point of contrast, Giddens (1990) defines security as "a situation in which a specific set of dangers is counteracted or minimised" (35). Risk of loss is central to their definitions of insecurity, and implicit is a parallel lack of protection from loss or dangers. I note that some researchers use insecurity to refer to a psychological response to the risk of loss, while others refer to the risk of loss itself.

I define insecure households as those whose day-to-day lives are marked by limited protections, putting them at risk of loss of important resources. The experiences of study participants suggest that insecure households tend to lack three potential sources of security: financial breathing room or slack (Barr 2012; Mullainathan and Shafir 2009),[4] which provides a cushion from economic shocks and allows for the possibility of making investments in the future; certainty about the future, including certainty about how to address problems and pursue goals effectively; and accessible formal protections, including various types of public and private insurance that pool risk and thereby reduce individual exposure to risk. Their degree of access to these resources places households at different points along a continuum running from secure to insecure. While the economic dimension is central to the lived experience of insecurity, insecurity reaches beyond the economic, into social, psychological and physical realms. A full consideration of insecurity should incorporate this broader view, and in Chapter 3, I examine in-depth the realities of insecure households in the study.

I focus on economic decision-making broadly understood as decisions tied to efforts to make ends meet or provide for the well-being of one's family. The accounts of participants like the Cisneros family offer a rich picture of the myriad decisions insecure households face. Gloria and Jaime needed to determine whether and how to continue making payments each month after their income was nearly halved; through whom and how much to invest in trying to save their home; which strategies were likely to be effective in rebuilding household stability; and when to give up on one strategy and try another. Beyond the value of greater insight into decision-making generally, understanding how insecure households go about making these kinds of decisions is

[4] "Financial slack can be thought of as breathing room provided to households by the ability to make relatively costless adjustments to align resources with needs. The costlier or more difficult these adjustments are, the less slack these households can be said to have" (Barr 2012: 1-2).

essential for designing effective interventions aimed at supporting struggling households or shifting household decision-making with the goal of improved outcomes.

Decision-Making Frames

Social science researchers and political and popular discourse offer several frames for considering economic decision-making. I first describe two frames commonly used to assess the economic decisions of other people: the frame of irrationality and the frame of immorality. Implicit in each of is the assumption that the decision-maker has made a suboptimal choice. I then turn to an alternative frame of constraint, which I argue allows for a more nuanced, sociological study of decision-making, better suited to the reality of insecure households.

The Frame of Irrationality

Neoclassical economics assumes the rationality of economic actors, identifying decisions that do not maximize actors' economic utility as irrational (McFadden 1999). Challenging this assumption and noting the frequency of "irrational" decisions in reality, psychologists and behavioral economists have articulated extensive lists of cognitive biases, errors and anomalies that characterize the many ways decision-makers routinely and systematically fail to maximize their utility (Ariely 2010; Kahneman 2011; Kahneman and Tversky 2000; McFadden 1999). Three cognitive biases are of particular interest in this dissertation: loss aversion, the endowment effect, and hyperbolic discounting. The concept of loss aversion suggests that "the threat of loss has a greater impact on a decision than the possibility of an equivalent gain" (Kahneman and Tversky 1982: 160; see also, Kahneman and Tversky 1979). Related to loss aversion is the endowment effect, in which people value something more highly once they own it; therefore, people tend to demand more to give up an object than they would pay for it (Ariely 2010; Ericson and Fuster 2014; Kahneman, Knetsch and Thaler 1991). Hyperbolic discounting (or simply, discounting) refers to people's preference for immediate rewards over later ones as they "systematically underweight future consequences relative to contemporaneous ones" (McFadden 2013: 28). I turn to discounting in greater detail in Chapter 5.

The risk of loss inherent in foreclosure presents an opportunity to consider the role of these decision-making biases in the real world. In the simplest terms, loss aversion and the endowment effect would be expected to lead many homeowners to opt to pay more than the economically "rational" amount to maintain their homes, as they would be reluctant to lose something they'd acquired. We could expect discounting to lead homeowners to take on mortgage payments they couldn't sustain in the long-term, for the short-term gain of the home they desired. While such biases did resonate with some participants' accounts (i.e. those willing to pay more to avoid certain losses), this was not universally true. Concepts like loss aversion, the endowment effect and discounting lack the ability to explain variation observed across decision-makers, as well as a rich explanation for why people often hold these preferences.

The simple understanding of economic utility that underpins these biases ignores the wide range of resources that are valuable parts of social life. Scholars who document these cognitive biases ascribe people's preferences to "irrational quirks in our human nature," without attempting further explanation (Ariely 2010: 173). Sociologists, however, can offer compelling explanations for why we might seek to avoid losses or why we may value something more highly once we own it. The concept of use value, which includes a resource's ability to fulfill both material and nonmaterial needs (Logan and Molotch 1987), suggests non-economic value that would factor into decision-making. The use value of a home changes our estimation of its worth. As Logan and Molotch (1987) note, "Places have a certain *preciousness* for their users that is not part of the conventional concept of a commodity" (17, emphasis theirs). Looking beyond the exchange or economic value of a home provides an alternative perspective on its worth to a homeowner. (Zelizer (1997) makes a similar argument regarding money, which rather than functioning as a single, homogenous object, takes on different meanings and is treated differently depending upon social constraints and categorizations.) Broadening the notion of utility and incorporating concepts such as use value may help explain observed patterns of behavior such as the endowment effect, and suggests the importance of seeking out an alternative frame to irrationality for understanding others' decisions.

While scholars have written extensively on cognitive biases that lead to irrational decision-making, there is some resistance to the notion that such decisions are indeed irrational, especially from psychologists. Sims and colleagues (2013) argue that in the context of uncertainty, a decision that has been interpreted as irrational may in reality be the optimal choice. Specifically, decision-makers' uncertainty about the relationship between their actions and future outcomes would logically change their calculus about how to proceed. This type of uncertainty dominated the lives of households in the present study.

Research that compares decision-making and choice across species also challenges assumptions about irrationality. Santos and Rosati (2015) review studies on nonhuman primates and find similar biases to those observed in humans (i.e., with regard to intertemporal preferences and risk preferences).[5] Based on these findings, they inquire, "Why would such error-prone decision-making capacities evolve and be maintained across numerous species, including our own? We argue that the answer to this question lies in thinking more critically

---

[5] Examples from their review include a study testing whether monkeys tend to be risk seeking in order to avoid losses (a human bias discussed in Chapter 4). In the experiment, monkeys preferred a riskier strategy for acquiring food when facing a loss, but rejected the risker strategy when facing a gain. Other studies indicated that gorillas and other nonhuman primates exhibit something like an endowment effect, as they are reluctant to exchange a piece of food they already have for another food of equivalent value (Santos and Rosati 2015).

about whether these decision-making biases actually constitute errors or irrationalities in the first place" (336). They propose that decisions may be biologically rational even if not economically so, and suggest that decisions observed as irrational, "may in fact be tailored to their socioecological context" (339). To understand human decision-making, we must similarly consider the importance of the social context in which decisions are made and the possibility of a socially, if not economically, optimal choice. While these cognitive biases as stylized facts are useful in analyses of simple decisions and in experimental settings, realistic economic dilemmas such as how to avoid or manage losing one's home require a richer analytic frame that contextualizes the decision-making process.

The Frame of Immorality

At the intersection of moral and economic life are the ways that we assess others' economic decisions and lives. In his review on "Class and Morality," Sayer (2010) writes that our evaluations of other people involve multiple components, including "judgments of their competence and intelligence, their economic standing and their moral qualities" (164). Morality can be broadly conceived of as "ideas and feelings regarding how people should behave, particularly with respect to others, in relation to their well-being" (Sayer 2010: 164). Responsibility is a parallel concept that similarly offers a lens through which to view others' decisions. While it has many meanings, responsibility involves "an obligation to achieve some desired, but perhaps ambiguously defined, objective" (Heimer and Staffen 1998: 11). Hacker (2008) considers notions of responsibility specifically with respect to self-reliance and protections available to individuals through different forms of insurance. He tracks the development of notions of personal responsibility in American political discourse and a "moral hazard mantra" that suggests insurance encourages irresponsibility among economic actors. Both concepts, morality and responsibility, are built on shared notions of what people should and should not do, notions which themselves vary across social and historical contexts (Hitlin and Vaisey 2013). A frame of immorality or irresponsibility considers individuals' decisions in light of these external sets of ideas about what one ought to do.

Such a frame is deployed in two ways when assessing others. First, the marker of immorality is used as a general boundary-drawing tool to distinguish oneself from those of lower status. Social classes often differentiate themselves through such moral boundary-drawing (Sayer 2010). For example, Lamont (2000) documents how white American working class men make moral judgments on the poor, framing them as irresponsible and undisciplined, in contrast to themselves. In the process, they draw moral boundaries and create distance between "us" and "them."

Beyond simply labeling others as immoral, especially those of lower social and economic status, this frame more narrowly marks others' experiences and decisions as immoral. Specifically, decisions that lead to or formally acknowledge financial failure are marked as immoral and irresponsible. Warren and Tyagi (2003) describe "the Myth of the Immoral Debtor" as a popular explanation for the rising numbers of American families in financial trouble. According to this myth, people have become increasingly immoral, disregarding their obligations and not paying their bills even when they could, insinuating that such financial troubles are a mark of irresponsibility and immorality.[6] Bankruptcy and home foreclosure are formal, public announcements of this status. Examining debt and financial failure in the US, Vyse (2008) notes that "as the moral stain was removed from the business of lending, it was shifted to those who

[6] In their book, Warren and Tyagi (2003) argue against this myth, detailing a range of factors, from rising costs of housing (and related changes in household budgets) to the deregulation of the lending industry, that provide alternative explanations for rising rates of bankruptcy and financial failure in the US.

require its services" (34), and so the need to access credit and rely upon debt became an indicator of moral failing.

The frame of immorality and irresponsibility aligns with the American Dream, the notion that anyone who applies herself can succeed. Implicit is the underside of the American Dream, that we are similarly responsible for our failures. The American Dream and the frame of immorality ignore structural barriers households face in their efforts to achieve economic security and upward mobility.

In public discourse, people regularly rely upon the frame of immorality to make sense of and pass judgment on the behaviors of others. In a local opinion column, Wyatt (2012) describes the 2012 settlement with mortgage servicers to offer relief to distressed homeowners as "another wonderfully inept solution to take money from the responsible and give to the irresponsible"—namely, those whose mortgages exceed the value of their homes, those whose homes were foreclosed, and those who refinanced their homes (in turn, building more debt). In national discourse, the notion of irresponsible borrowers defaulting and irresponsible homeowners receiving financial assistance has outraged many (*The Wall Street Journal* 2009; Zingales 2010). In his State of the Union address in 2013, President Obama (2013) emphasized the help he wanted to provide to "responsible families," specifically those who aspire to homeownership but cannot get a loan and those homeowners current on their mortgage but not able to refinance. Though left unspoken, this framing marks those who lost their homes, and those behind on mortgage payments, as irresponsible. Distinct from the economic failures suggested by the frame of irrationality, politicians, scholars and media commentators use this frame of immorality to cast others as moral failures.

The frames of irrationality and of immorality are inadequate in that they fail to take into account the realities of the decision-making process. Both tend to portray decision-making as a straightforward endeavor with a clear beginning and end. In reality, decision-making is often a dynamic, ongoing and complicated process. Far from the stylized decisions often presented in experimental settings, homeowners continuously faced decisions about many challenges, including whether and when to default on a home loan. In their narratives, participants described constant wavering and heightened uncertainty as they faced decisions each month about how to make ends meet.

These frames also tend to overlook the broader context that shapes and constrains all decisions people make in their lives. Decisions to pay or default on a debt, to try to save or let an investment go, are not made in a vacuum. Potential courses of action are structured by the political, economic and social institutions in which the decision-maker is entwined. A thorough analysis of economic decision-making must incorporate these realities of the decision-making process.

The Frame of Constraint

I propose an alternative frame of constraint, a sociological lens for investigating decision-making in insecure households. Heimer (1988) argues for a study of risk assessment in its social context, an investigation of how the social world shapes the ways people estimate different kinds of risks. Sociology must similarly be tasked with a study of decision-making in social context, considering what elements of the social world shape the strategies people choose. Townsend (1993) writes that people are "social beings expected to perform socially demanding roles as workers, citizens, parents, partners, neighbours and friends" (31). Household decision-making is necessarily constrained by the social demands that these roles involve.

A frame of constraint is grounded in the sociological concept of embeddedness. Granovetter (1985) writes about economic life,

> Actors do not behave or decide as atoms outside a social context, nor do they adhere slavishly to a script written for them by the particular intersection of social categories that they happen to occupy. Their attempts at purposive action are instead embedded in concrete, ongoing systems of social relations (487).

This perspective highlights the many ways our social world shapes the availability and attractiveness of different options. In Chapter 4, I will look more closely at the specific elements of people's social worlds most relevant in the decision-making of households facing foreclosure.

From this sociological perspective, social, economic and physical imperatives can be at odds, and must be balanced in the decision-making process. For example, among households in the study, the obligation to provide for the well-being of oneself and one's family often came up against the obligation to be a responsible debtor. Labeling a mortgage default as immoral prioritizes one set of relationships (those between a borrower and a lender) over others (between a parent and child, for example).[7] In some households, the high future cost of using one's retirement savings in the present (long before retirement) was eclipsed by the prospect of losing one's home in the short-term. In these cases, heavily discounting the future may be the most rational course. In their day-to-day, people must make decisions within the myriad constraints presented by their social world.

Other research indicates the important role of constraint in decision-making. We can think about households along a continuum of constraint. On one end, there is the extreme of poverty and scarcity. Based on their experimental research with poor farmers, Mani and colleagues (2013) theorize that poverty actually reduces cognitive capacity, compromising

[7] White (2010a) makes a related argument about strategic mortgage defaults, which he contends should not be viewed universally as immoral.

decision-making ability. Considering the role of institutions, Mullainathan and Shafir (2009) highlight how the very limited financial institutions available to the poor highly constrain decisions about saving, a reality that often reaches above the poverty line. On the other end of the spectrum are privileged households such as those Kimelberg (2014) describes, who face "unconstrained choices" in many areas of life, including their housing and schooling options. These households can bear the cost of making decisions that don't work out and change course. In between the extremes of scarcity and privilege is the vast expanse of constraint, limiting options and shaping decisions in myriad ways. In this dissertation, I consider households that fall in the middle of this continuum, generally at a distance from scarcity as well as privilege.

Returning to the experiences of Gloria and Jaime Cisneros, we can consider their decisions as they navigated the foreclosure process through these alternative frames. Faced with unaffordable mortgage payments and in default on their loan, Gloria and Jaime borrowed and scraped together to invest further, hoping they could save their home. Through the frame of irrationality, we could explain their decision to invest further as a product of the endowment effect, an irrational preference that led them to value their home more highly simply because they had acquired it. Alternatively, a frame of constraint might consider the social world in which they were operating, contextualizing their decisions. Gloria and Jaime badly wanted to hold onto their home, a desire clearly driven by their role as parents who wanted to provide a stable home for their children. They subscribed to the American Dream and similarly did not want to let that dream go at the first sign of difficulty. Considering another of the Cisneros' economic decisions, Gloria's decision against maxing out her credit cards can be viewed simply through a lens of immorality, driven by a moral imperative not to take on debts she couldn't afford. However, she had relied on debt (sometimes unaffordable) in other ways, especially with regard to her home, suggesting that the use value of the item in question—the social purpose of the debt—likely factored into her decision-making. Conversely, we can view their taking on a mortgage without understanding the terms of the loan through the lens of irresponsibility, not meeting their obligations upon entering a contract. An alternative view, through a frame of constraint, suggests how restricted they were by linguistic barriers (very limited English skills) and perhaps a desire to save face as competent economic actors and providers. A frame of constraint, acknowledging our embeddedness in the social world, allows us to consider a richer and more varied set of contributors to decision-making.

Macro level trends similarly require nuanced analysis of what drives decision-making. Bhutta and colleagues (2010) note that many homeowners default only when they are very underwater (their loan balance far exceeds their home value), well beyond an economically rational point for doing so. While these researchers point to the high transaction costs of default that might shift people's decision-making preferences (i.e. potential legal liabilities, a negative effect on their credit score), a broader, sociological view of the decision-making process suggests that, especially with high levels of uncertainty about the future (might housing prices rebound?) and the constraints of their social world (including the need to provide a stable home for a family), there may be reasons beyond economic utility for continuing to pay an underwater mortgage. To predict when and understand why people will default on a mortgage, declare bankruptcy or make other economic decisions requires an understanding of the social embeddedness of such decisions and the uncertainty under which many households operate.

Relevant Literature

My dissertation focuses on the experiences of households struggling with homeownership and foreclosure in the wake of the Great Recession. To appreciate the broader context in which these households faced decisions, I briefly review literature on two topics that provide important background on 21st century homeowners in the US: the history of homeownership and foreclosure, and household exposure to risk in the United States.

Homeownership and Foreclosure in the United States

Trends in homeownership and foreclosure, and the drivers of the American cultural preference for homeownership, set the stage for this investigation. (In Chapter 4, I consider in greater detail the meanings and value associated with homes and housing.) In the United States, homeownership rates hovered around 45% until after the Great Depression, when rates began to rise, reaching over 60% of households by 1960 (U.S. Census Bureau 2011). This increase was driven in large part by the New Deal credit innovation of the home mortgage, available at fixed interest rates and over long time periods, making homeownership a possibility for a larger share of American households (Prasad 2012). After several decades, in the context of further changes in lending practices and the growth of subprime lending, homeownership rates rose even higher (Belsky and Richardson 2010; Williams, Nesiba and McConnell 2005). They peaked at about 69% in 2004, before falling back to 65% of households during the foreclosure crisis (Joint Center for Housing Studies of Harvard University 2014).

The cost of housing—whether rented or owned—is unaffordable for many US households, a reality evident in this dissertation. Researchers and policymakers typically designate households spending more than 30% of their income on housing as cost-burdened or in unaffordable housing. By this metric, the percent of US households that were cost-burdened peaked at 37% in 2010 (Joint Center 2014). While affordability patterns differ across homeowners and renters, in 2012, 27% of homeowners and nearly 50% of renters were cost-burdened, indicating that large numbers in both groups were affected (Joint Center 2014).[8] Warren and Tyagi (2003) highlight the rising costs of housing, especially for middle class Americans, as an important contributor to this financial strain. Examining household budgets in the 1970s and early 2000s, they found that in the early 2000s, a larger proportion of household income was taken up by fixed costs, chief among them home mortgages. Suggesting that this financial burden had real consequences for many homeowners, Sullivan and colleagues (2000) identify homeownership as one of five major factors affecting the likelihood of bankruptcy for households in their study. Challenging the assumption that homeownership is always a wealth-building tool, their data suggest that "…homeownership itself may be part of the problem, the cement life raft that causes some Americans in financial difficulty to drown in their debts" (Sullivan, Warren and Westbrook 2000: 202).

Despite ties between homeownership and financial troubles for many American households, homeownership remains the preference of the majority of Americans (Board of Governors of the Federal Reserve System 2014; Rohe and Lindblad 2014), and the drivers of this preference warrant consideration. Marcuse (1980) traces Americans' commitment to and preference for homeownership over renting to reasoning that emerged from the American Revolution: "If 'the multitude' were possessed of property, they would not be tempted by extremists seeking more radical changes in the established order" (45). Centuries later, many Americans still view ownership as a means of maintaining political stability. Marcuse (1980) argues that this political ideology is the driver of the American preference for homeownership, mediated through US public policies: "…the real differences between tenure forms, specifically

[8] In the context of the foreclosure crisis, as people lost the homes they owned, there was a decrease in the percentage of homeowners who were housing burdened and an increase in percentage of renters with this designation (Joint Center 2014).

renting and owning, are differences created directly by public policies, such as tax laws, and by social standards, which ascribe status to ownership. A major reason why public policy has been thus favoring homeownership is political ideology: homeowners are seen as solid conservative supporters of the status quo" (50).

This ideology, and the policies and social norms that bolster it, have inspired a rich literature on the advantages of homeownership. Researchers have linked homeownership to economic security, wealth accumulation and a range of other benefits, from better health to increased civic participation, although some note the limits of its positive impacts (Beracha and Johnson 2012; Di, Belsky and Liu 2007; Dietz and Haurin 2003; Herbert and Belsky 2008; Herbert, McCue and Sanchez-Moyano 2013; Rohe and Lindblad 2014; Rohe, Van Zandt and McCarthy 2001). Oliver and Shapiro (2006) document how disparities in access to homeownership contribute to racial disparities in wealth, identifying homeownership as an important tool in reducing persistent inequalities. However, other researchers indicate that, even for those able to buy, homeownership may actually contribute to disparities in wealth because of the neighborhoods in which minority families often buy (Brown 2012) and lower housing appreciation in predominantly minority communities (Flippen 2004). While homeownership may serve as an important route to wealth accumulation and other benefits for many American households, it also appears that persistent disparities in housing markets limit those benefits, specifically for members of minority communities.

Notwithstanding the preference to own as well as the benefits of homeownership that accrue to many American households, owning does not leave all households better off. For some, the American Dream unravels when homeownership ends in foreclosure. Foreclosure is the process by which a lender sells or retakes possession of a home when borrowers default on their mortgage. In this event, household members often lose accumulated wealth and a host of other resources, as I document in Chapter 4. It is a trajectory that directly challenges the view of homeownership as a generator of political, economic and social stability.

Nearly 8 million home foreclosures were completed in the US between 2004 and 2015, with millions more homes at risk of foreclosure (CoreLogic 2015).[9] This leaves nearly 7% of US households affected by foreclosure over the last decade (U.S. Census Bureau 2015).

Researchers have identified multiple causes of the foreclosure crisis, which worked in concert to leave millions of homeowners at risk. Among these are shifts in lending practices, especially the growth of subprime and predatory lending, including loans with adjustable interest rates, prepayment penalties and other unfavorable terms (Been et al. 2011; Corbae and Quintin 2015; Gerardi, Ross and Willen 2011; Renuart 2004). These shifts occurred in the context of the deregulation of much of the mortgage lending market, and left many households with unaffordable monthly payments and very little equity in their homes (McCoy and Renuart 2008). Scholars called attention to these trends in the years leading up to the crisis, emphasizing the negative implications for those targeted by these practices, especially for minority borrowers (Crump et al. 2008; Renuart 2004; Squires and Kubrin 2006). More proximate to the foreclosure, researchers point to rising unemployment as an important contributor to mortgage defaults and in turn to foreclosures (Gerardi et al. 2013). At a distance from individual borrowers, investor interest in mortgage-backed securities, and the growing availability of securitized mortgages,

[9] While this number includes foreclosures on rental properties and second homes as well as primary residences, each foreclosure has significant implications for at least one household and sometimes more, whether they are renters or owners. Most research has focused on the impacts of foreclosure on homeowners (including the present study), though some scholars point to the many ways renters have been affected in some regions (Kingsley, Smith and Price 2009).

served as a parallel engine for the developments that led to the foreclosure crisis (Lewis 2011; McCoy and Renuart 2008; Schwartz 2010).

Examining the foreclosure crisis from both macro and micro levels, it is clear that multiple factors led to the surge in foreclosures. Study participants' accounts point to all of these factors as contributing to foreclosures, including having little equity in the home (due to loan terms at origination, refinancing practices and the drop in home prices), the loss of jobs or work hours, and predatory lending practices. While these formed the backdrop for the foreclosure crisis, in Chapter 4 I examine in detail some of the social drivers of individual homeowners' decisions to default.

Just as the benefits of homeownership do not accumulate uniformly across groups (Flippen 2004; Oliver and Shapiro 2006; Turner and Luea 2009), the risks associated with homeownership are similarly spread unevenly across the population. Minorities and those living in predominantly-minority neighborhoods have been disproportionately impacted both by subprime lending and foreclosures (Gruenstein Bocian, Li and Quercia 2011; Hall, Crowder and Spring 2015b; Hwang, Hankinson and Brown 2015; Rugh 2015; Sharp and Hall 2014; Squires and Kubrin 2006; Williams, Nesiba and McConnell 2005). For all households at risk, the possibility of foreclosure challenges assumptions about the benefits of investing in a home, and threatens to disrupt many aspects of life.

Realities of Risk in the United States

Social scientists have highlighted the limited and shrinking protection from risk for individuals in the United States, and the closely-related trend of increasing reliance on credit. As growing risk feeds insecurity, we can read these as interwoven histories, shaping the lived experience of many Americans.

Giddens (1990) and Beck (1992) have theorized the increasing centrality of risk in modern society, an assertion that echoes through the lives of households in this study. Giddens (1990) describes risk as the presumption of danger that stems from action, and the understanding that unanticipated results may result from decisions. They both identify risk as an essential part of being in the modern world, and suggest that the hazards and threats that constitute it are present in our lives on a different scale than they had been previously. Investigating risk in the contemporary United States, Hacker (2008) emphasizes its changing nature: "Over the last generation, we have witnessed a massive transfer of economic risk from broad structures of insurance…onto the fragile balance sheets of American families" (5-6). These scholars suggest changes in the magnitude as well as the nature of risks that individuals confront in modern society.

Beck (1992) contrasts the visibility of material needs (the focus of "class societies") with the invisibility of risks (the pillar of "risk societies"). He writes, "Class societies are societies where…the main concern is the visible satisfaction of material needs…emaciated hunger contrasts with plump satiety; palaces with hovels, splendor with rags" (44). He continues, "The tangibility of need suppresses the *perception* of risks, but only the perception, not their reality or their effects; risks denied grow especially quickly and well" (45). Such heightened risks are visible in the trajectories of study participants, who must devise plans to make ends meet and provide for the material needs of household members as they face high degrees of uncertainty and often few possibilities to protect household members from the risks associated with illness, loss of homes and jobs, and other calamities.

Giddens (1990) and Beck (1992) both note the uneven distribution of risk across society, with the underprivileged disproportionately affected, mirroring other forms of inequality.

Empirical work covering every dimension of social life supports this assertion, from the risk of disease to the risk of being the victim of predatory lending (i.e. Bleich et al. 2012; Williams, Nesiba and McConnell 2005). Kimelberg's (2014) notion of the privilege of risk highlights the different social risk positions that people occupy. The relatively privileged status of the families she studied allowed them to *choose* risk (in this case, urban public schooling for their young children), protected by the wealth of resources at their disposal ("a safety net of financial, human, and cultural capital that they could activate to switch course if necessary" (210)). These families stand in stark contrast to the households in this study, for whom risk was rarely a choice and who often had a highly circumscribed safety net.

These theoretical examinations of risk in modern society emphasize its invisibility, increasing relevance, and uneven distribution across society, providing a frame for considering the realities of risk and how people might protect themselves in the contemporary United States. Recent scholarship highlights the limited protection from risk available through the private sector, government, and within US households.

Hacker (2008) provides a thorough account of changes in the private sector in the realms of health insurance, retirement and employment that have shifted risk from corporations and government to individuals and families. He refers to this as the "great risk shift," orchestrated in the name of personal responsibility and individual control. Hacker offers a historical account of efforts to disrupt forms of social insurance in the US that had managed and redistributed risk across the population, often made possible through shifts in government regulations. These efforts are visible in the workplace, where there is less job security; in retirement, where many Americans have shifted from defined-benefit to defined-contribution plans; and in the structure of health insurance, where there has been a move away from broad risk-pooling and towards tools such as Health Savings Accounts. Hacker's examples of institutions increasing individuals' exposure to risk, systematized through these policies, echo Beck's (1992) description of a risk society, in which "the social production of *wealth* is systematically accompanied by the social production of *risks*" (19, emphasis his).

Americans also have very limited public protections available through the welfare state, in terms of public spending on areas such as health insurance, unemployment and pensions as compared to other industrialized counties, and more generally in terms of the protections government programs aim to provide (Esping-Andersen 1990; Hacker 2002; Hacker 2004). Together the public and private sectors leave many Americans highly exposed to risk should they fall ill, lose their job or experience other setbacks.

If the public and private sectors are of little help, households also offer the possibility of protecting their members from risk. Household savings can provide an important financial cushion. However, Americans tend to have lower levels of savings than their peers in Europe and East Asia, in part because of a lack of institutional support for such savings (Garon 2012). Rank and colleagues' (2014) study reflects this reality. Based on their analysis of five decades of data from the Panel Study of Income Dynamics (PSID), they find that between 65-70% of Americans experience asset poverty during their adulthood, measured as households that lack sufficient assets to keep them above the poverty line for three months. Their research highlights the small size of most households' financial safety net and the limited availability of this form of protection from risk in the US.

With relatively paltry savings, American households are left with credit as an alternative and highly important financial cushion. Scholars from across the social sciences have provided detailed accounts of the rise of consumer credit in the US and the accompanying rise in household debt (Belsky, Essene and Retsinas 2008; García 2007; Houle 2014b; Hyman 2011; Marron 2009; Prasad 2012; Williams 2004). These accounts emphasize that American households are unique in the degree to which they rely on credit (especially as compared to their European peers), and point to changes in government regulation and lending practices that made this development possible.

In *The Land of Too Much*, Prasad (2012) historicizes the development of the welfare state and the democratization of credit in industrialized nations, arguing that the two are closely related. She posits that in the US, a weak welfare state drives demand for credit, and simultaneously that the availability of consumer credit has undermined political support for the welfare state. Prasad views them as distinct means of addressing difficulties getting by in the present moment, with the welfare state functioning as "redistribution in the present" and credit as "redistribution from the future" (239). Referring especially to changes in access to credit coming out of the New Deal, such as the affordable home mortgage, she notes that, "since the institutional innovations of the Depression and postwar period, credit had become the main mechanism of ensuring welfare" (Prasad 2012: 240).[10]

We can expand Prasad's argument to view the strong and growing reliance on credit as a response to the absence or limited nature of many forms of protection from risk in the United States, not only from the welfare state but also the private sector and within households themselves. While access to credit holds the possibility of relief, improved welfare and temporary protection, inherent to accessing credit is also exposure to additional risk in the future.

The lived experience of insecurity I document in Chapter 3 is in part a product of

[10] Prasad (2012) concludes that the underdeveloped welfare state in the US was one cause of the financial crisis that led to the Great Recession, as people relied heavily on credit to protect themselves from and manage risk, lacking the protection of a strong welfare state. We can then read the challenges facing households confronting foreclosure as an outgrowth of this underdeveloped welfare state and overreliance on credit.

heightened exposure to risk and limited protection within public and private spheres. In Chapter 4, I consider how families responded specifically to the possibility of losing their homes, and how their responses often exposed them to additional risks. With limited protection from setbacks such as a drop in income, the death of a family member, an illness or a divorce, families sought out other strategies for getting by, such as the strategies of postponement detailed in Chapter 5, which provided alternative means of temporarily protecting household members. This dissertation can be read as a micro level investigation of how people respond to the reality of heightened exposure to risk and limited tools to mitigate that risk.

Dissertation Overview

This study serves two purposes. First, I provide an investigation of how households navigate home foreclosure and its potential effects over time. While there is a growing literature related to mortgage defaults and foreclosures in the wake of the foreclosure crisis (i.e. Cagney et al. 2014; Gerardi, Ross and Willen 2011; Hall, Crowder and Spring 2015a; Immergluck and Smith 2006; Ross and Squires 2011; Tsai 2015), few studies have examined in detail the range of ways households respond and how foreclosure affects various aspects of family life over a longer term. Second, more broadly, this dissertation is an examination of decision-making and strategies for getting by among insecure households. In this reading, struggles with homeownership are simply the window through which I investigate these dynamics of insecurity. While scholars have meticulously documented how households do the work of getting by (i.e. Edin and Lein 1997; Ehrenreich 2001; Stack 1974), this dissertation is unique in that it focuses on households occupying an in between space between poor and middle class, drawing attention to the simple fact that many Americans who are not poor are nevertheless struggling.

In Chapter 2, I provide an overview of the research site, study methods and background information on participating households. In Chapter 3, I investigate the lived experience of insecurity that frames decision-making for households in the study. Looking beyond a one-dimensional view of economic insecurity (for example, focused only on income or wealth), I document the range of areas in which households experience precariousness and note its reach across poor and middle class households. In Chapter 4, I return to the experience of home foreclosure and consider how households make decisions when facing this particular loss. Drawing on the frame of constraint, I seek to identify the specific aspects of participants' social worlds that shaped decision-making and make sense of the variation observed across households. In Chapter 5, I consider postponement as a powerful tool available to households facing insecurity and little protection from risk. I discuss the wide range of areas in which participants postponed and consider the implications of relying upon this strategy. In Chapter 6, I conclude the dissertation, considering its implications for the study of risk, insecurity and homeownership, as well as policy and program recommendations based on study findings.

Chapter 2: Studying Foreclosure in California's Central Valley (Methods and Data)

This dissertation draws primarily on semi-structured interviews and ethnographies with families in Stockton, California, focused on their homeownership experience and the work they did to make ends meet. I included in the study families with varying histories in order to capture the wide range of challenges that accompany homeownership and foreclosure. In recruiting participants, I sought out households who had gone through a home foreclosure, those currently at risk of foreclosure, as well as those more stable in their homeownership. The study was approved by the Northwestern University Institutional Review Board.

Home foreclosure is a complicated and often lengthy process that varies across states (Gerardi, Lambie-Hanson and Willen 2011). Lenders must file notices with the County Recorder and adhere to several waiting periods before selling the home, and borrowers can slow or stop the process by bringing the loan current, seeking a modification or doing a short sale. (A short sale involves selling the home for less than the amount owed on the mortgage, with the lender's approval, and is similar to foreclosure but with less severe consequences for homeowners' credit ratings.) Throughout the foreclosure process, homeowners face many decision points and a great deal of uncertainty about how the process will unfold.

The 31 participant families ultimately fell into four groups: 13 families had gone through a foreclosure or short sale and were no longer homeowners (these families were renting or living with extended family); 3 families had gone through a foreclosure or short sale and were homeowners once again, able to buy another home; 7 families were at risk of losing their home or in the foreclosure process; and 8 families were current homeowners, not at risk of foreclosure. Most qualitative scholarship on foreclosure undertaken in the context of the foreclosure crisis has investigated households at one point in time, in the process leading up to foreclosure (those that have defaulted or are at imminent risk of default) (Owens 2015; Saegert, Fields and Libman 2009; Strom and Greenbaum 2013). To my knowledge, there have not been qualitative studies that incorporate households post-foreclosure and examine in detail how household members deal with the challenges that can arise in the aftermath of home loss. By including households at different points and following a subset over time, this study provides a unique perspective on foreclosure as an extended process with possible long-term implications. Those households not currently at risk of foreclosure provided insight on the challenges households may face leading up to foreclosure, and those households post-foreclosure highlighted ways that foreclosure's impacts may continue to be felt for years.

I was interested in understanding the consequences of the threat and reality of foreclosure for household members across different areas of daily life. I spoke with participants about a range of issues, including the process of purchasing and maintaining a home, household finances, employment, social life, health, religious life, children and educational trajectories. I asked in detail about changes in each of these areas with respect to home purchase, default, and foreclosure timelines as well as changes in employment status and other major household events. I also asked directly for their observations on how the threat or reality of foreclosure affected their and their children's lives, to capture their own narrative on these subjects. Many participants offered these connections on their own, for example linking housing-related stress or financial worries to changes in health status and health behaviors, and ultimately to worse health. I focused data collection on the household in order to capture implications for everyone in the affected home and to investigate strategies for pooling risk at this level.

In addition to initial interviews, I conducted a longitudinal ethnography over a year and a half with three of the families, as well as follow-up interviews with 10 other households, and interviews with fifteen local professionals who interacted with families affected by foreclosure. These professionals included housing counselors, guidance counselors from local school districts and staff from local colleges (I focused on high school and college as I was especially interested in implications for students transitioning from secondary to post-secondary education), real estate agents, a church pastor and the head of a local food pantry. They offered a variety of perspectives on the implications of foreclosure for families and potential supportive resources for households facing this challenge.

Researchers have observed the practical difficulties in tracking families affected by foreclosure over time (Kingsley, Smith and Price 2009). Through this project, I developed long-term relationships with participants in the ethnography and a number of other families, allowing me to track their experience through the foreclosure process and its aftermath. Similarly, I purposefully recruited households at different stages in the homeownership and foreclosure processes, which provided unique insight into the kinds of dilemmas faced at different points. In this way, I was able to observe the foreclosure process more comprehensively, from just barely making mortgage payments each month to being settled in a new home years after a foreclosure.

The three families in the ethnography highlight distinct moments in the long process of foreclosure. Gloria and Jaime Cisneros, the Latino couple with three young adult children presented in Chapter 1, lost their home in the Bay Area over a year prior to our first meeting and relocated to the Stockton area as they struggled to get back on their feet. They provided rich insight into life after foreclosure and the challenges that come with starting over in a new community after losing one's home. Deborah Armstrong, a divorced African-American woman with two college-age children (one living at home and one away at college), was in the process of losing her home when we met. During the course of the ethnography, Deborah's foreclosure was finalized and she moved out of her home, securing a place to live through a family friend. Her story highlights the difficulties of leaving one's home, losing one's belongings, and needing to determine next steps in highly constrained circumstances. Lastly, Grace and Patrick Murray, a white couple with three children between elementary school and college, had purchased their home less than a year before we met and long after the housing bubble had burst. They kept up with their mortgage payments but struggled to do so and barely managed to make ends meet. Their experiences emphasize the struggles that can come with homeownership, when foreclosure is only a distant threat. The breadth of experiences reflected in the full study provides a similarly broad view of the struggles that can accompany homeownership and foreclosure.

As I developed the project, I attended foreclosure prevention workshops in nearby areas to familiarize myself with the ways homeowners talked about their situation, the kinds of challenges workshop participants faced, and the options that were available to struggling families. I collected data between July 2012 and February 2015, with initial interviews conducted in the first year and a half, and follow-up interviews afterwards. During the first year and a half, I lived part-time in Stockton, where I rented a room from a local family. While I did not include this family in the study, they proved a rich source of information, sharing their observations, reflecting on mine, introducing me to friends and family, and providing another perspective on life in Stockton.

Other studies that provide detailed examinations of households at risk of foreclosure recruited participants through non-profit organizations offering housing counseling to struggling homeowners, and so are only able to provide the perspective of households that have sought out this form of assistance (Owens 2015; Strom and Greenbaum 2013). During the foreclosure crisis, HUD-approved housing counselors only worked with a fraction of struggling homeowners, in part due to their small numbers in comparison to the many families affected (Shahani 2011).[11] I wanted to incorporate households that had responded to the possibility of foreclosure with a variety of strategies, including those who opted not to seek out any formal assistance and those who did so through other channels and were scammed when they sought help. While I reached out to local housing non-profits to connect with professionals who worked with affected families, I focused family recruitment efforts elsewhere, not relying heavily on local housing counselors. In the present study, three of thirty-one participants had worked or were planning to work with a HUD-approved housing counselor.

I recruited participants using a variety of strategies: posting advertisements in local libraries (6); through my own network, including referrals from friends and acquaintances I met

[11] The National Foreclosure Mitigation Counseling program has served about 2 million households through local partners since December 2007 (see http://www.neighborworks.org/Homes-Finances/Foreclosure/Foreclosure-Counseling-(NFMC)). While this program may not include every HUD-approved housing counselor, assuming most fall under this umbrella, if approximately 8 million households have gone through a foreclosure, then roughly 75% have not worked with a HUD-approved housing counselor during their foreclosure (my own calculation).

in Stockton (7); at a local food bank or church food pantry, where I set up a table during health fairs being held simultaneously (11); connections through local organizations (4); participant referrals (2); and letters mailed to people with recent Notices of Default filed with the County Recorder (1).

It was essential that prospective participants quickly developed a sense of comfort speaking with me about deeply personal financial issues and other struggles. In some cases, building rapport was simple. Many participants reported that they had not discussed their foreclosure or financial difficulties previously and were pleased to have someone removed from their daily life and social network with whom they could speak. One of the ethnography participants remarked that speaking with me was like having a therapist, a luxury that she otherwise could not afford. Others were comfortable speaking with a student about their experience and explained they wanted to help me with my research. My fluency in Spanish and my ability to code-switch in English and Spanish helped me build trust with monolingual Spanish speakers and bilingual Spanish and English speakers, a large portion of the study sample and local population.

I conducted interviews in participants' homes (15), in coffee shops and restaurants (13), and in local libraries or organizations (3). I completed interviews with 6 households in Spanish and the remainder in English. The recorded portions of interviews ranged from 40 minutes to 2 hours in length, and frequently conversations continued long afterwards. Participants received $20 in cash for participating in an initial or follow-up interview. Interviews were transcribed in full and coded using Atlas.ti, using a largely inductive approach based on themes that emerged during data collection and analysis.

I met with households in the ethnography approximately monthly over a year and a half. Our interactions varied depending upon my needs as well as the participants'. Sometimes I recorded our conversation, at other times I actively took notes, and at others I did not take notes or record impressions until after our time together. This allowed me to maintain a casual atmosphere and to capture the appropriate level of detail. We met in a variety of locations, including their home, church, children's school and local restaurants. Our topics of conversation varied. During some of our meetings we spoke about a specific area of life about which I wanted to learn more. At other times our meetings were driven by events in their lives or topics they wished to discuss. On some occasions, I met a participant at a church activity, I joined a participant at home to help pack boxes, or I took part in a family meal.

Ethnography participants received $30 in cash at each of our meetings, which I felt was important to acknowledge and appreciate their time spent on this study and to encourage long-term participation. While I was initially concerned that this compensation would engender transactional relationships, our interactions quickly took on a feeling of reciprocity. I would frequently bring them something I had baked or items from my garden and they would do the same, sending me home with something.

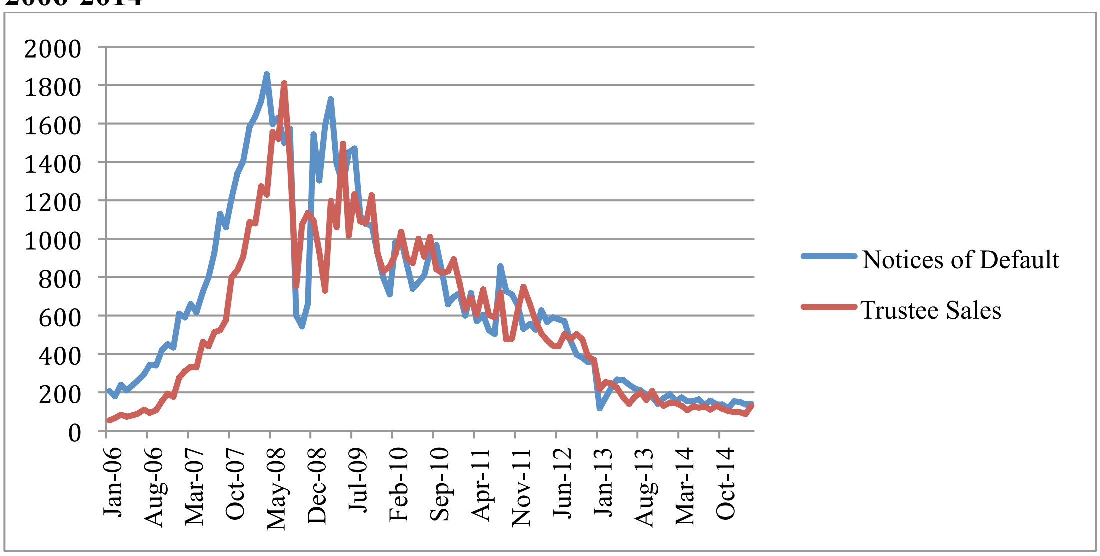
Stockton, California

Stockton, in California's Central Valley, is a medium-sized city home to nearly 300,000 people. It has a small urban center near its port, which connects Stockton to the San Francisco Bay. Neighborhoods extend for miles to the north and south of downtown, developed along the major highways that run through town. Without traffic, Stockton sits an hour and a half east of San Francisco or San Jose, but the route from Stockton to the Bay Area often has heavy traffic, filled with commuters to Bay Area jobs. The housing stock is mostly single unit, detached homes

(66% of the local housing units in 2013 (U.S. Census Bureau 2013a)), but there are also apartment complexes closer to downtown and developments of attached, single units scattered throughout the area. Among study participants, 87% (27 households) lived in detached homes and the remainder lived in apartments, though all had previously lived in detached homes.

California's Central Valley was one of the regions hardest hit by foreclosures during the Great Recession (Gruenstein Bocian et al. 2010). Locally, the foreclosure crisis came on quickly in 2007. In Figure 1, I show the number of Notices of Default and Trustee Sales (from a lender's perspective, marking the beginning and end of the foreclosure process, respectively) filed monthly between 2006 and 2014 in San Joaquin County, where Stockton is the county seat.[12]

Figure 1: Monthly Notices of Default & Trustee Sales Filed in San Joaquin County, 2006-2014



Data Source: Data publicly available from San Joaquin County Recorder's office.

---

[12] The large drop in filings in 2008 and the smaller drop in 2013 reflect the implementation of state legislation to encourage alternatives to foreclosure. For a review of these laws, see: http://www.nolo.com/legal-encyclopedia/california-laws-that-encourage-foreclosure-alternatives.html.

I collected the majority of data in 2012 and 2013, as foreclosures were slowing down locally though still well above pre-Recession levels. For participants who had already experienced foreclosures or short sales, the majority occurred between 2008 and 2012.

The community of Stockton takes on varied meanings for local residents. Historically, it has been an agricultural center, processing and shipping products grown in the Central Valley fields that surround the area. Many participants worked currently or previously in agricultural jobs. More recently, it has become a community where Bay Area workers in search of less expensive housing relocate to make a home for their families.[13] (Five families in the study fell into this category, and several commuted to the Bay Area for work.) Some participants saw Stockton as a retirement community, as it had attracted retirees from the Bay Area looking for housing affordable on a fixed income. It is also a home to immigrants from all over the world, including many families with members from Mexico and Southeast Asia. Many participants commented that it was difficult to find good local jobs in Stockton, especially for those with a college education.

A personal vehicle is nearly essential to get around, although Stockton has a limited bus system. In 2013, over 91% of workers commuted in a car, van or truck, and just over 3% used public transit or walked (U.S. Census Bureau 2013a). All but three households in the study had at least one personal vehicle, and many had two. Households without their own car limited their search for housing to locations along the few bus routes. Those with cars relied heavily on them, and car trouble and difficulty affording gas were frequent sources of stress.

---

[13] See Schafran and Wegmann (2012) for a detailed description of regional patterns of migration leading up to the foreclosure crisis. They focus on the movement of African-American and Latino households from the core to the periphery of the Bay Area, including the area around Stockton.

The city of Stockton has struggled in recent years, receiving a great deal of bad publicity. In 2012, the city filed for bankruptcy, at the time the largest city to have done so (though later followed by Detroit) (Lyman and Williams Walsh 2013). It has been one of the areas hardest hit by the foreclosure crisis. In 2012, Stockton had the highest foreclosure rate among metropolitan areas in the US with populations greater than 200,000, and in the preceding years it ranked among the top ten cities by that metric (RealtyTrac 2011; RealtyTrac 2012; RealtyTrac 2013). In 2011, 5.4% of local housing units had at least one foreclosure filing, compared to 1.5% nationally (RealtyTrac 2012). Crime rates have been persistently high (*The Atlantic* 2011; Anderson 2016), attributed in part to challenges that accompanied the city's financial troubles, including cuts in policing. Stockton residents spoke about crime like they spoke about the weather. Constantly bringing it up in conversation, they indicated the relevance of this ever-present risk in their lives. Many tied the high crime rate to the area's high unemployment rate, 14.6% in 2012 compared to about 8% nationwide (U.S. Bureau of Labor Statistics 2015) These realities led Forbes magazine to declare Stockton the most miserable city in the US in 2009 and again in 2011 (Badenhausen 2011). While municipal bankruptcy, high foreclosure, crime and unemployment rates, and the resulting weakened public institutions shaped the lives of Stockton residents, this picture ignores the many local residents and organizations engaged in efforts to rejuvenate the area as well as the many Stockton residents continuing to live their American dream through homeownership and stable employment. Stockton is a community struggling in many ways, but residents continue efforts to invest and rebuild.

I selected the Stockton area as the research site for this study primarily because of the local severity of the foreclosure crisis. Rather than select a "representative" city, I followed Small's (2009) suggested method of using a unique case that would provide a fruitful context for developing and extending theories. Stockton is ideal in this regard. Its high foreclosure rate allowed me to observe the experience at a greater scale, whereas in other communities its infrequency makes foreclosure nearly invisible. From a practical perspective, it facilitated recruitment. More importantly, I was able to examine a phenomenon about which there already was local dialogue, from billboards along the city's streets to conversations at church.

Image 1: 2012 Billboard on a central artery in Stockton

It is worth considering, however, how the high local prevalence of foreclosure may shape experiences. For example, an unusually high foreclosure rate may exaggerate the effects of foreclosure on families, or may decrease the stigma attached to foreclosure, shaping household responses. Still, while Stockton was among the communities hardest hit by the foreclosure crisis and Great Recession, many regions across the country have faced similar struggles. We might consider the case of Stockton and its families as a bellwether in these increasingly insecure times, rather than an outlier whose experiences do not speak to that of the majority of Americans.

Study Participants

Table 1 compares demographic characteristics of Stockton's population and households participating in the study. Participants' backgrounds reflect Stockton's diverse population across multiple dimensions, including race/ethnicity, immigration status and primary language spoken at home. The study sample echoes the observations of other researchers that while minority households have been disproportionately affected by foreclosure, large numbers of households across racial/ethnic backgrounds have been touched by the crisis (Gruenstein Bocian, Li and Ernst 2010). Education levels among study participants also mirror local demographics. While a relatively small proportion of study participants and Stockton residents have a bachelor's degree, a significant number of participants with a high school diploma reported having some college credits. In total, 61% (19 of 31 participants) had at least some college, ranging from some community college classes to a Master's degree.

The employment status of participants and other adult household members varied widely, and for many their employment status changed during or leading up to the study. All families had a source of income, although in a number of cases households got by on meager earnings from informal or part-time work. About half of households had at least one adult employed full-time and year-round (48%). In addition to income generated from work, eight (8) households were receiving Social Security retirement, survivor's benefits or disability income, and one (1) was receiving unemployment. Among participating households, the average income was $37,000/year, and ranged from $8,000 to $110,000/year. In Stockton, mean household income in 2013 was $62,710 and median household income was $46,831 (U.S. Census Bureau 2013a). While study participants were not randomly selected, this comparison with local demographics suggests that participants reflect the local population across multiple dimensions.

Table 1: Demographic Characteristics of Stockton Population and Interview Participants

		Stockton, California (population 294,406) (Source: U.S. Census Bureau 2013a, unless otherwise noted)	**Interview Participants** (31 households) (based on primary participant, unless otherwise noted)
Race/Ethnicity	Latino	41%	48%
	Black	12%	26%
	White, non-Latino	22%	16%
	Asian	22%	6%
	Native American	1%	3%
Immigrant Status (% Foreign Born)		23.1%	48%
Language other than English spoken at home		46%	48%
Education Level	Less than HS	26%	23%
	HS Grad or higher	74%	77%
	Bachelor's or higher	18%	16%
Employment Status		Unemployment rate: 14.6% (June 2012) (Source: U.S. Bureau of Labor Statistics 2015)	*Of participants in labor force:* Unemployed: 8% Employed full-time: 60% Part-time or informal work: 32%
			Not in labor force (retired, student, receiving disability): 19% (Note: Employment data includes all adults in household; some households with one employed adult have a second adult unemployed and seeking work.)

Household composition varied across the study sample. The majority of participants had children in their household. At the time of our initial interviews, 10 households were two-parent families with children, and an additional 7 were one-parent families with children. Three households had three generations living together, and three households had two adult generations living together (in varying arrangements). Five (5) households were an adult couple without children and 3 households were a single adult. These arrangements were in flux, and many had changes in household composition in the months before our interviews and in the years that followed.

My interactions with adults in the household varied. In 12 cases, households had one adult with whom I spoke (these adults were divorced, separated, widowed or otherwise single). With three households I interacted extensively with two adults and in an additional four households I interacted primarily with one adult but also spoke with a second adult. In twelve households, I spoke only with one adult and did not meet their spouse.

***

Stockton, California, and these families who made their homes in the area, offer rich insight into the struggles facing many contemporary Americans. I selected Stockton because it offered a somewhat extreme case, but not because it is dissimilar to other communities across the country. While the percentage of households touched by foreclosure and unemployment was higher than in many other areas, families like the Cisneros, the Murrays and the Armstrongs are found in every community. The scale of the Great Recession locally drew the attention of politicians, the media, and researchers like myself, but the dynamics I observed are neither unusual nor specific to the region. I emphasize this point in the following chapter, in which I examine families' experiences of insecurity in their day-to-day lives, and note the prevalence of these experiences on a national scale.

Chapter 3: Insecure Households

In his 2012 State of the Union address, President Obama discussed "the basic American promise that if you worked hard, you could do well enough to raise a family, own a home, send your kids to college, and put a little away for retirement" (Obama 2012). He continued by asserting, "The defining issue of our time is how to keep that promise alive. No challenge is more urgent. No debate is more important." The experiences of households in the present study highlight just how distant this basic American promise is for many people. Gloria and Jaime, whom I introduced in Chapter 1, were devastated by their inability to house and keep safe their three children. All but a handful of households in the study had lost a home, were at risk of doing so, or worried about the real possibility of difficulty affording housing payments. Several postponed their own or their children's plans for the completion of four-year college degrees (see Chapter 5), and others drained their retirement savings while trying to avoid foreclosure (see Chapter 4). President Obama's urgent call resounded in the details of these families' lives. The social fact most evident in study data was that insecurity marked the lives of these households, regardless of the relative stability of their homeownership or their experience with foreclosure.

In our first conversation, Gloria and Jaime Cisneros indicated the many ways that insecurity had seeped into their lives. I inquired about their decision to move from the Bay Area, where they had lost their home, to a rental on the outskirts of Stockton. Their relocation was an emotionally charged topic for them both.

> Elyse: So, do you know people around here?
> Gloria: Pretty much not. [laughing a little]
> Elyse: Not really? But you have some people that you know in Stockton?
> Gloria: [Jaime] has a brother.
> Jaime: A brother. But no, he doesn't, he pretty much doesn't…
> Gloria: He pretty much doesn't visit us. He thinks that we are going to ask him for food to eat [laughs]. How sad, right, that when you lose everything, and no one wants to visit us. God bless us, but here we barely know anyone. That's why we went to the [food bank] over there—
> Jaime: To the food.
> Elyse: Was that the first time that you went over there?
> Gloria: Yes, it was the first time. They told us that they gave food there…. [They told us] something about the doctor, and I said, "well, we'll have to see, right?"
> Jaime: Go get ourselves checked out because we aren't well, the [blood] pressure and everything…

Within a few moments, the couple had referenced feelings of insecurity in relation to food, their health, their social life, and their limited financial resources. Gloria went on to describe how she felt her limited local social network was impeding her job search. While they were glad to have found a home to rent, they were devastated to leave the Bay Area, where they had lived for decades but couldn't find an affordable place to live. A sense of insecurity, touching many areas of life, dominated their day-to-day existence.

Investigations of how households experiencing economic precariousness make ends meet have often focused on families living in poverty. Landmark studies such as Stack's (1974) *All Our Kin* and Edin and Lein's (1997) *Making Ends Meet* provide detailed accounts of the strategies households employ, focusing on groups and spaces marked as poor: single mothers and their children, public housing tenants, welfare recipients and residents of inner-city neighborhoods. However, the economic insecurity that dominates these accounts is not limited to the poorest segments of the population, those receiving government assistance, or those residing in predominantly-minority neighborhoods. My research with current and former homeowners indicates that insecurity reaches far beyond poor households in the US, well into the middle class, suggesting a need to understand this concept and status beyond the boundaries of class and income level.

In this chapter, I investigate insecurity, or precariousness, at the level of the household, and offer a rich description of its lived experience. I first consider scholarly definitions and discussions of poverty and the middle class, as these provide an important frame for how we understand insecurity and who is at risk. I then review existing literature on economic insecurity from the rich accounts of other researchers. I follow with a discussion of insecurity in the lives of study participants, people who were often caught in a space between poor and middle class. Understanding insecurity primarily but not exclusively in economic terms, I consider insecurity across seven areas, highlighting the many ways it is present in daily life: housing, work, utilities, food, health, social life and wealth. To measure the breadth and depth of insecurity across the population, we must investigate not only major events like job loss or foreclosure, but mundane details of daily life that capture the minor but still disruptive presence of insecurity. I conclude the chapter by comparing data from the present study with indicators of insecurity on a national scale, and consider the implications and importance of the concept of insecurity as a measure of household well-being.

Poverty, the Middle Class, and Economic Insecurity in the US

The central means through which we speak about economic well-being in popular culture, political debate and policymaking are the markers of poor and middle class. In this section, I review the meanings and assumptions that are part of these terms. I then turn to a discussion of economic insecurity, an alternative indicator of well-being. While study participants' lives reflected aspects of poverty as well as middle class status, neither concept strongly resonated with their range of lived experiences. The concept of insecurity provides a more powerful framework for making sense of their day-to-day lives and decisions, as well as for considering how to support struggling households.

Defining Poverty

Living in poverty is living in a state of economic deprivation, but where and how we draw the lines separating the poor from the non-poor continues to be hotly debated (Edsall 2015). Iceland (2012) notes that the further a household is from extreme poverty, the more difficult it becomes to distinguish the poor from lower-income households. We can measure poverty in absolute terms, in relation to some standard level of material deprivation. If a household lacks the resources to meet that standard, usually measured in income or wealth, it would be considered poor. Alternatively, we can measure poverty in relative terms, in which case the threshold shifts over time and place, as standards of living change. In this case, poverty speaks to an individual's degree of economic marginalization in the society of which she is a part (Iceland 2012).

Scholars and policymakers make myriad subjective judgments when determining which type of measure to use and where to draw lines. Iceland (2012) argues for a social component to a definition of poverty, in which assessments of what people need incorporate local and regional custom. Townsend (1993) describes poverty as people's inability to obtain "the conditions of life…which allow them to play the roles, participate in the relationships, and follow the customary behavior which is expected of them by virtue of their membership of [*sic*] society"

(36). Defining poverty in these terms acknowledges our lives as social beings and not only physical beings trying to survive. The notion of the ability to participate socially and fulfill one's social roles is also useful in investigating the experience of insecurity, and I return to this idea later in the chapter.

The example of the telephone in the contemporary US highlights the appropriateness of a relative measure of poverty that acknowledges both physical and social needs. A person clearly does not require a phone to survive from one day to the next. However, to be an active participant in society today—to obtain and hold a job that would provide a regular source of income, to make and maintain friendships, to interact with many different bureaucracies, to request help when needed—a phone is essential. As standards around telephone use and accessibility have changed over the last several decades, people assume others have consistent and reliable access. Of course, not everyone does, and several people in the study had inconsistent phone access. Lack of this resource restricted their full participation in society.

Academics, government researchers and politicians continue to debate how to define poverty as a measure of economic well-being. Many criticize the official US poverty measure, which is an absolute threshold determined by an estimation of food costs, adjusted for inflation (the threshold reflects three times the minimal food budget, based on household size) (Roosa et al. 2005). Some advocate incorporating basic family budgets and consumption data, information on hardship, hunger and food insecurity, and social exclusion, though these require more complicated measurement (Edin and Kissane 2010; Iceland 2012; Pimpare 2009; Roosa et al. 2005).[14] While debates on poverty measures continue, official poverty guidelines are issued each

---

[14] Responding to this debate, the US government created a supplemental poverty measure that provides more nuanced information, including more accurate accounts of basic household expenses and how they vary across geographies, as well as the range of resources households draw upon, including noncash benefits (Short 2014).

year by the US Department of Health and Human Services. These guidelines have important political and material consequences as they are used to determine the distribution of resources to households across the US. The official poverty guidelines are based on calculations made by a Social Security Administration economist in the 1960s, when food reflected approximately one third (1/3) of a household budget, and poverty thresholds were delineated using this data point (Fisher 1992; Iceland 2012). In 2013, the year I collected most of the data for this project, the U.S. poverty guideline was $11,490 for a household of 1, $15,510 for a household of 2, $19,530 for a household of 3 and $23,550 for a household of 4 (Department of Health and Human Services 2013). Based on this measure, 6 families in the study (19%) fell below the poverty line, including 5 households post-foreclosure and 1 current homeowner. (Six additional households were within 130% of the Federal Poverty Level (as of 2013), a threshold that is used to determine eligibility for some government assistance programs such as CalFresh, California's food stamp program. These included two households post-foreclosure, two at-risk of foreclosure, and two homeowners not at risk.)

Other researchers shed important light on the experience of poverty and its boundaries. Stevens (1999) highlights how many families cycle in and out of poverty, reminding us that poverty is dynamic rather than static. Looking at poverty spells over the life course, Rank and Hirschl (2001) find that a majority of Americans experience poverty at least one year during their adulthood (as measured by the US official poverty measure). The notion of poverty spells and their high incidence across the American population speaks to the large numbers of Americans whose economic well-being is likely marked by uncertainty and insecurity.

Lastly, research on the working poor indicates that many working adults experience financial difficulties (Brady, Fullerton and Cross 2010; Joassart-Marcelli 2005; Newman 1999).

However, the notion of the working poor analytically separates households with variable employment status but a shared experience of economic insecurity. Among those working full-time or part-time, those with inconsistent and informal work, the unemployed and those who are disabled and retired, there are significant numbers united by a struggle to get by. While the overlap between those that are employed and those that are living in poverty is important to acknowledge, given the precariousness of employment today (Hacker 2008; Kalleberg 2011), I will focus my analysis on parallel experiences of insecurity across many groups, rather than separating groups by employment status or income level.

Defining the Middle Class

While definitions of middle class status lack the material consequences of a poverty designation, which is formally tied to outlays of various benefits, middle class is a central if ill-defined element in American political discourse. Like those for poverty, measures of the middle class vary. I briefly discuss measures based on income and consumption, as well as less easily quantifiable indicators of middle class status. Income-based measures of the middle class are typically delineated in relation to a country's income distribution. Households within 75-125% of the median income or households in a broad middle range of the income distribution (i.e., between the 20th and 90th percentiles) are common measures of middle class status (Duncan, Smeeding and Rogers 1993; Ravallion 2010; U.S. Department of Commerce 2010). An income-to-needs ratio of 2 or greater, in which household income is at least two times the poverty level, is also used to indicate middle class status.

These income-based measures allow for easy calculation of those who are middle class within the study sample. Based on the definition of 75-125% of median income, 6 (19%) participating households were middle class, and an additional 4 (13%) had incomes above this range, with the remainder (21 households, or 68%) falling below the middle class threshold.[15] For a measure including those between the 20th and 90th percentiles of the income distribution, 22 households (71%) were middle class.[16] Nine households (29%) had an income-to-needs ratio greater than 2. (Note that the income-to-needs ratio takes account of household size, while the first two measures of middle class status do not.)

While these measures facilitate the process of drawing boundaries around a middle class status, they shed little light on what it means to be middle class. If poverty is defined by some degree of deprivation, what is at the core of being middle class? A number of scholars have suggested alternative definitions of a middle class existence. In her study of the black middle class, Pattillo-McCoy (1999) includes indicators related to income, education and occupation, as well as behaviors typical of the middle class ("People mow their lawns, go to church, marry, vote (they *really* vote), work, own property, and so on" (15)). In their exploration of what defines the middle class globally, Banerjee and Duflo (2008) focus on consumption rather than income, noting differences in spending patterns between the poor and middle class. Specifically, they find that middle class consumers spend *something* on entertainment (versus nothing among the poor), and they spend more than the poor on education and health, both for themselves and the next generation. Alternatively, middle class status can be defined by access to some form of financial cushion. Eisenhauer (2011) argues for a measure based on wealth, which can separate the middle class from the rich (as well as from the poor, though this is not his focus). Access to formal sources of credit is another metric scholars use to differentiate the middle class and the poor, though of course this access can ultimately create a threat to middle class status when debts

---

[15] In 2013, the median income in the US was $52,250 (Noss 2014).

[16] In 2013, the 20th and 90th percentiles of the US income distribution ranged from $20,900 to $150,000/year (DeNavas-Walt and Proctor 2014).

become unaffordable (Banerjee and Duflo 2008; Fligstein and Goldstein 2015; Porter 2012; Sullivan, Warren and Westbrook 2000). Several researchers argue that the American middle class is built on access to credit and increasing levels of debt, especially in the context of stagnating wages (Leicht 2012; Prasad 2012).

Alternatively, some scholars point to a sense of security as a defining element of middle class status. One source of such security may be stable employment. Banerjee and Duflo (2008) note based on their findings, "Nothing seems more middle class than the fact of having a steady well-paying job" (26). However, as I detail in this chapter, stable employment does not guarantee security.

In the US, the vast majority of people self-identify as either working class or middle class, with the former group growing in the context of the Great Recession (Hout 2007; Hout and Hastings 2014). Working class implies a more financially precarious existence than does middle class, so we might expect more to self-identify in this way during an economic downturn. Based on data from the General Social Survey (2000-2004), 47% of American adults identified as middle class and 44% as working class, although working class only is selected by such a large percentage of respondents when it is included in a prompt (Hout 2007). In surveys asking open-ended questions about social class, a vast majority tend to self-identify as middle class. While these surveys suggest that many Americans, when prompted, may not see themselves as middle class, even among those that do, there may not be a pervasive feeling of security.

Several researchers examining the middle class outside of the United States note that many people identified as middle class, such as through income-based measures, still maintain a feeling of economic insecurity. In Dickey's (2012) study of India's nascent middle class, respondents reported an acute sense of precariousness, raising the question of whether such precariousness is, in some contexts, a fundamental part of being middle class. Wang (2011) reviews a Chinese study that defines middle class by the percent of income spent on food (30-37.3%). By that estimate, 37% of the urban population was middle class. However, Wang found that some who fall into this category resist the label, explaining that they don't have the peace of mind regarding their finances that they associate with the middle class, including the desired ability to save some portion of their income. While insecurity may not be an essential part of being middle class in the US or abroad, the two are clearly not mutually exclusive.

In the US, a sense of insecurity among the middle class may be in part a reflection of the growing gap between the rich and middle class, part of the trend of growing income inequality (McCall and Percheski 2010). The growth at the top of the income distribution has real implications for the daily lives and household budgets of those that fall below them in the income distribution. With the wealthy able to spend more and the cost of a lifestyle that meets "community standards" growing, middle class households are stretched thin and rely increasingly on debt (Iceland 2014; Prasad 2012; Warren and Tyagi 2003). Indeed, in the United States in the 21st century, debt and economic strain may be so common as to be the modal experience of the middle class.

Offering an alternative view of middle class status, the authors of the US Department of Commerce's (2010) report on America's middle class argue for defining the middle class by shared aspirations, recognizing the inadequacy of measures such as income. They identify middle class aspirations as a car for each adult, college education for kids, vacations, retirement security, health security and homeownership. The report's authors emphasize that even as incomes have risen, over the last two decades it became more difficult to attain a middle class lifestyle, primarily because of increases in the cost of housing, college and health care (large components of the middle class budget in the US).

Study participants aspired to, and attained, many of these markers of middle class status. They all had histories of homeownership: a small number had acquired a home for the first time in the aftermath of the foreclosure crisis, but most had years or decades of stable homeownership. Several had money saved in 401(k)s, or they had before their foreclosure, and all but three households had one or more vehicles for the household. They referred to past vacations and spoke of future travel. Almost two thirds of study participants had some college and seven heads of household had young adult children currently attending college (although, as I will discuss in Chapter 5, in several cases students and their parents had adjusted plans from attending 4-year to 2-year colleges).

Despite aspiring to and attaining such markers of middle class status, by other metrics middle class did not seem the right label to describe their experience. Many households were behind on utilities. Some cancelled phone or internet service to make ends meet. When trying to get in touch, I would sometimes find a participant's number had been disconnected, usually a sign of financial troubles. I provided a small amount of compensation to participants, and they would often tell me, unprompted, exactly how they planned to spend the $20 or $30—usually an urgent bill that they were behind on, or an empty gas tank that needed filling. Many households weren't sure how they would pay for even the basics at the end of the month, a fact that didn't square with notions of being middle class. Certainly homeownership hadn't afforded these households the kind of stability that would preclude such financial struggles. In this chapter, I explore these experiences that placed participants both within and outside of middle class bounds.

The Myth of Middle Class Stability?

This discussion of the definition and bounds of the middle class begs the question of why conversations about middle class status often assume that it offers stability, especially in light of the instability and insecurity so evident in the lives of study participants. I argue that two things drive this assumption: our collective faith in the American Dream, and our association between stability and specific components of a middle class life, most notably homeownership.

Rank and colleagues (2014) describe the American Dream as a relationship between hard work and being rewarded for that work with economic security and well-being. To their research participants, the American Dream aligns with many of the middle class aspirations described earlier: "a job that pays enough to support a family; being treated with respect for the work you do; owning your own home; having affordable and quality health care; being able to ensure that your children will have the opportunity to succeed; and a secure and dignified retirement" (29). Hochschild (1995) describes the American Dream as an ideology in which everyone and anyone, regardless of their background, can reasonably anticipate success, which "results from actions and traits under one's own control" (30). She documents people's persistent belief in the American Dream, even among those with very little chance of escaping poverty. It follows from this line of thinking, so prominent in American discourse, that those who work hard should expect some measure of economic stability, at a minimum.

Beyond a deep faith in the promise of the American Dream, the assumption of middle class stability is partly an outgrowth of the assumptions attached to one of its primary components, homeownership. Scholars have examined extensively the purported benefits of homeownership, in terms of wealth accumulation, improved health, children's outcomes and neighborhood impacts (Di, Belsky and Liu 2007; Herbert and Belsky 2008; Oliver and Shapiro 2006; Rohe, Van Zandt and McCarthy 2001). Historically much of the research and discourse on homeownership had taken this as its starting point: “The meaning of home ownership has usually been treated as self-evident: for most writers it is the unambiguous indicator of economic well-being, social mobility, and status” (Harris and Hamnett 1987: 174). The benefits of homeownership should be the very elements of social life that provide stability and even the possibility of upward mobility. This assumption remains prevalent, and contributes to continued policies promoting homeownership. From the perspective of consumers, it is evident that most Americans prefer homeownership to rental housing, and that preference has endured even in the context of the Great Recession, during which millions of Americans lost their homes (Drew and Herbert 2013; Rohe and Lindblad 2014).

Notwithstanding these long-held assumptions and preferences hinging on homeownership’s advantages, several scholars have recently taken issue with research on the benefits of homeownership, especially for low-income and minority homeowners (Rohe and Lindblad 2014; Shlay 2006). They note a need for more detailed investigation of the varying impacts of homeownership on different groups within the population. Shlay (2006) notes that most of this research focuses on middle-income households, and the same trends may not hold among lower-income households. Specifically, she questions the benefit of homeownership as an asset-building strategy for low-income households. More generally, scholars suggest that the purported benefits of homeownership in different areas may simply be the result of unobserved individual or household characteristics, and homeowners’ self-selection into this form of housing tenure (Dietz and Haurin 2003; Rohe, Van Zandt and McCarthy 2002).

These strongly held assumptions about the American Dream and the benefits of homeownership prop up the notion of a stable middle class existence. At the same time, they throw in sharp relief the lived experience of insecurity of households in this study and the many

American families like them. In this chapter, I highlight how homeownership, viewed as an important foothold in the middle class, can be a source of insecurity rather than a generator of stability or even upward mobility.

Economic Insecurity

In my research on household experiences with homeownership and foreclosure, I spoke with many families caught in between the poor and middle class. While most of these households were above the poverty line and all were far from the underclass described by Wilson (1987), the middle class label was often not entirely apt. While most shared the middle class aspirations described in the previous section, many struggled with the attainment of such dreams and did not fit within other measures of middle class. The concept of insecurity is useful here, straddling these labels and describing many who fall between and within poor and middle class. Grace Murray, a married participant with three children, identified this in-between space she and her family occupied. She had applied for food stamps but found, "we weren't eligible for that, we were a little bit *over* [in monthly income]. Yeah, we're just a few dollars over. So, we're kind of in that *crack* there between getting help." Earning too much to qualify for assistance, Grace's household was struggling by any account, unsure of how they'd get by and uncertain about their future.

Several scholars of American households have drawn attention to families in this in-between space. Newman and Chen (2007) refer to the "missing class," their term for the near poor defined as those with household incomes between 100-200% of the poverty line. They describe the missing class as "a forgotten labor force—too prosperous to be the 'working poor,' too insecure to be 'middle income'" (2). Noting that this group receives little attention from scholars and the media, they emphasize the group's defining challenges: difficulty saving, heavy reliance on credit, challenges accessing good quality child care and education for their children, and limited health insurance and retirement benefits.

In this section, I review how sociologists and other social scientists have discussed economic insecurity. I discuss how it has been measured and its varied manifestations in day-to-day life. In their comprehensive review on the subject, Western and colleagues (2012) describe insecurity as "the risk of economic loss faced by workers and households as they encounter the unpredictable events of social life" (342). Bossert and D'Ambrosio (2013) define insecurity as "the anxiety produced by the possible exposure to adverse economic events and by the anticipation of the difficulty to recover from them" (1018), drawing attention to the uncertainty involved and the emotional dimension of insecurity. Based on the literature and my own observations in this dissertation, I define insecure households as those whose day-to-day lives are marked by limited protections, putting them at risk of loss of important resources. Such protections can come in myriad forms, and include having financial slack, certainty about the future, and formal protections such as insurance.

Western and colleagues (2012) frame insecurity as the product of changing trends in two areas: changes in income (especially income volatility) and the protections available for spreading and reducing risk (in their words, "the relationships of income pooling and insurance in which an individual is enmeshed" (342)). Understanding insecurity then requires consideration of the wide range of adverse events that generate income losses (i.e. job loss, divorce, poor health, death etc.) as well as the range of opportunities for risk pooling and insurance available to households. The limited nature of these latter protective mechanisms, reviewed in Chapter 1, is of central importance to the dynamics of insecurity in the US.

A number of scholars and journalists have drawn attention to growing insecurity in American households (Cohen 2015; Cooper 2014; Gosselin 2008; Rank, Hirschl and Foster 2014; Western et al. 2012). In *The Great Risk Shift*, Hacker (2008) frames insecurity as a set of challenges reaching from the poor, up towards the middle class: “Over the last generation, problems once confined to the working poor—lack of health insurance and access to guaranteed pensions, job insecurity and staggering personal debt, bankruptcy and home foreclosure—have crept up the income ladder to become an increasingly normal part of middle-class life” (xii). Others frame the middle class as especially vulnerable to economic insecurity in the face of setbacks such as poor health, divorce, and job loss (McCloud and Dwyer 2011). Importantly, Acs and Nichols (2010) note that while Americans did not become more likely to experience an adverse event such as a divorce or job loss over the last several decades of the 20^{th} century, the likelihood that such an event led to income loss grew, suggesting that households have fewer protections in place in the case of adverse events. I argue that an investigation of insecurity highlights parallels in the lived experience of a broad swath of Americans, including the poor and middle class.

Supporting this view of insecurity, Rank and colleagues (2014) find that economic insecurity has become the typical experience of American households, based on their analysis of data from the Panel Study of Income Dynamics. They operationalize economic insecurity as having used a means-tested social safety net program, falling below 150% of the poverty line, and/or having experienced unemployment in the prior year. They estimate that 79% of

Americans experience insecurity (by at least one of these metrics) between ages 25 and 60, challenging notions of a stable middle class existence for many Americans.[17]

Other scholars point to different manifestations of insecurity as evidence of its growing presence in Americans' lives. For example, Hacker (2008) notes the rising rates of personal bankruptcy, large numbers of people without health insurance (although this has declined in the context of Affordable Care Act implementation), the decline of defined-benefit pensions, and the instability of household incomes, in addition to rising home foreclosures. Here I briefly discuss several of these manifestations of economic insecurity: bankruptcy and indebtedness, income volatility and precarious work, and the lack of a financial cushion.

Many scholars have documented rising levels of indebtedness in American households (i.e. Houle 2014b; Porter 2012; Vyse 2008). Due to changes in lending regulations and the unpredictability of lives, debts can quickly become unmanageable, exceeding households' ability to pay. Some of these households turn to bankruptcy, a legal process providing some level of debt relief. The Consumer Bankruptcy Project has documented rising rates of bankruptcy in the United States in recent decades (Porter 2012; Sullivan, Warren and Westbrook 2000). Warren and Thorne (2012) find that, based on indicators like education level, homeownership and occupational prestige, the middle class makes up an increasingly large portion of those in bankruptcy, again suggesting middle class vulnerability to economic insecurity. This rise in bankruptcy filings, and more generally the increasing levels of debt held by households, are expressions of the growing difficulties many households have getting by.

[17] Note that Rank and colleagues' (2014) work and much of the other literature on economic insecurity was published or based on data collected prior to the Great Recession. While the trend of increasing insecurity may have been exacerbated by the economic downturn, it is not a result of it. Insecurity is a broader challenge that will continue to confront many American households.

Rising income volatility and precarious work are two related trends that both reflect and exacerbate the experience of insecurity. Scholars agree that short-term changes in income, both at the individual and household level, have grown since the 1970s (Acs and Nichols 2010; Dynan, Elmendorf and Sichel 2012; Western et al. 2012). Kalleberg (2011) argues that over these same decades, jobs in the United States have become more precarious across the board (also see Hacker 2008). These realities suggest growing insecurity across class lines, not limited to low-wage workers. Kalleberg (2011) argues that in the context of changes in the US labor market (especially shifts from employment policies that favored employees to those that favored employers and shareholders) and changes in the demographics of the American labor force, American workers see less certainty in areas such as earnings, the protections available through fringe benefits, and a measure of control over job termination.

Commenting on similar broad changes in the modern labor market, Beck (1992) observed two decades earlier: "Unemployment disappears, but then reappears in new types of generalized risky underemployment" (144). Income volatility and precarious work overlap: some of the increased volatility in income can be attributed to precarious jobs that provide variable hours and earnings from one month to the next. Such instability in one's work life complicates planning and budgeting. While these trends are not synonymous with household insecurity—income volatility reflects spikes in income as well as drops, and precarious work might still provide more than enough for families to get by every month—they reflect increasing unpredictability in the areas of work and earnings, which contribute to insecurity in many households.

One final manifestation of insecurity is reflected in the very limited financial cushions in many American households, increasing the likelihood of economic insecurity for those families. As mentioned earlier, Americans tend to have lower levels of savings than their peers in Europe and East Asia (Garon 2012), and data suggest that a majority of Americans lack a meaningful cushion. Rank and colleagues (2014) find that between 65-70% of adults in the US have experienced asset poverty, meaning that they lack assets that would allow them to remain above the poverty line for three months (that is, their assets (including savings, stocks, home equity etc., minus their debts) total less than one quarter of the official poverty level). In the event of a drop in income, such households lack a means of supporting themselves even for a few months. Lusardi and colleagues (2011) found that 50% of their nationally-representative sample reported that they would certainly or probably not be able to cope with an unanticipated emergency that required them to come up with $2000 in the next month. Investigating the availability of an even smaller financial cushion, the 2013 Survey of Household Economics and Decisionmaking found that only 48% of respondents reported they could fairly easily pay for an emergency expense of $400 (Board of Governors of the Federal Reserve System 2014).[18] While there are many different resources that can help households cope with adverse events—Bossert and D'Ambrosio (2013) refer to "a comprehensive notion of wealth," including claims on government, family and friends (1018)—these studies highlight the very limited assets and means of protection for many American households. Indeed, evidence suggests that approximately half of Americans would struggle to deal with a relatively small setback, let alone a major event such as a job loss or the illness or death of a breadwinner. It is not surprising that McKernan and colleagues (2009) find that asset-poor families are 2 to 3 times more likely to experience material hardship after a negative event such as job loss, health problems or death or divorce in the household, compared to those with available savings.

[18] Lusardi et al (2011) and Board of Governors (2014) are based on online surveys designed to be nationally representative, though given disparities in internet access, these samples may be biased, likely in ways that underestimate reports of economic insecurity.

Based on a variety of measures and manifestations, it appears that a large and growing number of American households are touched by insecurity (by some indicators a sizeable minority, and by others a majority of Americans). A lack of security crosses lines of income and education, employment and homeownership status. It is evident that generally undesirable events, but those that are part of the normal course of life (i.e., job loss, health problems, death and divorce), put households at risk of insecurity and its many troubles. My observations in this dissertation echo these findings on the frequency and reach of insecurity in the lives of Americans. Examining household experiences through the lens of homeownership and foreclosure, I witnessed families' struggles to get by and the lack of security they faced across many areas of their lives. While some households had incomes below the poverty line, applied for government assistance, declared bankruptcy, lost jobs or lost large portions of household income, none of these metrics capture the day-to-day lived experience of what it means to be insecure. In the following section, I investigate the micro level experience of insecurity, looking beyond macro level indicators of the phenomenon.

Insecure Households

Neither poor nor middle class seemed to provide an accurate and full reflection of participants' lived experiences, nor were these terms they drew upon themselves. While several described themselves as growing up in poverty in contrast to their current situation, not one participant referred to themselves as either poor or middle class at the present moment. (I did not ask them specifically to self-identify using these terms in interviews.) While these labels didn't resonate, what was notable was a feeling of uncertainty or insecurity across many households—in how to make ends meet, pay bills, get food on the table, protect themselves and family members from risk, provide stability and opportunity for children and make investments in the future. Participants spoke at length about these challenges.

For households across the spectrum with regards to income level and homeownership experience, insecurity seeped into many parts of family life and played an important role in shaping their economic, social, emotional and physical well-being. While an economic dimension is fundamental to the experience of insecurity, that dimension does not fully capture what it means to be insecure, and I attempt a broader consideration of the experience here. In this section, I discuss seven areas in which households experienced insecurity: *housing, work, utilities, food, health, social life* and *wealth*. I discuss how each was a part of family life, and the frequency of insecurity in each of these areas. Among 31 participating households, 29 experienced at least one of these dimensions of insecurity, and for the two who did not report one of these experiences, the specter of insecurity hovered nearby, threatening instability and shaping household decision-making. Adults expressed insecurity in some common ways, articulating a sense of not being able to get to where they would like to be, a conviction that they wouldn't be able to meet a goal or have enough to get something done, or an exposure to a risk that they could not manage.

Precarious Housing

In this study of family struggles with homeownership and foreclosure, the home is an appropriate starting point for an investigation of insecurity. Homes are a significant resource but also a major liability for many families, alternately protecting people from and generating insecurity. The stories of Che Khang and Vera Clark reflect this range of experiences.

Che was a 31-year-old Hmong woman, one of the two participants who did not explicitly report an experience of insecurity. She had immigrated with her parents as a child to the

Stockton area. Che and her fiancé purchased their first home in 2011, years after the housing bubble had burst and while there were many affordable homes to be had in the region. For several years, they had been living with Che's parents, contributing to her parents' housing costs but able to save up money as they prepared to purchase their own home. Together Che and her fiancé earned about $100,000/year. Che explained what homeownership meant to her and how it oriented her thinking: "I feel like, more stability, more pride in the community. I'm not saying that you have to have a home to have pride, but you just feel more invested in that community. And you want to do that better, for future generations." When her own parents were forced to sell their home after Che and her fiancé relocated, she was able to invite her parents to live with them. When we met again a year and a half later, Che and her now-husband were providing a stable, comfortable place for three generations to live, as they had welcomed a baby into their family. Che's home generated a sense of stability and certainty, for her, for her parents, and for the next generation.

For Vera Clark, homeownership hadn't ultimately offered the same benefits. Vera was a 69-year-old African-American woman who grew up in Oregon and later moved to the Bay Area. At the time we met she was retired, though she had worked for many years. She lived on a fixed income of $1100/month. When her parents passed away, they left her a sizeable sum, and as the housing market heated up in the early 2000s, she sought a place she could invest that money and buy a home for herself. Priced out of the Bay Area, she eventually went to look at the more affordable homes in Stockton. She bought a house for $240,000 in 2005, using $210,000 from funds she inherited and taking out a $30,000 loan.

Her troubles began about two years before we met, when some unusually large medical expenses led her to miss two mortgage payments. Since then, she'd been "at that borderline," sometimes able to make payments and sometimes not. She had been making interest-only payments, which take up 30% of her monthly income, as she couldn't afford to make full payments (about $525/month, or 48% of her monthly income). Over time, the size of her loan grew, and despite her unusually large initial investment and small loan amount, she risked losing the home she bought and intended as a source of stability in her retirement. When I asked if she worried about losing her home, she replied,

> V: Sure. Any time—even right now. Anytime you're behind, you got that—that's something that's sticking in your head. You know. 'Cause the bank, they can just go crazy and say, "if you don't give us our money in two days, you're going to lose your house in 5."
> E: Yeah. So how often do you think about that?
> V: At least 4 or 5 times a week. You can't help it, you know.

For Vera as for many others, the homes they owned became a major source of insecurity. (There were myriad causes of this insecurity, but the rise and collapse of the housing market, refinancing practices, and scams related to the mortgage process were often involved.) For Vera, homeownership had eroded much of the security and safety net she had accumulated.

A home can be both a haven and a sinkhole, a source of security and insecurity. The foreclosure crisis drew attention to the home as a source of insecurity, bringing to light the precariousness of purchasing a home on credit and raising doubts about the ties between homeownership and stability I described earlier.

Participants' experiences suggest a range of ways that housing can be insecure. Several households were behind on mortgage payments and therefore at risk of losing their home. Unaffordable housing was a related threat to security. At our initial meeting and/or in recent years, the housing costs (rent or mortgage payments and utilities) of 81% of households (25 of

31 households) had exceeded the 30%-of-income threshold usually used to gauge affordability.[19] For many households, these periods of unaffordability went on for years, straining budgets continually. While housing costs hovered just above the 30% threshold for some families, many saw them consume a much larger portion of available resources. Fully 42% of families (13 of 31 households) had previously spent or were currently spending more than 50% of their monthly income on housing. These housing costs left relatively little income available for other essentials, including food, transportation, telephones, health care, clothes and child care. The genesis of unaffordability varied across households. Among those who experienced housing unaffordability, 11 households saw rising housing costs due to a combination of adjustable interest rates and refinancing, and 12 households saw drops in income due to a lost job, reduced hours, death or illness of a breadwinner, or a divorce (with some overlap between the two groups). Seven households saw neither a drop in income nor rising housing costs before they faced unaffordable housing payments.

Beyond these numbers, many participants made long-distance residential moves to another metropolitan area because of housing affordability concerns. Eight households (26%) mentioned these concerns, with six relocating to another community to be able to afford a home purchase and two relocating after a foreclosure in search of an affordable home to rent. While these moves reflected a strategy designed to avoid extreme unaffordability, the frequency of

[19] The US Census includes utilities as well as other costs such as mortgages, rent, taxes, and condo fees in calculating housing costs for measures of housing affordability. (See http://factfinder.census.gov/help/en/selected_monthly_owner_costs.htm) If utilities are not included in the calculation, 68% of households in the study (21 of 31) exceeded the 30% threshold of affordability at our initial meeting or in recent years. Because I was missing data on utility costs for a number of households, I calculated average monthly amounts spent on utilities among those whom had provided this information ($65 for renters and $176 for owners), and used these averages in the case of missing data on utility costs.

these moves in the sample highlights the relevance of affordability concerns in family decision-making.

While housing affordability is a useful gauge of insecurity, there are other indicators of housing precarity. After losing their home, seven of fifteen households relied on extended family for a place to live. For some this was a temporary measure while for others it continued for years. Five households had lived or were living doubled up with extended family. At times, this was an uncomfortable solution. Maricel Aquino seemed embarrassed as she explained that after her foreclosure, they had cleaned out the garage at her parents' home, and she and her husband were living there. She hoped for a change in living quarters, though there wasn't one on the horizon. Two other participants lived on their own, in homes paid for by someone else. Relying on others for a roof over their heads offered a temporary measure of stability, but could also create new risks. Lilly, a 44-year-old divorced mother, was indebted to her brother, who had bought a house for Lilly and her children to live in after she struggled to get back on her feet post-foreclosure. She paid him what she could each month, which was always several hundred dollars less than his mortgage. Deborah, 53 years old and also divorced, similarly relied on her extended familial network for her housing post-foreclosure, and her situation provided a reminder of the precariousness of such arrangements. Old family friends offered her a place to live and in lieu of rent she bartered some of her possessions and did some work for them on the property. Deborah relied upon this arrangement to make ends meet, but after a year and a half, she abruptly received notice that she would need to start paying rent. Without a way to come up with the money (her job search had been unsuccessful and she had been rejected when she applied for General Assistance), she anxiously hoped they would not come by to demand rent. The arrangement was essential to her getting by in the aftermath of her foreclosure but highlighted the insecurity inherent in relying on others.

Lastly, poor housing conditions that necessitate moves represented another source of precarious housing. Families seeking housing post-foreclosure were often constrained by short timelines, eroded financial resources, and a restricted rental market due to damaged credit. At times participants found themselves living in subpar conditions. Several households had problems with mold and infestation; another had structural damage that the landlord didn't fix. For families already struggling, this represented an additional dimension of housing insecurity.

Taken together, 25 of 31 households (81%) were experiencing housing insecurity at the time of the initial interview, indicated by housing expenses greater than 30% of household income, dependence upon others for shelter, and/or being behind on mortgage or rent payments.[20] (No households were facing poor housing conditions at the time of the interview.) Given the focus of this dissertation, it is not surprising that a majority of participants were exposed to risk in their housing. Still, their experiences highlight the breadth of the problem, indicating the many ways families confront insecure housing.

Precarious Work

The employment experiences of adult household members highlighted the reality that generating income is often an inconsistent and unpredictable venture. At the time of our initial interview, 15 households (48%) had at least 1 adult with full-time, year-round, dependable employment. Of these, 11 (35%) had access to some workplace benefits, as indicated by family members having health insurance through work. These households, at least in theory, had the type of "regular, well-paying, salaried job" that Banerjee and Duflo (2008) describe as being

[20] It is worth noting that 2 of the 6 households *not* experiencing housing insecurity (one retiree and one working family) had incomes below the poverty line, a reminder that poverty is not synonymous with housing insecurity.

central to a middle class existence. Eight (8) additional households had at least one household member employed in seasonal, part-time or informal work, although no adults working full-time year-round. This includes people like Josefina, whose seasonal work in agriculture was irregular but predictable, as well as those like Lilly, who cobbled together gigs as an aerobics instructor and could never be certain of how much cash she'd make in a given week. Households without an adult working full- or part-time, formally or informally, received some combination of Social Security disability, retirement income and unemployment. See Table 2 for a summary of the employment status of participating households.

Table 2: Household Employment Status at Initial Interview

Employment Status	Number of households
Two employed adults; at least 1 year-round, full-time	5
One employed adult, year-round, full-time	10
Part-time, seasonal or informal work	8
Long-term disability	3
Receiving unemployment	1
Social security & financial aid	1
Retired, receiving Social Security	3
Total	**31**

This overview of households' employment status obscures two important, if seemingly contradictory, points. The first is that nearly every household had a long-term, if not constant, attachment to the labor force. While about half of the households lacked an adult in a full-time, year-round position at the time of our interview, the adults in all but one household had long work histories. (The one exception was a 20-year-old head of household whose parents had passed away at a young age, and his father had worked for many years.) In three households, adults had been self-employed for long periods of time. Beyond those, at least one adult in each household had a long history of full-time, year-round work at the time they purchased a home, with the exception of the Contreras family, in which both husband and wife had been employed in agriculture seasonally. However, employment statuses shifted over time, as spouses passed away and people got divorced and fell ill. This strong labor force attachment among the study sample may not be surprising, given that historically a stable income was a minimal requirement for obtaining a mortgage. Still, the prevalence of full-time year-round work is not immediately apparent from a snapshot of employment status at one moment in time.

The second crucial point is that, despite this strong labor force attachment, a majority of households reported insecurity related to work and income (55%, or 17 of 31 households). Precarious work manifested in several ways: in job loss (6), in demotions or reductions in work hours (2); in difficultly securing a job (6); in work that was uncertain and irregular (8), and in work that didn't provide sufficient income to cover basic expenses, even for those that took on multiple jobs (3). (The last group reflects adults trapped in low-wage jobs that simply couldn't generate sufficient income to cover the local cost of living.) Of those who didn't report precarious work, 7 of 14 received monthly Social Security payments, including disability or retirement, which offered a stable, guaranteed income. Indeed, retirement and disability provided important protection, ensuring that these households could afford most or all of their needs.

The local context shaped the varied employment experiences of participating households. When I began data collection in July 2012, the local unemployment rate in San Joaquin County was over 14%, far above the national average of 8.2% as the country recovered from the Great Recession (U.S. Bureau of Labor Statistics 2015). The work histories of participants provide insight into what this meant for families, and how it related to experiences of insecurity.

Adults in six households experienced job loss in the years prior to the study, generating stress and sometimes wreaking financial havoc. In five households with one breadwinner, a second adult was also unable to find work (or in one case was not legally allowed to do so). For those without a job, the difficulty of securing one was apparent. Households' homeownership and foreclosure trajectories exacerbated the already-difficult task of securing work, highlighting ties between housing and work insecurity. Those who moved to new communities in search of affordable housing faced additional barriers as they often knew few or no people locally, leaving fewer social ties through which they could connect to jobs (Granovetter 1983). Gloria and Jaime Cisneros relocated to Stockton after their foreclosure because they found an affordable rental property there through an extended family member. Gloria had recently applied for a local job, but she wasn't hopeful: "I go looking, I want to look, but I want to know someone to be able to look for work. Sitting here, how am I going to meet people, right?" In the Bay Area, Gloria had worked in food service and doing professional cleaning, but she was willing to work in any field. She knew that being relatively isolated in her new community wasn't good for her chances of securing employment. During our monthly visits, she would often ask if I knew of any opportunities. Over the year and a half we communicated regularly, she briefly found work cleaning houses, but otherwise was unsuccessful.

The Aquino family had moved from the Bay Area to Las Vegas, where they could afford to purchase a home large enough for their family. However, relocating involved leaving jobs, and both Maricel Aquino and her husband initially struggled finding new work in Las Vegas, contributing to a difficult beginning there. Similarly, Grace had previously run an in-home day care, but when she and her family moved communities to buy a home, she had to give that up. Over the course of two years, Grace applied to a variety of positions, without luck. She occasionally generated extra income through informal work secured through her growing social network, such as providing elder care.

An additional barrier to jobseekers who had gone through a foreclosure or bankruptcy was their damaged credit. As will be discussed in Chapter 4, many participants wondered aloud about how this affected their job search. While they could not definitively link their labor market woes to their foreclosures and bankruptcies, they strongly suspected that poor credit impeded their search.

Beyond being difficult to secure, work was uncertain and irregular for many adults. This lack of predictability threatened a family's ability to make monthly housing payments. Like many in California's Central Valley, Arturo Contreras was employed in agriculture, and as such his income varied seasonally. In months when he worked, he and his wife were able to make mortgage payments with relative ease. In months when he collected unemployment, it was more difficult to do so. The family made do, at least able to anticipate these fluctuations. For others, drops in income were less predictable. Josefina's husband had worked in construction, and as the local housing market collapsed, his income dropped along with it, a major contributing factor in their eventual short sale.

Another example of precarious work, Antonia's job in school food service was terminated over school vacations. She supplemented the unemployment benefits she received during those periods with agricultural work and her husband's disability income. When we spoke, Antonia and her husband had been able to comfortably make their mortgage payments. Both immigrants to the US from Mexico, they were arguably living the American Dream. They had attained homeownership a year ago, after years of living doubled up with family and renting with a Section 8 voucher. Still, their employment and income offered an uncertain and precarious route there, and Antonia worried about what would happen if one of their multiple sources of income fell through.

Those worries became a reality for Victor. Working full-time in telecommunications, Victor was hurt on the job and his income dropped by $2000/month, to about $3000/month, as he could no longer work overtime. While he was able to draw on his savings and cobble together enough to cover household bills for over a year, he had relied on that additional income from overtime to cover monthly expenses, and when we spoke, his home was at risk of foreclosure. His experience provides a reminder that even full-time, year-round work does not guarantee sufficient income to make ends meet and provide economic security.

For households with precarious work, rising costs of living heightened the risks they faced. Some households attempted to generate extra income through additional earners, additional work hours, or other ventures, but participants' accounts suggest there is no guarantee this extra income will lead to security for the household. Indeed, other scholars have noted that households dependent on two incomes can be at greater risk of financial ruin as the income of a second breadwinner becomes essential to the day-to-day budget rather than a safety net in case of emergency (Hacker 2008; Warren and Tyagi 2003). Many jobs and incomes are precarious, whether because of the nature of the work, the broader economic climate, or changes in the characteristics of jobs available in the US (Kalleberg 2011). The long work histories of adults in the study, coupled with insecure incomes that don't always provide enough to get by, point to one of the roots of insecurity. Regardless of how hardworking an individual is, it can be difficult to protect one's family from the risks associated with precarious work.

Utilities and Other Essentials At Risk

Over a quarter of households (29%, 9 households) reported being behind on payments for utilities or other essentials (water, electric or telephone), or having them recently shut off. They worried about service being disconnected, and in some cases let them lapse to save money when things were especially tight. A common strategy was to rotate paying portions of different bills each month. Kayla explained the strategy she and her partner Renato relied on: “We rob Peter to pay Paul. We rotate our bills. One month, electric’s gonna get it, the next month, water’s gonna get it. Then next month electric’s gonna get it, the next month, water’s gonna get it. But I’m behind on both. *At all times*. I’m behind on both, but you know, I just try to get them enough to just leave me on for one more month” (emphasis hers). Kayla and Renato were not alone in this reality. Vera described a similar strategy.

> You’ve got to cut back on some things…but then…you just can’t totally cut back on everything. You just like split it, you know give everybody something to keep everybody happy, …cause you need your water and your lights, you know. Like the telephone is not a necessity—it *is* a necessity but then it’s *not* a necessity. But if something happens, like you’re sick, you need a phone, you know. Or somebody breaking in, or, you know, anything going on, you know. Once upon a time…people would feel that a phone wasn’t a necessity, but nowadays it really is. And so you just—you just pay to keep everybody content.

Uncertainty in this form was especially apparent among the ethnography participants, with whom I spoke in detail about challenges from one month to the next. Each of the three households had a phone line turned off during the year and a half they actively participated in the study, and one frequently worried about whether her water would get shut off.

I want to emphasize that participants often described this as an intentional, if undesirable, strategy (one that I discuss further in Chapter 5 on Postponement). It was never a reflection of carelessness or forgetfulness. Rather, it was a deliberate calculation made by households who very much wanted their utilities to remain on, but simply did not have enough money to make ends meet every month. Consistent, dependable access to services such as water, electricity and a telephone is something that the vast majority of Americans expect and rely upon. Being behind on these bills or having these services shut off was a reality for more than a quarter of families, another way that households experienced insecurity.

Food Insecurity

Participants indicated in several ways that they had trouble purchasing enough food to feed their families. Many families made use of a local food bank, and I first met a number of participants at the food banks in town.[21] Indeed, when I spoke about my research with people passing through the local food banks, I learned that many of those coming through the lines were current or former homeowners.[22] One food bank staff person mentioned their policy to not ask for proof of low- or no-income, but to give food to everyone who comes. She explained that, "people might come in their mink coat and Cadillac," but they might not have anything else, including enough to eat. Many of the people coming by appeared to have the trappings of middle class life to which she referred. Of course, such material possessions do not protect a household from food or other types of insecurity. An administrator of another food pantry reported that most of the people coming through, "they're middle class people who've never experienced poverty before on this scale.... We're not servicing the homeless…we're actually servicing the two-income family that has no income now, the middle class." It was clear to these service providers that food insecurity was a challenge facing a significant portion of local households.

Several households in the study received CalFresh benefits, California's food stamp program. While CalFresh is designed to mitigate food insecurity, several families enrolled in the program indicated that they continued to have trouble getting enough food for household members each month. Most of those receiving CalFresh made use of local food banks as well. Kayla and Renato received $300/month in CalFresh benefits, and Kayla estimated that lasted

---

[21] Because food banks were one site where I recruited participants, it is possible that I oversampled households experiencing food insecurity, and this particular form of insecurity may be overrepresented in the study sample.
[22] None of the food banks collected information on homeownership, but on a day when I was sharing information about my research and spoke to each person that stopped, at least 12 of 31 people reported being current or former homeowners.

about two-thirds of the month. Renato's health deteriorated in the aftermath of losing his home and business, and he developed diabetes and high blood pressure. Kayla tried to keep fresh fruit and vegetables on hand to help him stay healthy, but that meant higher food costs. The Navarro family, who had lost their home about two years before we first met, struggled with having enough food for their family of seven as they continued to work to get back on their feet, even with CalFresh benefits. Sofia Navarro explained, "last month we were having like [a] *really,* really hard time…our situation here at the house, you know. We went to the food bank… because we are a lot of, of mouths to feed, and…uhhh [sighs], it's just, there's times where it's very stressful, you know. I try not to keep…my kids from eating something, but, you know, it's hard for them. Because I have teenagers, and teenagers want to eat all day."

These struggles were common. Fourteen families in the study (45%) had some experience with food insecurity, as indicated by use of a food bank or similar community resource, receipt of CalFresh benefits, and/or reports of difficulty acquiring adequate food for their family. Several participants expressed reluctance about accessing resources to alleviate their food insecurity. With regard to visiting food banks, Robert told me, "It's embarrassing, but you gotta feed those kids, you know?" Deborah struggled to come to terms with her use of food stamps, something that she had not pictured herself doing:

> …I guess from the environment that I came out of, we never had anything like that growing up, so I just kinda felt like, 'Wow, what am I doing here? Is this where I ended up?'… But then over time you learn that there's so many people that are using that, even the working poor, you know, people who have incomes or whatever, they just don't have enough to make ends meet….

As the experiences of Deborah, Robert, Sofia and others suggest, food insecurity is part of the reality of many households, a reality that reaches beyond the unemployed or those considered poor.

Health Insecurity

Health insecurity can be thought of as a lack of protection in the case of illness or injury. Among households in the study, health insecurity generally took one of two forms. The first was a simple lack of consistent health insurance, which would in theory protect a household from financial catastrophe in the case of a serious health issue. Eleven households in the study (35%) had at least one household member without health insurance during the study, and five others had prior periods without health coverage.[23]

The second form of health insecurity was not receiving care that was needed. Fourteen households (45%) reported not getting necessary medical or dental care at the time of our interview or in the year prior. These two types of health insecurity overlapped only partially. Three families were uninsured but reported that they had thus far been able to access needed care at affordable costs. Several other families did not always get the care they needed despite their insurance, due to unaffordable out-of-pocket costs. In total, 15 of 31 families (48%) were uninsured or were not receiving needed medical care during the course of the study.

Not getting necessary care meant different things across households: some didn't fill prescriptions or took medications less frequently than prescribed to make them last longer; others didn't seek medical care when they were ill or did not get the recommended follow-up care; and others didn't get needed dental or vision care.

Money had been tight for Clara and her family, between rising mortgage payments and her husband's relocation for work that necessitated payments on an additional rental apartment.

[23] I collected most data prior to the implementation of the Affordable Care Act. Some households experienced changes in access to health insurance over the course of the project due to ACA. ACA implementation is likely to reduce, though not eliminate, the types of health insecurity discussed in this section, and recent data suggests many Americans still struggle to access the health care they need (Board of Governors 2015).

A 50-year-old Native American woman, Clara had been diagnosed with diabetes four years ago and had been prescribed medication to help manage her condition.

> Elyse: Do you always take those pills or no?
> Clara: Not really.
> E: No, how come?
> C: Because it costs money to. [laughs]
> E: Before, did you take them?
> C: Yeah, I used to take them before…and then it just kinda like, other things needed to get paid first, so I just left my medication off.

Although Clara had insurance, the out-of-pocket cost of her medication made it out of reach during this particularly difficult financial moment. Deborah Armstrong had put off a needed surgery as she couldn't afford the cost. Without insurance, even the preliminary consult was out of reach.

> [M]ost doctors won't see you unless you have something [some insurance]. You know, at the County they're like, 'Well, you can go see such and such office, but you gotta pay $70.' Well I'm like, 'I don't have $70 dollars!' I mean I know it's *worth* it, but if I had it, I would pay it, but I just, you know—barely keeping the water [on] and everything.

Deborah had also put off dental care, something that several other participants reported as well. She described a recent dental issue, and how she made do with the limited resources available.

> I woke up one morning and my jaw was swollen out like this. So, I already had some antibiotics, and some pain medicine from a previous dental procedure, that I had. So I said, well, it might be old but it's better than nothing. So I just took them, I took them over like a week and a half, and um…I mean the pain was the kind of pain that you're sleeping and it takes you out of your sleep. I felt like I was going crazy…. I'm assuming that it was some type of infection and I mean that's just, you know, the precursor to, there's really something going on that's going to have to be taken care of….

Deborah clearly grasped the consequences of not seeking care and knew that her temporary fix wouldn't solve the problem, but her options were very limited. Without insurance, she went to the emergency room when there was no other option, and added to her growing debt; otherwise, she tried to make do with the resources she had available.

Small costs can stand in the way of consistent and reliable health care. Robert, a 49-year-old man who received disability and therefore had health insurance through Medi-Cal, described how he sometimes didn't have enough for gas at the end of the month, and couldn't get to his doctor's appointments: "So if…I have an appointment right before the end of the month, I might have to cancel that, you know, just to make sure it's right after the first of the month…. Sometimes it conflicts with the *budget,* also. Because there's a lot of money spent going from there to there." Robert's experience is a reminder of the costs associated with obtaining medical care even for those with insurance, including co-payments for appointments, medication, and the cost of getting to the doctor.

Many of these experiences reflect strategies of postponement that families used to get by, and will be discussed in detail in Chapter 5. Here I emphasize the common experience of health insecurity, reaching across those with and without access to health insurance.

Social Insecurity

In his discussion of conceptualizations of poverty, Townsend (1993) urges his readers to look beyond people's physical needs to consider humans' social needs as well in investigations of well-being. Our identities, composed of many different elements, drive many of these social needs. Owens and colleagues (2010) highlight several aspects of identity, among them personal identity, "denot[ing] a unique individual with self-descriptions drawn from one's own biography and singular constellation of experiences," and role-based identity, "a social position a person holds in a larger social structure" (480). These create a set of social needs, a desire to participate in the world in ways prescribed by personal and role-based identities.

A number of participants expressed a strong sense of insecurity in regard to their social identities. While academic discussions of insecurity do not often incorporate a social dimension, it is an essential part of human existence. In this case, rather than not being able to pay one's bills or obtain needed medical care, participants were not able to fully participate in social life. While other forms of insecurity might appear more obvious or objective, social insecurity is by its nature more personal and subjective. While everyone preferred running water and electricity in their house and access to health insurance, not everyone prioritized visiting with extended family, buying presents for nieces and nephews, and participating in social events like going out to a restaurant or to a movie. People naturally have different social baselines, but participants clearly expressed insecurity in this area by indicating undesired changes in their social interactions, activities, and their place within their extended family or community.

Participants reported constraints in fulfilling their social roles and partaking in what can be considered American middle class norms and customs. Many described less frequent contact with family and friends, either because they withdrew socially out of embarrassment or shame, or because their ability to host or attend social gatherings diminished. Many reported cutting back or completely eliminating expenses related to entertainment and vacation, supposed hallmarks of middle class consumption.

Vera, struggling to keep up with housing and other payments, described what she did without in order to try to make ends meet: "…entertainment. You know like, no like going out, or having fun, or going to the movies, you know, anything like that. …You can't really get rid of *anything*, you know what I'm saying [laughs], but some things it's easier to cut back on, you won't miss them as much. Like food and entertainment, you know. Especially entertainment. That was the first thing that went." Denise described similar changes, especially in her and her husband's routines, cutting back on everything outside of the home.

> I had to start cutting back on everything, have to stop going out. We used to go to dinner *every* Friday night. It was a done deal. No matter what, no matter how hard up we were for money, we went to dinner on Friday night, that was *our* night out. That *stopped*…. We stopped going places. Couldn't go on vacation anymore. We couldn't do anything. Couldn't do…we sat at home and watched TV. Basically all we could afford do to.

Many participants expressed a feeling of physical and social isolation. Kayla and Renato, who both had extended family nearby with whom they were close, described how their social world had collapsed:

> We go without everything. We go without going anywhere, we pretty much stay at home. We have no trips to the lake or nothing anymore.… We used to spend a lot of time together [with my sister's family]. We went to visit my nieces and nephews. We used to just go see them, pick them up and take them to the river and stuff. You know, but we just don't do it no more…. They miss us, too.

Participants like Kayla and Renato described changes both in the activities in which they participated as well as they people they interacted with on a regular basis, with the latter often tied to activities they could no longer afford.

A number of participants described feeling embarrassed or awkward in social interactions as a result of their home foreclosure or other financial challenges, and this led some to withdraw. Deborah explained,

> I've become kind of a shut-in, because I'm so, kind of embar [embarrassed]—I just feel like people don't want to…be bothered with someone who's not doing well. You know, and it's because I *came* from a place where I *was* doing well. I mean, I was miss sales manager, you know, I was making decent money, I had benefits—medical benefits and all that. And I just feel like, people will say something like, 'Oh, here she comes…' So I kind of really don't…hang out.

In the context of her financial troubles, Deborah's social life withered along with her self-esteem.

Victor described how his role within the family shifted in the context of his financial troubles. He had always had extra money to spend, and he enjoyed using it to buy presents for nieces and nephews. "For many years [it] was like, 'Hey Uncle, there is this kayak that I wanted to have, can you buy it?' 'Sure, why not? I'll send it to you for Christmas.' …I was the favorite uncle for many years. Not anymore." Facing foreclosure and other challenges, Victor lamented that he could no longer fulfill his social roles in the same way, and his relationships changed because of it.

One might argue that going to a movie, or buying a Christmas present for a niece, or hosting a graduation party for a daughter finishing high school, are not essential, and that not being able to participate in these activities is unrelated to insecurity. However, returning to Townsend's (1993) discussion of poverty as lack of the means to play the roles and follow the customary behavior that is expected of members of a society, an inability to participate socially in these ways could indeed be understood as something essential they are missing. Participants' own accounts of what they derive, or used to, from participating in these activities and playing these roles suggest the importance to their well-being. Similarly, the fraying of social ties that accompanies withdrawal from social life can complicate tasks that draw on one's social network, such as finding work and getting help to weather financial difficulties. From another perspective, Banerjee and Duflo (2008) mention entertainment spending as something that distinguishes the budgets of the middle class from those of the poor. Several families reported this was the first expense they cut, an indicator of their tenuous tie to the middle class. Rank et al (2014) mention how some respondents saw the ability to take one's family on vacation as part of the American Dream, and again, this was just what many participating households reported they could not do, or could not do anymore. In all, 10 of 31 households (32%) explicitly reported an experience of social insecurity, defined as an inability to fully participate in social life, including reducing or eliminating time with family and friends, eliminating activities (especially related to vacation and entertainment), and feelings of social discomfort that led people to withdraw.

This social insecurity was generally oriented towards life outside the home. For some, the same sense of insecurity led household members to form closer bonds with each other, as life was increasingly limited to the home. But beyond the boundaries of the home, a sense of insecurity often dominated social relationships, isolating people physically and socially, complicating their ability to fulfill the social roles they had in the past, and making impossible many outward expressions of a middle class identity.

Wealth Insecurity

One final area in which study participants experienced insecurity was in their lack of a financial cushion, specifically in the form of a readily available cash safety net within the household. Scholars use asset poverty (a measure of how much a household has in savings, in relation to the poverty line) as one indicator of insecurity (McKernan, Ratcliffe and Vinopal 2009; Rank, Hirschl and Foster 2014). A lack of assets can make it difficult to weather small and large setbacks alike, from an unusually large utility bill, to an injury that keeps someone temporarily out of work, to the death of a breadwinner in the household.[24]

Participants indicated their wealth insecurity in different ways. Some simply reported having nothing in savings and no cushion available at the end of the month. Others described losing the savings they had in the context of trying to avoid or deal with the aftermath of a home foreclosure. It manifested in struggles to pay for small and large expenses, from a tank of gas to the monthly mortgage, and in the need to use credit cards to pay for monthly essentials as no other funds were available.

[24] Asset poverty is a measure that references the poverty level for a household, regardless of previous household income and expenses, suggesting it reflects a bare minimum of what a household might theoretically need to get by, rather than a realistic expression of what would be necessary to keep up with actual monthly household expenses.

Wealth insecurity was an obvious challenge for 15 households (48%). While these households explicitly discussed a lack of wealth, it is likely that others also lacked a meaningful financial cushion. I focus here on easily available cash and retirement savings within the household, setting aside for the moment resources available in the broader social network as well as the ability to borrow, both of which offer alternative sources of quick cash but require looking outside the bounds of a household.

Households varied significantly in their histories of wealth and access to a financial cushion. Some were accustomed to having checking or savings accounts, easily drawing upon these funds from one month to the next, while others had never had this type of cushion. Some had built up large 401(k)s over the course of decades of employment while others hadn't saved for retirement at all. Regardless of their starting point, many households lamented their lack or loss of a financial cushion.

For participants like Marta, there was no wiggle room—even less than a measure of asset poverty would indicate. She knew the exact amount of money in her checking account, and it wasn't much. She explained, "I'm to the dollar. I live every dollar, dollar, dollar. Like right now, in my account, $24 dollars. But that's because they returned a payment. But it would have been $1.11. I think $1.11." This had long been the status quo for Marta, a single mother of 2, despite having a stable job for over 15 years. Deborah similarly lacked any savings. Always without the cash necessary to fill up her tank, she was accustomed to driving around with "a teaspoon of gas" in her car, filling it with a few dollars of gas whenever she could and frequently worrying that she would end up on empty while driving around town.

Other participants once had significant sums saved, but that wealth had since deteriorated. Carolyn, who had lost her job and gone through a short sale on the family's last home, noted, "[the] majority of our marriage, we've always had a savings. I definitely can say right now, not so much. [small laugh] Just because with me being unemployed…kind of went through our, you know—we still have *some* savings, but definitely not what it was when we were both working." For Carolyn, the combination of job loss and the expenses associated with a possible foreclosure and eventual short sale eroded the household's cushion.

Aside from job and income loss, rising mortgage payments and other housing troubles, the death of loved ones also contributed to wealth insecurity through two avenues. First, the costs of caring for sick loved ones and paying for funerals can quickly eat away at savings. Josefina used her savings (originally intended as a down payment for a new house, once she could buy again) to pay for her husband's funeral expenses. Victor had taken $16,000 out of his retirement account to cover household costs during a difficult financial time, but when his father-in-law fell ill and later passed away, a large chunk of those funds were diverted to pay those costs, further eroding the family's cushion. The death of a breadwinner creates another avenue for loss of wealth as households quickly burn through whatever savings are available. Denise's husband went back to work after retiring from his career as an electrician, continuing to help with the household's monthly bills. At the time, the family had about $15,000 in savings, plus life insurance. When her husband had a stroke and they lost his income, it sent the household on a downward financial spiral. During the course of his illness and death, Denise used up all but $3000 of their once-large safety net, including those savings as well as his life insurance policy.

Wealth insecurity left households with very little ability to weather financial challenges large or small. Even among households whose breadwinners maintained stable employment, or who were able to maintain homeownership uninterrupted, wealth insecurity was sometimes a reality. For those lacking a readily accessible cushion, any number of unusual or unexpected expenses—from the death of a loved one, to an unusually large medical expense, to a child's high school graduation, to a needed car repair—can put a household in immediate economic danger. Without the breathing room available from household savings, these expenses can set households on a downward spiral from which it is difficult to recover. In the chapters that follow, I will discuss other aspects of household wealth, including the pathways through which household wealth eroded and the strategies that low-wealth households tended to draw upon. Here, I emphasize a lack of wealth as one of many dimensions of insecurity households confronted, alongside insecurity in housing, work, access to essential services, food, health and one's social existence.

Discussion

An examination of the details of household members' lives indicates the many ways people experience insecurity. Townsend (1993) writes,

> People may be deprived in any or all of the major spheres of life—at work where the means largely determining position in other spheres are earned; at home, in neighbourhood and family; in travel; in a range of social and individual activities outside work and home or neighbourhood in performing a variety of roles in fulfilment of social obligations (36).

Just as people can be deprived in all of these spheres, so can they experience insecurity across many dimensions of life. Taken together, all but two households in the study experienced insecurity in at least one of these areas. (See Table 3 below for a summary of each of the 7 dimensions of insecurity I describe above.) Six households (19%) experienced insecurity in only one dimension, and 17 households (55%) experienced insecurity in three or more areas. Figure 2 displays the number of areas of insecurity households experienced of the seven described above. There are many ways to describe where households fall along the continuum from secure to insecure, and among them is a consideration of the number of areas of life in which insecurity is present. While many indicators of insecurity provide only a one-dimensional view into the lives of households, as Figure 2 suggests, many households face insecurity across many dimensions.

In the study sample, which included current homeowners, those at risk of foreclosure, and those who had gone through a foreclosure or short sale, insecurity of one form or another was nearly universal. The two households that didn't explicitly report insecurity in these areas were those of Che Khang and Serena Aguirre, both households comprised of young, childless couples who had purchased homes after the housing market had collapsed. (Their relative security may be, in part, a reflection of their earlier stage in the life course compared to most other participants and the time at which some in their cohort were able to buy homes, after the housing market's fall.) Still, the threat of insecurity hovered over these households, as both put off major next steps (completing college, getting married and/or having children) because of concerns that such changes could jeopardize their security. Their decisions are discussed further in Chapter 5.

The degree to which insecurity permeated different areas of family life varied, but a sense of uncertainty and constraint was familiar in the daily lives of the vast majority of households. In focusing on insecurity, I want to distinguish between what we might think of as restraint or frugality and the experience I attempt to delineate here: households that are uncertain, insecure, anxious about making ends meet, and sometimes forgoing important things—food, relationships, utility payments—because of this sense of insecurity. I want to draw attention to the prevalence of this experience among study participants as well as the broader US population.

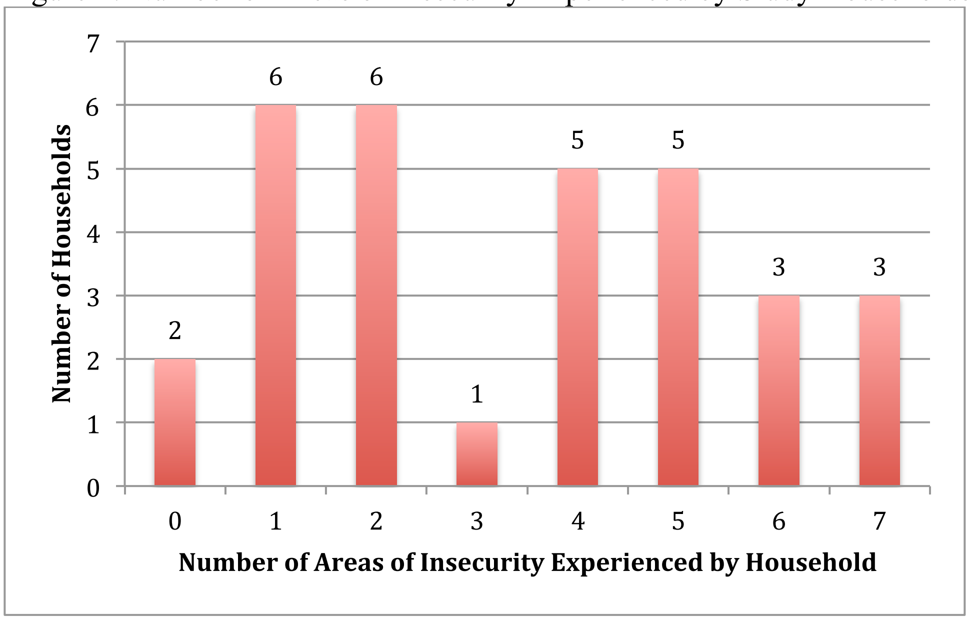
Table 3: Dimensions of Insecurity and their Frequencies, in Study Sample and National Estimates

Dimension of Insecurity		***Definition***	***Frequency in Study Sample***	***National Measure (Source)***	***National Estimate***
Housing	Unaffordable Housing	Households currently spending 30% or more of income on housing	68%	Households currently spending 30% or more of income on housing (American Housing Survey 2011)	40%
				Unpaid rent or mortgage (SIPP 2011)	8.1%
	Precarious Housing at Initial Interview	At time of initial interview, household either spent >30% of income on housing, depended on others for housing, and/or was behind in their mortgage/rent payments	81%		
Work	Precarious Work	Experienced job loss, difficulty securing a job, uncertain/irregular work, or insufficient income to meet basic needs	55%		
Utilities	Behind on Utility Bills	Report being behind on water, electric or phone	29%	Unpaid gas, electric or oil bill (SIPP 2011)	10.5%
Food	Food Insecurity	Household relies on food bank, CalFresh benefits, and/or reports difficultly getting adequate food	45%	Food insecure at some point during year (lacked access to enough food for all household members) (USDA 2012)	14.5%
Health	Health Insecurity	Household members are uninsured, or did not get needed medical, dental and/or vision care	48%	Went without medical care in last 12 months because could not afford it (including doctor's visits, dental care, medications) (SHED 2013)	34%
Social Life	Social Insecurity	Unable to participate fully in social life, including reducing or eliminating time with family and friends, eliminating activities such as vacation and entertainment, and feelings of social discomfort	32%		
Wealth	Wealth Insecurity	Lack or loss of household cash safety net	48%	Reported could not fairly easily handle an emergency expense of $400 (SHED 2013)	52%

Notes: The frequencies reported for study participants reflect insecurity *at the time of the study*, with the exception of work insecurity, which includes job loss, difficulty finding employment etc. in the recent past. As points of comparison, I drew on data available from national surveys conducted between 2011-2013.
Data Sources:
American Housing Survey 2011: https://www.census.gov/content/dam/Census/programs-surveys/ahs/data/2011/h150-11.pdf (U.S. Census Bureau 2013b)
Survey of Income and Program Participation 2011: http://www.census.gov/hhes/well-being/ (Siebens 2013)

USDA 2012: http://www.ers.usda.gov/publications/err-economic-research-report/err155.aspx (Coleman-Jensen, Nord and Singh 2013)
SHED 2013: http://www.federalreserve.gov/econresdata/2013-report-economic-well-being-us-households-201407.pdf (Board of Governors of the Federal Reserve System 2014)

Figure 2: Number of Areas of Insecurity Experienced by Study Households

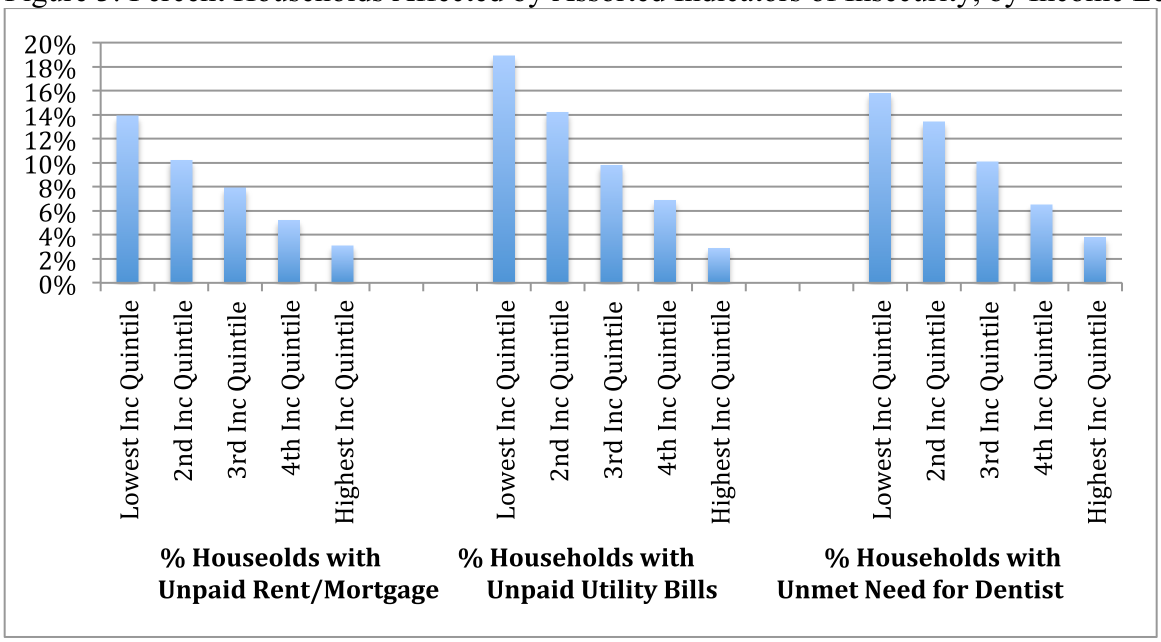


On the right-hand side of Table 3, I offer points of comparison from national surveys which collected data on households' economic well-being, expenses and hardships: the Survey of Income and Program Participation (SIPP); the new Survey of Household Economics and Decisionmaking (SHED), conducted by the Board of Governors of the Federal Reserve to investigate the financial well-being of American households after the Great Recession; the American Housing Survey (AHS); and a USDA Economic Research Service survey. A comparison between this small sample from the Stockton area (a region especially hard hit by foreclosure and unemployment in the context of the Recession) and nationally representative survey results indicates that these households are not unique in their experiences of insecurity.

Across some of these dimensions, study participants experienced significantly higher rates of insecurity than those estimated in national surveys. This is expected given the impact of the Recession on the local community, the nature of the sample (with the majority affected by foreclosure, arguably both a cause and effect of insecurity), and differences between my own measures and those available in national survey data. Survey measures were often more narrow than my own, gathering information on only certain aspects of insecurity in a given dimension. Still, where national data is available, these surveys indicate that various dimensions of insecurity affect many American households. For example, according to the American Housing Survey, 40% of households are in unaffordable housing, burdened by housing costs taking up 30% or more of their monthly income (U.S. Census Bureau 2013b). Approximately 10.5% of households were behind on gas, electric or oil payments according to SIPP data, and this number is likely much larger when other essentials such as water and telephone are considered. According to SHED results, 34% of respondents did not receive medical care in the last 12 months because they could not afford it, including 25% of respondents who didn't get dental care, 18% who went without a doctor's visit and 15% who went without a prescription medicine (Board of Governors of the Federal Reserve System 2014). In the same survey, only 39% of respondents had savings that would cover 3 months of household expenses, and only 48% could "fairly easily handle" an emergency expense of $400, leaving more than half of respondents wealth insecure (Board of Governors of the Federal Reserve System 2014). These survey estimates confirm that significant proportions of the population are experiencing insecurity—somewhere between 10-50% of households, depending upon the dimension of insecurity.

Examining this data by income level, there are consistent (and unsurprising) patterns of rising levels of insecurity as household income drops. Figure 3 shows data from three measures available in SIPP, with the lowest income quintiles having the highest percentage of households with unpaid rent or mortgage, unpaid utility bills, and an unmet need for a dentist. However, while lower income households experience higher rates of insecurity based on these measures, it is important to note that even the highest income quintiles still have significant numbers of insecure households, as reflected by these basic indicators. For example, the 5.2% of households in the 4th income quintile who were behind on their rent or mortgage represent nearly 1.25 million households—that is, more than a million households in the second highest income bracket were behind on rent or mortgage payments in the prior year.

Figure 3: Percent Households Affected by Assorted Indicators of Insecurity, by Income Level



Data Source: Survey of Income and Program Participation, 2008 Panel Wave 9 (May-August 2011). Data available at: http://www.census.gov/hhes/well-being/.

Study data and national survey results paint a portrait in which insecurity affects a large minority (if not a majority) of US households, and in which insecurity reaches across many dimensions of life. In the following chapters, I investigate how participating households manage the reality of insecurity day-to-day, focusing on their decision-making and strategies for getting by.

Conclusion

In Chapter 1, I defined insecure households as those whose day-to-day lives are marked by limited protections, putting them at risk of loss of important resources. The various dimensions of insecurity I describe in this chapter reflect the wide array of resources at risk of loss. Study households often lacked key forms of protection from insecurity: financial slack, certainty about the future and accessible formal protections such as insurance, all of which could mitigate risks.

This chapter adds to the chorus of writing by social scientists and journalists drawing attention to the insecurity plaguing American households, including many who outwardly may appear secure (Cooper 2014; Gabler 2016; Gosselin 2008; Hacker 2008). This account echoes many of their observations, taking as its starting point household experiences with homeownership and foreclosure. By examining multiple dimensions of insecurity, it becomes clear that many households are juggling various insecurities simultaneously (precarious work, unaffordable housing, the threat of losing phone service, etc.), compounding the challenges associated with decision-making and getting by day-to-day. It is essential we recognize that it is not only people's financial lives that are precarious, with insecurity reaching into people's social existence, their physical well-being, and other areas of life. Insecurity cannot be fully measured by simply cataloguing household unemployment, income relative to the poverty line, bankruptcies or foreclosures. Although households in each of these situations may be struggling with insecurity, some may not be, and these indicators tell us little about the range of households across the population facing insecurity day-to-day. A more nuanced understanding and measurement of insecurity is essential to gathering data on its scale, considering its impact on households and communities, and contemplating supportive resources for households facing insecurity. I conclude this chapter with observations on the ways that households are constrained, on what insecurity might mean for decision-making, on the potential for insecurity to exacerbate existing inequalities, and finally on the importance of insecurity as a concept in the study of family well-being.

While researchers of economic insecurity note the challenges created by the lack of a financial cushion (Barr 2012; Hacker 2008; Rank, Hirschl and Foster 2014; Western et al. 2012), the accompanying problem of the difficulty of downsizing has received little attention. This study, taking housing and home foreclosure as its starting points, brings this important constraint into relief. While the instability in household incomes and the asset poverty of American households are no doubt essential to the dynamics of insecurity, the institutionalized constraints present in myriad aspects of daily life are also a critical part of the story. From the inflexibility in agreements from phone contracts to mortgages, to the ways that our choice of housing determines so many other costs of living (all of which in turn become hard to change), people's day-to-day lives often have little wiggle room, making household insecurity more difficult to avoid. In response to any event that brings change to a household's budget (an illness or death, a breadwinner's hours reduced, etc.), it can be hard to downsize quickly. Many of our costs of living are fixed, and efforts to reduce these (i.e. moving to a smaller home, which would entail a smaller mortgage and less expensive utility payments) are not always available and can be extremely costly themselves. Thinking about Zelizer's (1997) discussion of special money, designated for certain expenses, a household might have significant income each month, but if nearly all of it is earmarked for specific expenses, this leaves heads of household with very little real discretion over where they might cut back.

Other costs similarly have ties to the home and can therefore be difficult to cut back, including transportation costs as well as any primary and secondary education costs. In an usual case, facing increasing financial constraints, the Stewarts decided to take their two children out of private school and homeschool them.[25] However, few had an opportunity to cut costs in this way. More commonly, participants reported that vacations, entertainment expenses, and activities with friends and family were the first things to go from their budgets. Minimizing food costs by applying for food stamps and going to a food bank were other possible avenues for downsizing. Overall, though, a large portion of most households' budgets was relatively inflexible in the near-term.

Given this inflexibility and the fact that most families aren't living at the poverty line, measures such as asset poverty (does a household have savings equal to three times the poverty line?) underestimate both the number of households facing insecurity and the extent of the insecurity they face. If people cannot quickly, and at relatively little expense, adjust the many costs associated with housing as well as any other costs tied to long-term agreements, most would need much more in savings to stay afloat even for a few months. Buying a home, as well as other investments such as having children, complicate the process of downsizing. While measures of a household's financial cushion or fluctuations in income are important, alone they do not tell the full story of insecurity.

A thorough understanding of insecurity is essential to making sense of its role in household decision-making. The dimensions of insecurity I discussed in this chapter create a backdrop for decision-making. Many uncertainties are generated by and inherent in insecurity—not knowing

---

[25] The Stewarts had purchased a home in an area with lower property taxes and lower quality schools than where they had been previously living, with the intention of keeping their children in private school. When they needed to cut back, they felt that the local public schools weren't an option and instead chose to homeschool their children.

if one's water will be shut off when one is behind on the bill; being unsure about whether one can count on relatives one no longer sees regularly; being uncertain about how long a family member will provide a place to live—which frame people's experience of the present and future. More than other measures of household well-being, insecurity can provide important context for making sense of household decisions.

Several scholars have noted how poor individuals tend to have a high rate of delay discounting, with a strong preference for present over future rewards (Fieulaine and Apostolidis 2014; Lawrance 1991; Wood 2003). Wood (2003) argues that many poor people lack the security to make investments in their future, as they necessarily focus on survival in the present. In their review of research on economic insecurity, Western and colleagues (2012) focus on this same concern with relation to unstable incomes as a factor that shifts time horizons and families' ability to plan for the future. They write,

> We are interested in the insecurity of incomes chiefly because we think it is related to the continuity of consumption in the household and to subjective feelings of insecurity and because it affects whether families can be forward looking—plan for the future, save for their future consumption, and make investments in themselves and their children (354).

This dissertation, and the investigation of insecurity presented in this chapter, suggest that a lack of security across various dimensions of life, rather than poverty itself, may shift decision-makers' time preferences towards the present. Uncertainty about what the future will look like and the resources that will be available complicates decision-making on longer time horizons, and may present as a high rate of delay discounting. It is essential that we understand the breadth and depth of insecurity in people's lives when we seek to understand their decision-making process, which I turn to in the next chapter.

Beyond a focus on the present in decision-making, this study of insecurity suggests important ties between insecurity and inequality. To better understand the realities of inequality, Bear (2014) calls for "new qualitative measures of the ability to be secure and the various effects of inequality on decision making during the life course" (644). She is interested in better understanding the myriad pathways through which "varying degrees of uncertainty and insecurity" exacerbate existing inequalities (647). Bear's concern about these links appears well-founded. This review of insecurity and the chapters that follow suggest that the coping behaviors available to manage insecurities often exacerbate the problem, leading to a vicious circle in which those who start off insecure end up even more insecure. For example, late payments on utilities and other essentials can lead to an accumulation of late fees or an inability to access essential services; withdrawing from social activities because of a lack of funds can weaken the support available from within one's network in future emergencies. There are many paths through which the realities of insecurity exacerbate existing inequalities, leaving those exposed to insecurity even more insecure. I'll return to this theme in the conclusion.

Finally, this chapter highlights the importance of insecurity as a concept for investigating individual and household well-being, distinct from concepts such as poverty and deprivation, as well as working class or the working poor. Earlier I made the point that while income and income fluctuations are part of the story of insecurity, they are just one component of the experience. Concepts that focus exclusively on components such as income or employment can distract from the day-to-day experiences and constraints on decision-making that constitute insecurity. Similarly, concepts such as working poor and working class analytically separate those with formal paid work, ignoring the complicated nature of employment today and the precariousness of work both for those with and without formal or full-time positions.

Variable costs of living across geographies, limited protections in the case of unexpected problems, difficulties with downsizing in a society filled with long-term agreements from which it can be difficult to disentangle—these and other realities indicate that “getting by” is a process framed and constrained by many complicated variables. Given this, as scholars we require a more comprehensive concept to measure household well-being. The concept of insecurity draws attention to parallels in people’s day-to-day lives and decision-making constraints, across income levels, employment and homeownership status.

To understand the experience of insecurity across the population, it is essential that we develop a fuller understanding of what it means to be insecure. In this chapter, I laid out the dimensions of insecurity that were evident in the lives of study participants. Certainly this is not an all-encompassing view, and I hope scholars will continue to refine the concept. This study suggests several important components of a measure of insecurity, including detailed information on flexibility and discretion within household budgets, the availability of different protective resources, and the consideration of multiple dimensions on insecurity simultaneously. A multidimensional measure of insecurity can build on past studies that examine multiple forms of hardship, but as evidenced by this study, must look beyond material hardship to other dimensions of life (Boushey et al. 2001; Rector, Johnson and Youssef 1999).

Like the experiences of Newman and Chen’s (2007) “missing class,” the experiences of insecure households, and the parallels across households marked either as poor or middle class, are often hidden from public view. A focus on household insecurity as a measure of well-being can bring to light these similarities and the day-to-day challenges many American households face. Beyond the micro level, we must also consider the macro level economic, social and cultural implications of a large portion of households navigating the realities of insecurity.

Importantly, even with complete data on how households experience insecurity and how many are affected, ultimately the meaning of this data—and what to do about it, if anything—is subjective and normative. If more than half of households experience insecurity in more than one area, is that too much? If 10% of those in the middle income quintile don't receive needed dental care, is that acceptable? If more than a third of the population doesn't have stable, affordable housing, is that something for politicians, policymakers and other individuals to worry about? In this chapter, I raise the possibility that many households, including many considered middle class, are experiencing insecurity. Whether and to what extent this is problematic is a very different question. In the Conclusion (Chapter 6), I briefly consider potential policy and program responses to the insecurity documented in this dissertation.

If we want to enable households to take the risks and make the investments upon which our society relies—buying a home, paying down a mortgage, saving for retirement, getting married, having children, helping those children attend college, attending college oneself—we should understand the risks to which they are already exposed and the diverse ways they experience insecurity. This task requires that we look beyond rough markers such as bankruptcy, foreclosure or unemployment and examine different dimensions of insecurity in people's daily lives. The present study suggests that many households experience insecurity outside of these major events, even if such events are ultimately part of their trajectory.

In the chapters that follow, I turn from an examination of the lived experience of insecurity to an examination of how families navigate this insecurity. In Chapter 4, I look specifically at the range of ways heads of household respond to the challenge of home foreclosure. In Chapter 5, I consider a broader, dynamic set of strategies tied to postponement, which insecure households draw upon in doing the work of getting by.

Chapter 4: A Sinking Ship: Decision-making in the Context of Foreclosure

Diego Zamora's home had become a source of great stress. Between 2007 and 2010, Diego saw his mortgage payments skyrocket, as his first mortgage went from $1600 to $2400 a month and his second from $400 to $1200 a month. His broker had intentionally deceived him, assuring him that his first mortgage had a fixed interest rate when in reality its adjustable rate would reset after three years. Diego was originally from Mexico and settled with his family in northern California in 1992. After years of living in housing provided by his employer, he bought a house in 2007. He explained simply, "Everyone was buying houses, and I bought mine too." It was true that Diego was in good company, especially among Latinos, whose homeownership rate grew through the 1990s and early 2000s and who were targeted with subprime loans like Diego's (Gruenstein Bocian et al. 2010; Rugh 2015).

Diego and his wife had three children, the eldest of whom hoped to attend a four-year college. She put these dreams on hold, attending community college instead, as the family struggled to keep up with rising housing payments and could not afford the costs of a four-year school. After five years of rising payments, Diego reached a tipping point:

> It was when my wife got sick. And that was when I decided [I couldn't continue making payments].… I was already losing the house. My wife was sick. My daughter had already left school [community college]. I felt like my head was going to explode. But I said, "There is a solution. I don't pay the house anymore."

Diego calculated that by continuing to make his mortgage payments, he foreclosed the possibilities of his daughter attending a university and his wife accessing necessary medical care. At this point, the cost of trying to maintain his home was too great.

Diego described his struggles with homeownership, taking issue with the notion that a property owner could not be poor and highlighting how vulnerable he felt: "It's not like that. [As a homeowner], that's when…one is *more* pressured, a prisoner." He felt as if he was drowning, each month getting further behind. In desperation, he nearly sold the land in Mexico he inherited from his mother for $4000. This was a low point for Diego, as he considered selling his inheritance and severing this tie to his homeland in exchange for one more payment to the bank.

In this chapter, I draw on the experiences of the 23 households that were post-foreclosure or short sale, were currently in the foreclosure process or were at risk of losing their homes. These households were all facing insecurity, as discussed in Chapter 3.[26] The aim of this chapter is to identify the elements of people's social existence that shape household decision-making, specifically with regard to mortgage default and foreclosure. In Chapter 1, I discussed the frames of irrationality and immorality, both of which lack a means of considering the important role of people's social context in decision-making. In this chapter, I present an alternative frame that incorporates the realities of people's social embeddedness, based on data on household decision-making related to mortgage defaults and foreclosures. The framework highlights specific aspects

---

[26] The two households not identified as insecure were stable homeowners, and therefore are not included in the analysis for this chapter.

of participants' social realities that guided and constrained decision-making in this case. I discuss multiple aspects of their personal narratives, as well as household and network resource constraints and exogenous shocks (i.e. unexpected events such as a job loss, illness or death), each of which I argue is central to decision-making around mortgage default and foreclosure, and can help to explain observed variation in the strategies pursued and ultimate trajectories of different households.

While these trajectories are of course not the exclusive product of individual's decisions (we cannot ignore the roles of lenders' own decisions, chance, etc.), such a framework highlights the important role of household economic decision-making—and the social context that drives those decisions—in shaping household outcomes. While we should expect the salient elements of people's social worlds to vary with the specific decision under consideration, I attempted to identify those most relevant to the case I consider here. I hope this discussion can spark a broader conversation on the elements of our social world that shape decision-making processes.

Below, I briefly discuss literature on three areas that provide important background for this chapter. First I consider research on decision-making in the context of uncertainty, of which foreclosure provides a clear example. I then turn to a brief review of literature on personal narratives as a cultural element that can shape decision-making, as well as literature on the meaning of homes and homeownership, the focal point of decision-making in this chapter. I then outline the main types of loss households experienced in the context of foreclosure (their home, wealth, access to credit and health), and I go on to describe four trajectories of loss, which highlight households' distinct pathways through foreclosure and the strategies of households in each group. I conclude by remarking on the utility of a frame of constraint, especially in making sense of the heterogeneity observed in economic decision-making, and noting that the strong desire for homeownership remains despite these experiences of loss.

Decision-Making in the Context of Foreclosure

Scholars across disciplines have highlighted the importance of understanding decision-making under conditions of risk and uncertainty (Beckert 1996; Dshemuchadse, Scherbaum and Goschke 2013; Heimer 1988; Kahneman and Tversky 1979; Read, Loewenstein and Rabin 1999; Tallman and Gray 1990). Much of this research tends to take place in experimental settings and with hypothetical gains and losses, and the generalizability of these findings to the kind of decision-making considered here is unclear (da Matta, Gonçalves and Bizarro 2012; Kahneman and Tversky 1979; Kahneman and Tversky 1982; McFadden 1999; Read, Loewenstein and Rabin 1999). It is difficult, if not impossible, to replicate the stress of insecurity and the implications of uncertainty that are present in the decision-making of day-to-day life. Even in cases when researchers investigate decisions about economic losses, for practical and ethical reasons, the losses cannot have the high stakes of the types of decisions I discuss in this chapter. So while an experiment investigating decision-making under these circumstances is unlikely, the present study offers an opportunity to examine decision-making in social context, and to consider what the pathways of participating households can teach us about drivers of the decision-making process.

Anomalies such as the endowment effect, when people demand more to give up an object than they would pay for it (Ericson and Fuster 2014; Kahneman, Knetsch and Thaler 1991), of course run contrary to the assumption of the rationality of economic actors, but a detailed look at realistic decision-making can help develop alternative explanations for such a pattern. Several sociologists and other social scientists have sought richer explanations for economic behaviors reflected by biases like the endowment effect. They have argued for the study of economic behavior as embedded in networks of interpersonal relations that shape decision-making (Granovetter 1985; Krippner and Alvarez 2007; McFadden 2013), and for acknowledgement that decision-makers frequently cannot anticipate the outcome of a decision or assign probabilities to outcomes, such that decision-making is nearly always plagued by uncertainty (Beckert 1996). These scholars urge sociologists to more closely investigate the specific elements of our social world that shape decision-making. As Krippner and Alvarez (2007) note, “economic transactions are enmeshed in a thick net of personal relationships that explains order in economic life” (224), and I draw on this perspective as I seek to make sense of households’ varying pathways and decision-making in the context of foreclosure. The case under consideration here, of households facing the prospect of losing their homes, provides an opportunity to examine how households make decisions about potential losses that are deeply enmeshed in their social existence.

Unlike studies of decision-making that focus on a single decision at one point in time, this investigation considers a very distinct decision-making process (but perhaps one that is more typical of the many economic decisions households face). The default and foreclosure processes involve myriad decision points over a lengthy time period, and they are filled with uncertainty. There are many unknowns, from the efficacy of efforts to avoid home loss, to how a lender will respond, to the changing regulatory environment in which foreclosure occurs. Paired with this uncertainty is the experience of loss, as struggles with homeownership often entail losses of many kinds, including the potential loss of a home and all of its associated use value, accumulated wealth, access to credit and health. The high degree of uncertainty involved in foreclosure and the many opportunities for loss obscure what a “rational choice” might even be in this case.

Facing uncertainty and the prospect of loss, some homeowners were quick to decide on their next move, while others wavered; some spent months or years fighting to keep their home while others abandoned the cause early on. Some got back on their feet quickly while others struggled for years to regain stability. Households' pathways varied significantly, both in the strategies they decided upon and the resources ultimately lost.

In the context of the foreclosure crisis, other studies have noted variation in decision-making on mortgage default, finding that many homeowners default long after the point at which it would be "economically rational" and suggesting that factors beyond negative equity are involved (Bhutta, Dokko and Shan 2010; Elul et al. 2010). However, to my knowledge, researchers have not examined at the household level how decision-makers navigate foreclosure. With the goal of better understanding the drivers of decision-making and the observed variation among homeowners, this chapter examines the trajectories of the 23 households in this study affected by foreclosure.

Narrative, Identity and Action

In my consideration of the elements of people's social worlds that shaped decision-making, study participants' narratives were especially prominent. Cultural sociologists have drawn attention to how our understanding of self and our personal narratives—the stories we tell about ourselves—shape our actions in different contexts (Owens, Robinson and Smith-Lovin 2010; Somers and Gibson 1994; Tach and Greene 2014). For example, Polletta (2006) considered how the politics of storytelling and the power of narrative affect the behavior of others and bring about social change. Lamont and Small (2008) discuss narratives as one of several cultural elements that shape individual behavior. They write that an approach focusing on narratives "posits that, when faced with two courses of action…individuals are likely to pursue the one most consistent with their personal narrative, rather than one that might seem most rational to an outsider" (Lamont and Small 2008: 83). They note that researchers have investigated the power of narrative in several studies of class and mobility (Abelmann 2003; Portes and Rumbaut 2001), suggesting the centrality of personal narratives to these aspects of our lives. Portes and Rumbaut (2001) explored the narratives of a diverse set of immigrant families, noting how those narratives shaped household decision-making, especially related to the education of the second generation. Through the lens of these diverse narratives, we can understand the variation the authors find in the experiences of immigrant communities and the second generation. Outside of sociology, some economists have recently drawn attention to the power of storytelling and personal narratives in guiding individuals' economic decisions, as an explanation for people's failure to maximize utility in their decision-making (Akerlof and Shiller 2015).

In Chapter 1, I presented three frames for studying decision-making: a frame of irrationality, a frame of immorality and a frame of constraint. These varying approaches to investigating household decision-making prove useful on multiple levels. Specifically, beyond providing analytic frames for scholarly consideration of decision-making, elements of morality, rationality and constraint were also present throughout individual participants' narratives. In the stories people told about themselves, they often portrayed themselves as constrained, but also on many occasions as moral or responsible actors and as rational actors. Rather than operating independently or in conflict with each other, morality, rationality and constraint often appeared woven together in decision-making processes. Mansbridge (1990) makes a similar argument, asserting that self-interest and altruism are often both at work in driving human behavior, rather than being pitted against each other, and that institutional arrangements often lead those motivations to coincide. This investigation of the drivers of decision-making in the specific context of default and foreclosure provides an important reminder that decisions are not driven by a single motivation but are rather the products of a complicated set of factors, sometimes working in concert and sometimes in opposition, including the constraints of social life, the pull of utility-maximizing rationality and the moral boundaries of a society.

This dissertation emphasizes how narratives, and the broader identities of which they are a part, are an essential part of the social world in which individuals are embedded. While these aspects of our identities guide action, the present study also highlights how experiences like foreclosure represent a threat to various identities and a challenge to one's narrative. The households I consider in this chapter often drew on these narratives and their identities (as homeowners, as members of the middle class, as parents and providers, as effective economic actors) as those very narratives and identities were being challenged, complicating the work of decision-making.

Homes and Housing

Our homes are central elements of our social and economic lives. In Chapter 1, I briefly reviewed research on homeownership and foreclosure in the United States. In this section, I turn in greater to detail to the meaning of homes and homeownership in the lives of contemporary Americans. As homes are the focus of decision-making in this chapter, it is essential to understand the stakes of potentially losing one's home, and especially to look beyond a home's economic utility. Far beyond meeting a physical need for shelter, "housing satisfies important emotional wants and forms a key ingredient in psychic welfare… [and] provides a social stage and social event in which competitive display forms a part" (Adams 1984: 517). A home fulfills these needs, but also facilitates access to a wide range of other resources. Logan and Molotch (1987) write, "The use of a particular place creates and sustains access to additional use values.

One's home in a particular place, for example, provides access to school, friends, work place, and shops. Changing homes disrupts connections to these other places and their related values as well" (18; see also Foley 1980). These scholars highlight the central importance of the use value of a home to people's daily lives.

Kusenbach and Paulsen (2013) distinguish between a home and a house, noting that, "the experience of home is strongly intertwined with identities of individuals and social groups" (2). The location, size, ownership status and amenities inside and out of a home carry important social meaning and are important contributors to those identities. Adams (1984) notes an important boundary between those who own and those who rent their homes: "The form of tenure is taken as a primary social sign. Tenure is used to classify and evaluate people in a shorthand way, much as people…are taught to use race, income, and occupation as predictors of other traits" (523). Clapham (2005) echoes these observations, describing how housing is closely tied to people's sense of identity, self-esteem and often a quest for personal fulfillment.

Writing in the context of the foreclosure crisis, Saegert and colleagues (2009) assert: "Becoming a homeowner thus entails the construction of personal identity and social inclusion as a rights bearing citizen. Consequently, the damage done by foreclosure is not restricted to material loss. The threat of mortgage foreclosure calls into question homeowners' selfhood and their relationship to society and government" (298). While in some contexts we treat homes as an impersonal asset and a commodity, they are imbued with complicated meanings that shape how people value homeownership and understand risk of its loss (Pattillo 2013).

Consumption is an important means of producing individual and collective identities (Zukin and Maguire 2004), and the purchase of a home can represent the apex of consumption, both in terms of the size of the investment and its social visibility. As part of the American

Dream, purchasing a home may be a quintessential expression of one's identity as American. While scholars debate why they are doing so, middle-class households in the US have been spending larger proportions of their income on housing, making it the largest expenditure for many American households and further increasing its social and economic importance (Schor 1998; Warren and Tyagi 2003).

Beyond providing access to a wide range of resources and serving as an important contributor to identity, homeownership can also potentially provide an important financial cushion and path to wealth-building and upward mobility. A large portion of wealth for American households is tied up in the home, and this is especially true for families with lower net worth (Spilerman 2000). For example, according to the 2010 Survey of Consumer Finances, housing made up 36%, 44%, and 31% of wealth among the three lowest income quartiles, respectively, compared to a smaller proportion among the highest income quartile (17%) (Herbert, McCue and Sanchez-Moyano 2013). A similar pattern holds for minority groups: housing comprised 44% of net wealth for African-Americans and 39% for Hispanics, compared to 20% among whites (Herbert, McCue and Sanchez-Moyano 2013). Especially for lower-income and minority groups, homeownership offers a potential financial cushion as it is an important vehicle for savings and allows for the possibility of accessing home equity.[27]

For many American families, homeownership has been a reliable path to wealth accumulation, as home values appreciate and a mortgage is paid down (Di, Belsky and Liu 2007; Herbert, McCue and Sanchez-Moyano 2013; Turner and Luea 2009). However, while homeownership supports upward mobility for many families, it does not guarantee gains in

[27] Another potential financial benefit of homeownership, especially before the rise of adjustable rate mortgages and other terms that introduced a higher degree of uncertainty into housing costs, was the certainty in year-to-year housing costs afforded by homeownership, as compared to the uncertainty facing renters in areas without rent control regulations.

wealth or stability for the next generation (Oliver and Shapiro 2006; Pattillo-McCoy 1999), and wealth accumulation for US homeowners has been uneven across the population. Racial and ethnic minority families often receive less of the financial benefits of homeownership as compared to white families (Brown 2012; Flippen 2004; Herbert, McCue and Sanchez-Moyano 2013; Hirschl and Rank 2010; Oliver and Shapiro 2006). Similarly, higher income families accumulate more wealth compared to lower income families for each year of homeownership (Turner and Luea 2009), and under many circumstances, low-income households that purchase a home will not experience a gain in wealth (Bostic and Lee 2009). Herbert and colleagues (2013) emphasize that while on average homeownership may lead to greater wealth, this obscures the reality that some segment of households lose wealth in the context of failed attempts at homeownership.

Homes and homeownership are central to people's lives in many ways: to their understandings of themselves and where they fit into society, to their ability to access a set of resources crucial to daily life, and to the possibility of financial security and upward mobility. Decision-making around homes, and especially loss of homes, is therefore a weighty and complicated process, made all the more difficult in the face of uncertainty.

Findings

In this section, I briefly discuss the primary areas in which households experienced loss before presenting four trajectories along which study participants can be grouped, highlighting their different pathways through the foreclosure process and experiences of loss.

The timing, scale and impact of loss varied widely across households. Most prominent in participants' accounts were losses of the home, wealth, access to credit and health. I'll describe these losses briefly here, and return to them as I review household accounts across each of the trajectories. Most obvious is the risk of losing one's home. As discussed earlier, homes provide household members with shelter, stability and a place to gather, and their loss represents a social, emotional and physical disruption for those that dwell there. Gloria and Jaime Cisneros, whose story I presented in Chapter 1, emphasized the devastating ripple effects of losing the roof over their family's head. "[Our] youngest daughter…when she left [because of the foreclosure], she went to live with her boyfriend, and afterwards he hit her. Ay, a nightmare….and that's what I say, if we hadn't lost the property, so many things wouldn't have happened." After their foreclosure, Gloria and Jaime couldn't afford to rent a place large enough for their entire family in the area where they had owned, and so their children scattered. They blamed themselves for everything that followed.

Loss of a home often involved stress and uncertainty about where family members would go.[28] Several struggled to find someone who would rent to them with a foreclosure on their credit report, and many moved multiple times post-foreclosure, staying with family or friends, renting a room, or struggling to find a livable apartment. Such frequent moves had additional economic, social and emotional costs. These periods of instability lasted for months or years, and sometimes left households heavily reliant on others for housing.

The loss of a home sometimes involved loss of material possessions as well. Donna Watson, a 52-year-old African-American woman, recalled how she and her husband had invested in furniture for their three-bedroom home, but in their moves post-foreclosure, they were forced

---

[28] Two families were able to avoid a disruption in their housing by purchasing another home before their foreclosure or short sale was complete. (After defaulting on their mortgage, the Eshu family secured a $100,000 loan from a company Alice Eshu described as a "loan shark", with a 25% interest rate and a $40,000 down payment on their new home. The Stewart family purchased a new home in a less expensive area before going through a short sale, maintaining good credit until after they moved to the new home. These households were among the highest income-earners in the study, which provided some flexibility in their monthly budget and allowed them to make very large or double mortgage payments at least temporarily.) Besides these two families, those who were post-foreclosure or at the end of the process experienced a housing disruption.

to quickly downsize, losing many of their possessions. When Deborah Armstrong, a 54-year-old African-American woman, couldn't keep up with payments on her storage unit post-foreclosure, she lost all the furniture and personal effects she had attempted to save there.

Beyond the loss of housing, families also lost wealth both leading up to and after foreclosure, shrinking the financial cushion available in the case of future difficulties. Participants depleted various sources of household wealth. They lost the equity in their homes, though the amount of equity participants had varied significantly. On one extreme, Vera had used her significant inheritance to buy her home, putting down $210,000 and taking out only a small loan to cover the remaining $30,000. On the other extreme, Bill took out two mortgages and his brother provided him with the down payment and closing costs, so he didn't have his own wealth tied up in the house. Homeowners also lost investments in home improvements they paid for out-of-pocket. In purchasing or trying to maintain homeownership, participants removed funds from retirement accounts (with penalties for early withdrawal further diminishing wealth), spent inheritances and life insurance policies from an older generation, used household savings and drew on money borrowed or received as a gift, further eroding other sources of household wealth.

Homeownership and foreclosure created myriad opportunities to lose wealth. Some households lost money to scam artists who promised to help participants secure a loan modification and avoid foreclosure, demanding large upfront payments despite laws against this practice (California Department of Corporations 2012). The amounts lost through this pathway varied significantly. Renato Ochoa, a 59-year-old Latino man, had paid $1500 to a man who promised to help him avoid foreclosure and then promptly disappeared. Gloria and Jaime Cisneros paid $10,000 to a company that promised to help negotiate with the bank and save their house, and then took their money without rendering any services. When we met, they were engaged in a legal fight to recuperate these funds.

Others lost wealth in a slow trickle during their years of homeownership, the victims of predatory lending. A number had obtained subprime loans with unfavorable terms, often initially understanding or being told that their loans had fixed interest rates when in fact they were adjustable (see Renuart 2004 for a review of predatory mortgage lending practices). Scholars have documented how, as the subprime market grew, Latino and African-American borrowers were more likely than white borrowers to receive risky loans with unfavorable terms, regardless of income, wealth and creditworthiness (Gruenstein Bocian, Li and Quercia 2011; Williams, Nesiba and McConnell 2005). Among study participants, these types of unscrupulous practices especially affected those with limited English proficiency, paralleling similar observations by a local advocacy group for Asian Americans in California's Central Valley (National Coalition for Asian Pacific American Community Development and Southeast Asia Resource Action Center 2011). While these practices contributed to the loss of homes as participants found themselves with unaffordable payments, they also further eroded wealth by requiring unnecessarily large payments during their homeownership tenure.

Households also experienced loss in diminished access to credit. Foreclosures and short sales, as well as bankruptcies, appear on one's credit report and greatly restrict families' ability to borrow through formal channels and at affordable rates, usually for 4 to 7 years. Heads of household found themselves lacking this important tool for smoothing large expenses and handling emergencies (García 2007; Houle 2014b; Sullivan 2008; Sullivan, Warren and Westbrook 2000). Since going through her foreclosure, Marta had been denied everywhere she sought credit. She noted the predicament this left her in, especially painful as she lacked other forms of a financial cushion: “I know they are going to deny me anyways, but it’s sad because, in an emergency, you do need one kind of credit card….” Limited credit also restricted former homeowners’ ability to buy a home or car again for a number of years, sometimes only possible by borrowing at impossibly high interest rates. Elaine, a 55-year-old divorced African-American woman, tried to buy a car after her foreclosure but couldn’t get a loan, so she got around by walking and using Stockton’s very limited public bus system. Denise paid 17% interest on a car loan after her foreclosure. Several participants believed that their damaged credit, coming out of a foreclosure or short sale, kept them from getting a job. Traub (2013) has drawn attention to this link, noting that employment credit checks harm many job seekers who are most in need of stable employment. For families trying to regain stability after a foreclosure, restricted credit access can create a formidable barrier to financial security for many years.

Finally, participants described losses in the realm of their physical and mental health. Some reported the onset or exacerbation of chronic stress-related conditions, tied to efforts to maintain homeownership and the stress brought on by foreclosure. Albert Flores, a 55-year-old divorced man who already suffered from diabetes, explained how his health and housing came into conflict: “I was thinking about how can I keep [up] the [mortgage] payments? How can I do this? And when, at the same time, I was neglecting my health, skipping my meals, and maybe not eating the right foods, and which contributed to my health going down faster.” As he struggled to keep up with payments and took on longer hours at work, Albert’s diabetes health worsened, so much so that at our interview he was awaiting a kidney transplant.

Several participants were explicit about the onset of depression as they faced foreclosure, and Diego recounted how he had wanted to commit suicide as he struggled with the prospect of home loss. While some participants experienced improvements in their health as foreclosure passed, for others, problems continued for years. This was especially true of those struggling with mental health problems. When we spoke in 2013, Renato was still struggling with depression and other health conditions that began in the context of his foreclosure and the loss of his business, starting in 2008. While the onset of these conditions cannot definitively be tied to foreclosure, these health problems began or worsened as household heads struggled with foreclosure, and in their accounts, participants explicitly tied their deteriorating physical and mental health to financial struggles and perceived failures. Recent research on the links between housing troubles and mental health, including depression and suicide, also echoes participants' accounts of these health losses (Burgard, Seefeldt and Zelner 2012; Cagney et al. 2014; Houle 2014a; Houle and Light 2014; Yilmazer, Babiarz and Liu 2015).

These were the central areas of loss, although certainly foreclosures depleted other resources that I do not catalogue here. Housing, wealth, access to credit and health represent crucial resources for families struggling to get by, and their loss can compromise families' capacity to withstand future challenges.

Economic Decision-Making and Trajectories of Loss

While each of the households I consider in this chapter faced the possibility of home foreclosure, the social context in which they undertook decision-making, the strategies they selected, and ultimately their trajectories of loss and foreclosure varied significantly. In this section, I review participants' four trajectories through homeownership and foreclosure: those who stemmed losses and started over, those embarking on ownership and loss without a cushion, those who were investors in the American Dream, and those on a downward spiral. I discuss the specific elements of their social worlds that guided decision-making around their housing and foreclosure (focused on aspects of their narratives and various resource constraints) and consider the experiences of loss common to each group.

My goal is to explain some of the variation in household trajectories, through a framework focused on drivers of decision-making, specifically decisions about whether and for how long to continue making mortgage payments, and whether, how, and how long to try to save one's home when it is at risk of foreclosure. As participants' accounts emphasize, these decisions must be confronted again and again, often as households face a high degree of uncertainty in their lives. While household decision-making is of course not the sole determinant of households' ultimate trajectories through foreclosure, I argue that it plays an important role determining household outcomes and therefore warrants careful investigation.

The framework includes four aspects of people's social existence that shaped decision-making and constrained available strategies. The first was participants' narrative around homeownership, part of each person's broader narrative about themselves and their life. Some participants viewed their home as a commodity, one they had acquired once and were confident they could acquire again in the case of loss. Homeowners subscribing to this narrative were not attached to their particular home, though they desired to be homeowners generally. Others viewed homeownership as a gamble, something they could reach for, but in this narrative, homeownership was always tenuous. Still others viewed homeownership as an achievement. In this narrative, homeownership involved striving, putting in effort, and responsibility, and it was in no way assured. These distinct views of homeownership—the stories people told about what it means for them to be a homeowner—framed what participants understood to be at risk of loss when facing foreclosure, and encouraged them towards different strategies when deciding how to move forward.

Beyond these homeownership narratives, the presence or absence of injustice in their narrative, tied to their homeownership experience, was another aspect of their social world relevant to decision-making. As mentioned earlier, some participants were deceived during their home purchase, and others in the context of refinancing or trying to save their home. The presence of an injustice appeared to shape how people viewed their own role and responsibility in their housing-related predicament and similarly drove people down different paths, shaping their willingness to draw upon different strategies. This was one example of how morality and immorality were woven throughout their narratives, alongside many other components.

Lamont and Small (2008) write, “The narrative perspective is particularly useful in demonstrating how self-conception, including one’s sense of self-limitations and responsibilities toward others, influences action” (84). An investigation of people’s narratives (and specifically the stories they tell about homeownership and about having been wronged as they worked to buy or save their home) and the decisions they made when facing foreclosure highlights this process at work. For example, those households who told a story of homeownership as achievement opted to invest resources in trying to save their homes, when extra resources were available. Those who had been scammed in the course of their homeownership often did not feel the same urgency to make mortgage payments even in the case of financial difficulty, shaping household decisions at default.

Beyond these aspects of people’s narratives, household access to resources was an essential component of people’s social existence with clear and significant implications for household decision-making. The resources available at specific moments in time, from within the household as well as from a broader social network, and whether these resources fluctuated or were constant, opened up or foreclosed different strategies for homeowners. Resource constraints necessarily framed decisions made about how to proceed.

Lastly, the unpredictability of human and social life—specifically in the form of job loss, death and illness—constrained household decision-making and shaped households' trajectories. While only present in a subset of cases, these exogenous shocks led to abrupt, unexpected and large changes in the resources available, inevitably limiting the options available to a household as they decided how to proceed. I distinguish between these shocks (job loss, death or illness of a household member) and general household resource constraints as they represent an unanticipated and often large interruption in normal resource flows, which it can be especially difficult to plan for and to make adjustments around in the near-term.

I argue that in the case of households struggling with homeownership and foreclosure, these aspects of people's social realities formed the boundaries within which households made decisions, constraining their options, shaping the strategies household heads selected at different moments, and ultimately influencing their trajectory of loss. This framework acknowledges participants' embeddedness in complicated social worlds and emphasizes the specific ways that embeddedness plays a role in shaping decision-making. Certainly when faced with other types of decisions, distinct aspects of people's social worlds would be more relevant to the decision-making process, but for these households struggling with the possibility of foreclosure, these aspects of people's social realities stood out most clearly. In Table 4, I provide an overview of the four trajectories of loss and the elements of people's social existence most strongly related to decision-making in the case of foreclosure.

Table 4: Trajectories of Loss

Trajectory	*Homeownership narrative*	*Injustice as part of narrative*	*Resource Constraints*	*Exogenous Shock*
Stemming Losses, Starting Over	homeownership as commodity	yes, most	less constrained	no
Ownership and Loss without a Cushion	homeownership as gamble	no	highly constrained throughout	no
Investors in the American Dream	homeownership as achievement	some	less constrained	no, most
On a Downward Spiral	homeownership as achievement	some, only later in process when trying to maintain homeownership	highly constrained, in part due to exogenous shock	yes

I considered the experience of loss for each participating household—what, when and how much did they lose—in the process of default and foreclosure. Four patterns emerged, reflected in the four trajectories of loss. Across these trajectories, I examined parallels and differences in their decision-making strategies and the aspects of their social world most salient to the decision-making process. While there was of course overlap in the strategies selected as well as the experiences of loss across groups, this schema highlights how these specific elements of social embeddedness—homeownership narratives, injustice as part of one's narrative, household and network resource constraints, and exogenous shocks—shaped decision-making (both the options available and the options ultimately selected) and led households on different trajectories of loss.

Stemming Losses, Starting Over

One group of households (7 participants) decided on a strategy that would stem current losses and focus on rebuilding household stability. They decisively prioritized the protection of other household resources over maintaining the home they owned. Once recognizing they were on a sinking ship (because their homes were far underwater, and/or their mortgage payment had become unaffordable) these households shared two primary strategies as they faced the possibility of foreclosure: first, they immediately decided to not invest further in trying to keep the home; and second, in most cases, they quickly moved out of their home rather than staying put until they were forced to move, as some others did.

These strategies played out in different ways. For the Eshu and Stewart families, this meant buying a new home before their foreclosure or short sale went through, ensuring continued stability for parents and children. Alice Eshu, a 38-year-old married woman, explained her family's decision to buy a new home after concluding they were too far underwater to continue making payments on their original home, having taken out a $400,000 mortgage on a house in 2004, worth about $200,000 five years later.

> So then my husband said, "I think we should just stop paying." And then I was like, "If we stop paying, where are we gonna go? …What are we gonna do?" He said, "We're gonna go to a loan shark. And if you put down enough of a down payment, you will get funding." … So that's kind of what we did. We packed our stuff up, slowly. They didn't physically come and get us out. We started moving to the new place. We went to church, we were honest. We said, "At this time we have decided to let our house go, and we're pursuing other options."[29]

The Eshus had more slack in their budget than many other participants, and they used their access to financial resources to quickly plant new roots, largely sidestepping their damaged credit and other financial losses.

Those who couldn't afford the expense of a new house quickly packed up belongings and relocated to rented apartments before the foreclosure process could run its course, similarly looking to quickly rebuild a stable home. Marta Ibarra, a single mother of two with a government job, explained her course of action after her loan modification was unsuccessful.

---

[29] In foreclosure on their home, the Eshus drew upon a large income (about $110,000/year) and a lump sum payment Mrs. Eshu had received from work to make a down payment of $40,000 on a $140,000 house. They took out a loan at 25% interest for the remaining $100,000, paying it off as quickly as possible over a period of about 3 years.

> See what happened, that I got paranoid. Then I didn't know that you can stay 90 days for the default, another 90 days for the sale of trustee…I didn't know all that. [And] 'cause of my daughters. Like where am I gonna put them? Homeless, am I going homeless, what am I gonna do? So my friend right away offered me the house I rent.

Marta quickly moved into a rental to ensure she could continue to provide a stable home for her children.

An important difference between households on this trajectory and several others was their decision *not* to invest heavily in their homes, either in improvements after purchase or in efforts to maintain ownership. Some attempted alternatives to foreclosure (a loan modification or a short sale), but none were willing to pay for these services, thereby avoiding scams during the foreclosure process. These decisions helped them prevent some of the more extensive losses sustained by households on other trajectories.

These households viewed their home largely as a commodity. As such, they recognized that they could access key resources (shelter for their family, schooling for their children etc.) through another home. They also expressed a confidence in being able to purchase or rent another home—sometimes very concretely, like the Eshus, and sometimes more abstractly, communicating their certainty they'd buy again further down the line. All but one of the seven households on this trajectory had parents who owned homes as well, and their family histories of homeownership likely contributed to a sense of assuredness that they would be able to buy again. In their narratives, homeownership was a (re)attainable commodity, and so its temporary loss did not risk devastating their sense of self. These households ascribed little importance to the "important emotional wants" (Adams 1984: 517) that housing can satisfy, and were confident they could manage the social and economic disruptions that moving necessarily involves.

Combined with this view of homeownership, many of these households shared a sense of having been victim to some injustice. A number of families who stemmed losses and started over experienced deceitful and predatory practices earlier in their homeownership experience, important parts of their personal narratives. Donna and James Watson were cheated in a refinance that later led to their foreclosure.[30] After taking out his mortgage, Pablo Quintero realized that his loan terms were far worse than he had been led to believe. A 47-year-old married father of three, Pablo reported that he had confirmed with his broker that his interest rate was fixed. In the first months of paying his mortgage, Pablo realized she had lied, overstating his income in his mortgage paperwork and providing him with an adjustable rate loan. Mortgage brokers purposefully deceived several study participants in this way.[31,32] This element of injustice in their narratives served to place blame for their housing struggles on another parties and justify decisions not to invest any further in their home. Morality and immorality were important themes flowing throughout their narratives. The fact that others had been dishonest or taken advantage of them placed some limits on their responsibility to honor their mortgage agreement.

Lastly, these households tended to have a consistent source of income that provided stability and some flexibility as they navigated the threat of foreclosure. Reliable access to resources opened up the strategies available, including a regular and dependable cash flow that

[30] The Watsons were part of a successful class-action lawsuit against a local group that had scammed several homeowners. In our follow-up interview two years later, Donna reported they had received a check for the amount they originally paid for their home as part of the settlement.

[31] Because my data is largely based on the accounts of participants, it is possible that some of these claims of deceit are exaggerated, as participants may be trying to save face in light of their foreclosure and other losses they sustained. However, in several cases, participants reported legal action was taken against those that deceived them, lending credence to their accounts. For example, part of the husband-and-wife broker team that Diego Zamora had worked with to obtain his mortgage had ended up in jail for their illegal scams.

[32] Some also referenced the unfortunate timing of their home purchase with respect to the collapse of the housing market. While this was less explicitly about another party intentionally harming them, it similarly served to place the blame for their unfortunate circumstances on other parties.

could be used to start over somewhere new. These households with relatively fewer resource constraints maintained the option of accepting the loss of their homes while minimizing other losses. While they lost their homes and had damaged credit, they found ways around these challenges, and avoided additional losses to their wealth and health.

Ownership and Loss Without a Cushion

The next group of three families were low-wealth households, resource constrained even before their home purchase, always in an untenable situation with regards to their mortgage. National conversations on "irresponsible borrowers" who bought more house than they could afford would certainly include this group (*The Wall Street Journal* 2009; Obama 2009). Resource constraints strongly shaped their decision-making throughout their purchase, ownership and foreclosure processes. Two of these households had relied on "liar's loans" or no-documentation ("no-doc") loans that did not require proof of income to obtain their mortgage. Therefore, monthly payments had no relationship to their actual income and were immediately unaffordable.[33]

This practice of taking out an obviously unaffordable mortgage aligns with their view of homeownership as a gamble. For these households, it appeared a risky venture, and perhaps unlikely to be successful, but it was worth a try. Each head of household had a reason for making a go of homeownership. Bill was a 55-year-old white man without a stable income, who had gotten by for years on odd jobs. He took out a no-doc loan with an adjustable rate, buying what had been his elderly mother's home as a means of financing her care in an Alzheimer's facility: "We [Bill and his siblings] struggled to meet the payments on that…. You know, she had her assets in her home. So I purchased the home from her, and we got an account, we put the money

[33] In other trajectories, payments became unaffordable over time, such as when there was a drop in household income or when monthly payments rose. For households in this group, payments were always unaffordable.

in an account, and that paid for her Alzheimer's care for about four years." This was a gamble he decided to take, in exchange for the possibility of making those $4000/month payments.[34]

Lilly, a 42-year-old divorced Latina woman, got caught up in the housing boom, falling in love with a larger home that she and her then-husband could not afford. She remembered thinking, "I have to have this house for me and the kids." "Back then…everybody was cashing out like, oh my gosh, you know, rich from your home. So we decided to buy it."[35] Beverly also aspired to homeownership and thought it was worth a gamble. She was a 66-year-old woman who went through a foreclosure before the crisis but had since bought again. When looking to buy her first home, Beverly didn't earn enough to qualify on her own, so to make homeownership a reality she had applied for a loan with a family member. She recalled, "if anything major happened, I knew I was sunk, you know? … Like if I needed ever to put a new roof on, if there were any—so in other words, I really couldn't really *afford* the house." When she took a pay cut, she simply could not keep making mortgage payments.

These households shared a view of homeownership as a dream and a gamble. For them, homeownership was never a source of stability for their families, nor did they have a sense of having worked hard to achieve this goal. Unlike those who viewed homeownership as a commodity, there was no sense that they would be able to purchase again.

Importantly, even if these households wanted to invest in saving their homes from foreclosure, the option was not available. They were highly resource constrained from the time

---

[34] Bill had hoped to quickly refinance into a mortgage with better terms, but he had trouble doing so for years, never managing to get out of an adjustable rate mortgage.

[35] Lilly and her ex-husband exaggerated their true combined income when applying for a mortgage, in hopes that Lilly would start earning more soon through a new business venture. That venture never got off the ground, leaving them with monthly mortgage payments equal to her husband's monthly income, a financially untenable situation from the start. Lilly and her husband soon divorced and she defaulted on the mortgage, entering foreclosure.

they purchased their home until after their foreclosure, including low and often irregular incomes. Nor could they access sufficient resources from their networks to try to maintain homeownership.[36] This meant they had few financial resources to invest in their home, to use in efforts to maintain homeownership, and to manage post-foreclosure. Their view of homeownership combined with their highly constrained access to resources led them to make only brief efforts to put off foreclosure, if any. Beverly took in a renter to help cover costs and Bill declared bankruptcy, aiming to slow the eventuality of foreclosure, but their toolkits were limited. With no financial cushion and unaffordable payments, no exogenous shock was required to lead these households to foreclosure. Lilly recalled as she struggled in the months after her divorce, largely relying on child-support payments, "There's no way I could have hung on to that house, even if I went and got a job."

These households sought homeownership as a toehold in upward mobility, the realization of a dream, or a means to provide for a loved one. However, from the get go, they lacked the resources needed to sustain it, and homeownership proved a gamble that didn't pay off. These households were not devastated by their foreclosure, likely because homeownership was not as central to their identity as those on other trajectories. Still, they had to face the same losses with a very limited arsenal of resources, further eroded by foreclosure.

Foreclosure led to an extended period of housing instability for Lilly. With two young children in tow, she estimated she had moved twelve times since leaving her foreclosed home six years ago, renting rooms, apartments and houses and staying with family. She reported difficulty finding someone who would rent to her with limited income, only part-time, irregular work, and bad credit. Restricted access to credit remained a problem, complicating efforts to secure stable

---

[36] Lilly's extended family later helped her secure housing post-foreclosure and subsidized her rent for years afterwards, but they didn't have the funds to try to prevent her foreclosure.

housing and limiting the availability of this potential cushion in case of emergency. Lilly lamented that six years after her foreclosure, she couldn't get a credit card to smooth large expenses and remained unable to address some essential needs. For these households, the losses associated with foreclosure exacerbated the task of getting by for years afterwards.

Investors in the American Dream

Unlike the households described above, who viewed homeownership as a commodity or a gamble, the majority of participants in the study viewed homeownership as an achievement, and one that was central to their identity. Among these were a group of eight households I refer to as "Investors in the American Dream." This homeownership narrative, as well as a relatively stable set of resources that could be drawn upon to maintain their achievement of homeownership, were strong drivers of their decision-making.

Their homeownership narratives often involved large sums of money and many hours of work spent on their homes, making improvements about which they were quite proud. Three of these households estimated that they had spent nearly $50,000 on improvements, and many others spent smaller amounts.[37] When I asked Vera if she had purchased her home as it was when I visited, she recounted, "Oh, I did upgrades…. Yeah, I done did $50,000 worth of upgrades…. I did the stucco, I did these floors right here…. I had all the windows redone, you know the double pane…." For Vera and others, these improvements were a source of pride. In interviews, these investors pointed out or recalled specific changes they'd made to improve the property. When I met Diego, he had been in default on his mortgage for nearly two years and was afraid he'd lose his home to foreclosure any day. At this juncture, he lamented investing so

[37] Participants financed this culture of home improvement in various ways, including paying cash, doing work themselves, using money from a refinance, and using credit. Therefore not all of these investments came out of household reserves, but what did was lost in foreclosure.

much in his home, but explained why he had done so: "I knew that it wasn't mine. But I'd never had [a home], and when I had it, I wanted it to be beautiful." Diego described the aesthetic improvements he had made, including putting in stone walls and a new stone entrance to the house.

These heads of household expressed pride in their accomplishment of homeownership and in the ways it allowed them to provide for their families, recalling Logan and Molotch's (1987) observations of the use value of a home. Victor Cabrera was a 44-year-old Latino man who had grown up in the Bay Area. He had moved his family from the Bay Area to more-affordable Stockton so he could buy the kind of home he wanted for his children: "I had two kids, so I said, 'No, over here [in Stockton] I'm gonna be able to give them a bedroom to each.' I came from a large family, I know how difficult it was to have two, three people in one bedroom. Pretty much, that's what [made] me come over here." Victor saw his home as a refuge for his children, providing a space for them to gather with friends, rest and do homework. He cited being able to provide for his children in this manner as the best thing to come from homeownership. Victor and other Investors in the American Dream focused on the use value of their home, and often had a strong attachment to the property at risk of foreclosure. Their homeownership was a marker of stability, of upward mobility, of a certain degree of success.

Accompanying this narrative was a set of resources they could marshal from within their households and networks. These families had stable sources of income themselves (full-time employment, or in some cases disability), and several had retirement accounts and other sources of savings. Outside of the household, some of these Investors could count on financial and other assistance from extended family and their broader network. Much less constrained than the previous group, they had a broad set of resources upon which they could decide to draw.

What varied across households on this trajectory was the experience of some injustice as part of their narratives. A fraudulent or predatory experience was a shared element in the narratives of half of the households in this group.

In many ways, Diego Zamora portrayed himself as a careful and proud investor in his narrative of homeownership. He described how he sought advice from his boss, who was more knowledgeable about the local housing market, and who showed him which areas were more desirable than others. However, while he was diligent and responsible, he was also duped. His broker had lied to him, assuring him that his first mortgage was fixed rather than an adjustable rate mortgage. His broker was part of a husband-and-wife team he later learned had defrauded many homebuyers and ended up in jail, also part of Diego's narrative.

Vera said of the bank where she got her mortgage, "now they're really tricky…they give you all these crazy rate loans and you don't realize at the time what you're getting yourself into. And they were starting to do this variable rate stuff…. your payment keeps changing, changing, changing. And this is how I got myself in a bind, see." While Vera felt a sense of injustice in the context of her home purchase, Josefina felt she had been wronged while trying to save her home. She was misled by a company promising to help her keep her home with a loan modification, but instead they sold it in a short sale. Eduardo Rios described how his family was scammed when they bought their home as well as while they were trying to save it. The Rios family was especially vulnerable as neither of Eduardo's parents spoke English and they relied on Eduardo, a minor at the time, to translate. After purchasing their home, they realized it had termites, which the agent had purposefully hidden from them. When facing foreclosure years later, Eduardo and his father were then scammed by an attorney who promised to help but took their cash and disappeared. For a subset of these Investors in the American Dream, the sense of having been wronged was prominent in their accounts, and themes of morality were woven throughout their homeownership narratives.

Framed by these aspects of their social world—a narrative of homeownership as achievement, access to sufficient resources, and for some an experience of injustice related to their home—these households took a different tack than other groups when responding to the threat of losing their home. Until varying points, they invested further in their homes, selecting a range of strategies in an attempt to maintain homeownership.

Some looked outside of their networks for assistance. Five of these households sought help from agencies offering help in obtaining a loan modification. Some of these were ultimately scams, while others were legitimate local non-profit agencies offering assistance. Households also drew on many resources available within the household and broader network. Within households, some turned to savings available in retirement accounts. The Aquinos reported they took $10,000 from their 401(k), and Victor Cabrera estimated that he had removed $40,000 from his retirement account as he struggled to make ends meet during a temporary disability. A local housing counselor reported that this was a frequently used strategy among her clients:

> …So it's really hard for them not to spend all their money. When I say spend all their money, I'm talking about using their retirement, every dime of it, to keep their mortgage, up to the point where they just can't do it anymore…. And now they have exhausted their retirement…. They could be 50 years old! Fifty years old with no retirement is a scary situation.

This strategy represents a substantial loss of wealth built up over years or decades.[38]

---

[38] Given the increasing importance of such private savings for Americans in retirement (Hacker 2008), the full implications of this strategy are obscured for adults not yet at retirement age. When people like Victor and Maricel reach retirement in 10 to 20 years and their retirement savings are only a fraction of what they otherwise would have been, its impact will be felt more directly. The amounts taken out of savings are significant sums for middle- and working-class families. As a point of comparison, Pfeffer and colleagues (2013) estimate that median net worth excluding home equity and real estate was $14,000 in 2011. For families like Victor's and Maricel's, the amounts they removed from retirement accounts and invested in their homes likely represent the vast majority of their assets aside from their home.

These households, looking for a way to stay current on mortgage payments, tended to look for multiple avenues through which they could generate additional resources. Credit cards offered another means of trying to hold onto homeownership. For families with access to credit, this allowed for continued purchases of essentials such as food and gas, freeing up cash for the mortgage. Credit card debt was an essential component of Victor's strategy, beginning when he was temporarily out of work with an injury, and his disability payments were four months delayed:

> Sorry Bank of America, you're gonna have to help me right now. That's what these things [credit cards] are for. To help you when you need them. Right? So I went and used them because I didn't have no money from nowhere. And I'm one of the person that, I don't wanna bother my neighbors or my brothers and sisters, including my mom, I call her like at the last resource. I'm always being one of the persons like, "No, I can do this."

Victor estimated that he had $25,000 in credit card debt, and the Aquinos had accumulated $40,000 in debt by the time of their foreclosure.[39] Elaine had a smaller cushion available through credit but built up $3,000 in debt, recounting, "I *exhausted* my credit cards, I sure did." For households striving to hold on to their homes, this was one of many short-term strategies for which participants opted.

Another strategy for these Investors in the American Dream was to double down on work, generating extra income through second jobs or overtime. Maricel and Crisanto Aquino both took on second, low-paying jobs as they faced rising mortgage payments. Maricel worked 16 hours a day, from 8am to 5pm in a dental office and then from 6pm to 2am in a casino. She maintained this schedule until she was completely exhausted and physically unwell, highlighting the health costs of this strategy. When I asked Maricel why she eventually decided to proceed with foreclosure, she responded: "I was so weak. I'm…I cannot, you know…my body is like, *no*.

[39] The Aquinos, like several others in the study, ultimately declared bankruptcy.

It does not have a condition to work." Albert Flores chose a similar strategy to the Aquinos. Struggling to make his ever-increasing mortgage payments, Albert worked overtime until his diabetes worsened and he began having seizures from low blood sugar, forcing him to stop working temporarily.

Finally, some heads of household looked to their broader networks for help. Several participants described borrowing large sums of money from parents, siblings and cousins. Often the intention was to repay this money, although in reality this was very difficult. The Aquinos borrowed $5,000 from a brother and $5,000 from a cousin. Elaine Perkins received $4,000 from a cousin and $5,000 from a friend as she tried to hold onto her home. Of course, borrowing from friends and family has its emotional and social costs. Also, while this strategy is useful in the short-term, it depletes the financial cushion available to a household in a future emergency, and it deteriorates wealth within an extended network of kin.

With the exception of two households struggling to avoid foreclosure at the time of our interviews, at some point each of these households decided to abandon their strategy of continued investment in their homes. The strategies of these Investors are reminiscent of Kahneman and Tversky's (1982) finding that people tend to be risk seeking when choosing between certain loss (in this case, stopping mortgage payments and entering into foreclosure) and the substantial probability of larger loss (if efforts to maintain a home are unsuccessful, possibly losing accumulated wealth, access to credit and health in addition to one's home). Households were willing to take on additional risk in their quest to maintain the achievement embodied in their home, but only to a point. While heads of household initially focused on the goal of maintaining their home, as they risked losing other key resources, they had to balance a wider set of household priorities, most notably their health, that of family members, and the educational opportunities of the next generation. They sought to avoid foreclosure, and felt a great deal of disappointment about losing their homes and sizeable investments, but they would not allow foreclosure to ruin the household financially, physically or emotionally. Their breaking points came at different moments, framed by the depth of available resources, the presence of an injustice in their narrative, the timing of other household needs, and the loss of essential resources. For example, several households revised their decisions to continue investing in their homes when their housing came up against something even more critical to their survival: the health of a household member.

Reflecting on what finally made him give up on homeownership, Albert elaborated, "I was actually working, now that I see that, I was working just to keep those memories [of his family in the home]. And there was a point when then my health started to deteriorate. So that's when I made the decision of, was it my health or to maintain the house payments. And I chose health." Albert described when he decided to stop making mortgage payments:

> …The first month [of not making payments] was difficult because I was always thinking, "Oh, they're gonna call me, it's gonna look bad on my credit," I was thinking about the repercussions. And I'm thinking, "Wait a minute. It's all a numbers game. [*laughs*] It happens to everybody." And then after the year, then I started, "You know what? It's not that bad." It's a blow, because I've always believed in fulfilling my contracts. But there's a point where, if you can't, you can't, you know?

Here Albert expresses a change in his thinking, no longer tying his home and mortgage payments so closely to his identity. Diego Zamora, whose story I presented earlier in the chapter, faced a similar decision. For five years, Diego continued to make his ever-rising mortgage payments, until his efforts to keep up on payments conflicted directly with what he saw as his other essential duties.

> I kept paying…but the moment arrived when I didn't have a way, I couldn't make the payments anymore…. One of the reasons why I stopped making the payments

> was that my wife had started to have [health] problems. She had an illness…that was one thing. [The other was that] my daughter was going to go to UC Berkeley to study. She didn't go, because I didn't want to stop making the house payments…. And then, I didn't have any other way out. I called the bank, honestly, I called the bank, and I told them, "I'm sending you the last [payment]."

Homeownership was central to the identity of Investors in the American Dream, though at some point this ran up against other central elements of their identities (providers, workers, parents) and led them to abandon strategies of continued investment in their home. Constraint appeared alongside morality and rationality in the narratives of Albert, Diego and other Investors in the American Dream, as they struggled with the difficult decisions of if and when to cease making mortgage payments.

The strategies employed by these Investors often led to significant losses. They experienced substantial loss of wealth, stemming in part from their culture of home improvement that led to investments that could not be recuperated. Those who tried to maintain homeownership for extended periods of time highlighted other losses, especially the further deterioration of wealth and health.[40] The accounts above detail these losses. Those with retirement accounts and other household savings lost much of this wealth, weakening the financial cushion available for future emergencies. Maricel, Albert and Diego described the deterioration of their own physical and mental health. Resources within the household and network gave these families more flexibility in their decision-making and opened up a wider set of strategies they could pursue. Their continued access to a regular income likely mitigated some losses and helped maintain a measure of stability, differentiating these Investors from the next group. They invested heavily in the American Dream and lost a great deal, but they did not allow these losses to set them on a downward spiral.

---

[40] Though their credit was damaged, like those who Stemmed Losses, these households were better able to withstand the challenges associated with poor credit, thanks to their continued access to crucial resources (stable incomes, assistance from extended family).

On a Downward Spiral

Five households made up a final trajectory of those on a downward spiral. Among this group was Denise Sweet, a recently-widowed 60-year-old white woman who for much of her life had not owned a home, nor had her parents before her. She had been a single mother for decades, struggling to get by. Later in life she married a man who "spoiled me rotten. He got me anything I wanted. First thing I wanted was a home, of course. So we bought the house and we moved in, and I was just very excited to have my own home." Five years after Denise became a homeowner, her husband had a stroke, wreaking havoc on their finances.

> That turned our lives upside down. We had *just* refinanced the house. We lost his total income, which was…about $2500 a month. That's the rent, the house payment right there. It turned our world upside down. We had about [$15,000] in savings at the time…. And within a year, that was gone, because I had to pay [mortgage] *payments*, and I couldn't make it on just what *I* was making. My income would pay the car payment and the groceries and PG&E [electric bill], but I had nothing for house rent. It was like, "Oh my God, what are we gonna do?" So I struggled to make it, I did whatever I could, I tried to work with the company, I tried to do a modification.

When I met Denise three years after her foreclosure, she continued to struggle financially and with her health.

Denise and others on a downward spiral shared a homeownership narrative with the Investors in the American Dream. For these families, their homes also represented an achievement and were a source of pride in their lives. Several had also invested large sums and a great deal of work in improvements. Gloria and Jaime Cisneros estimated they'd spent over $50,000 in improvements to their home over 10 years there, including putting in a new kitchen. The Navarro family, a Latino couple in their 30s with four children, had bought a home in the northeastern reaches of the Bay Area in 2005. The family invested their time and an estimated $17,000 into improvements. Sofia Navarro reported, "[my husband,] he'd done improvements to it, we put *a lot* of money into it, and that's where we lost. Because all of our savings that we had, went down the drain."

Where these households differed was in the resources they were able to access. This was largely due to an exogenous shock that led to a rapid and large financial loss, one for which they couldn't easily compensate. Each family faced a job loss or health problem that prevented a breadwinner from working, making it difficult to keep up with mortgage payments. These households described themselves in very constrained terms, with limited options as they navigated foreclosure. The job or health troubles that led to a loss of income were exacerbated by the lack of additional resources available within their social networks. These households did not have extended family with deep pockets who could help them through a difficult time.

Like the Investors in the American Dream, these households wanted to hold onto their homes, and some attempted to avoid or delay foreclosure, but without a reliable stream of income or a substantial financial cushion, this group of households was unable to implement the same set of focused, intentional strategies in an attempt to avoid foreclosure. Some sought help with loan modifications. Scam artists promising to help secure a modification took money from three of the five households in this group and ran. These homeowners were overwhelmed, deeply wanting to hold onto their homes and vulnerable to the false promise of help. Deborah declared bankruptcy to draw out the foreclosure process. Overall, fewer strategies were available, and the job loss or health problem left households less able to generate any additional income.

Decision-making on issues large and small was difficult for these families. They often focused on immediate challenges, struggling with where to live, where to put their belongings, and where to look for work or other sources of income. Deborah highlighted the difficulty of decision-making in her situation. A week before the date she needed to be out of her foreclosed home, as she faced the daunting task of packing up a life's worth of belongings and finding someplace else to live, she commented to me, "I would rather give birth than go through this. With giving birth, there's no decisions." With this she expressed the heaviness of the events weighing on her, as she was completely overwhelmed by the myriad decisions that needed to be made and without a sense of how she should proceed. On the day she needed to be out of her home, in the context of so much uncertainty— not able to afford enough storage space to put her belongings, uncertain about where she would sleep that night—Deborah broke down in tears, nearly immobilized by indecision. Seemingly incapacitated by the stress of the situation, I noted in my field notes that rather than going through her personal effects to decide what to save or get rid of, "Deborah was just moving things around and disassembling things but not with any priorities in mind." The stress of needing to make these decisions, surrounded by so much uncertainty, appeared to be paralyzing.

These households experienced cascading losses, beginning in the context of foreclosure and often continuing for years afterwards. All lost their homes, often leading to years-long struggles with housing instability. Facing foreclosure, the Navarro family first moved into Sofia's parents' mobile home. There wasn't room for their appliances or furniture, so they were forced to leave many items behind. That began a string of three moves in two years, during which the Navarros spent the little they had left in savings on the costs of relocating, including moving trucks, storage units, first month's rent and security deposit. All of this contributed to further lost wealth. Searching for some stability, they crisscrossed the state, staying with other relatives and then eventually settling in a fourth community, far from family but where they had found someone willing to rent them a house despite their damaged credit.

The consequences of damaged credit also surfaced in several areas of their life, felt more acutely by these households whose already-limited safety net had been weakened through job loss and/or illness. With poor credit, Renato had trouble finding decent places to rent after his foreclosure. He moved five times in five years post-foreclosure, repeatedly facing terrible living conditions, including a shack without running water or a bathroom, and a bedbug-infested apartment.

The Navarros lamented their lack of access to a credit card to smooth their expenses, and had similar difficulty finding adequate rental housing. Like some others in this group, the Navarros were only able to find a rental by relying on connections in their network. Sofia Navarro also felt her damaged credit had affected her job search: "I guess they're looking for reliable persons. And I guess if they see that, you know, we weren't able to keep our house…they don't think we're reliable." She was frustrated with the low wages that accompanied her new position, having gone from working in customer relations to a fast food job. Through multiple pathways, diminished access to credit complicated household efforts to rebuild household security after a foreclosure. Deborah Armstrong and Gloria Cisneros echoed Sofia's concerns that their damaged credit was hindering efforts to rebuild stability. Deborah had been hesitant to apply for jobs, but when she did, she felt that her credit history was "a hindrance to gainful employment, [because they use it] to see if you are an honest person." Taking a breath, she then asked, "But what does filing bankruptcy have to do with being an honest person?" As others have noted, employment policies that use credit checks keep many from getting jobs at the times they need them most (Traub 2013).

Finally, beyond losses in the areas of housing, wealth and access to credit, households on a downward spiral described significant health implications of their downward trajectory. While physical health problems initially set off this spiral for some households, all five household heads suffered in terms of their mental health during and after foreclosure. Jaime Cisneros entered a long bout of depression after he lost his job and eventually his home. Kayla described the reaction of her partner Renato, who lost his home as well as his business: “He actually got physically sick over it, so I mean, physically ill. I mean, he’s still got diabetes. Now he’s been typed with diabetes, high blood pressure, depression. The depression is what’s really hitting it, it’s really taking its toll.” Renato continued to struggle with his mental and physical health for years. Sofia Navarro explained the toll that foreclosure had taken on her mental health.

> …[I]t *still* affects us now, because, *[sigh]*…I don’t have the same balance in my life, that I had before. Like, the positivity, you know, and thinking that you can succeed above everything, it’s still—my self-esteem went down to the ground…. Because of the house, because of me having to move back *[choking up]*, you know, from being on my own, with my kids, having to move back to my parents’.

For those on a downward spiral, losses were far-reaching, exacerbated by difficulties finding adequate employment and stable housing. Household members were still working to regain their emotional, physical, social and financial footing, sometimes years later.

Discussion

Through the stories of these 23 households, I document the multiple pathways along which families experience loss, leading up to, during and after a foreclosure. My examination of these insecure households’ decision-making processes suggests that their decisions are not best viewed through a lens of irrationality or immorality. For scholars interested in understanding the decision-making processes of insecure households, this chapter offers an example of how we might apply an alternative frame of constraint, as outlined in Chapter 1.

Drawing on the concept of embeddedness, I highlight the specific ways our social world shapes the availability and attractiveness of different options, constraining decision-making.

Among these, perhaps the clearest and strongest guide of decision-making was the arsenal of resources a household had at its disposal during decision-making moments. This included resources like long-term income flows (from work, disability, retirement, etc.) and the savings of household members and one's broader social network, as well as exogenous shocks that created immediate and unexpected changes in access to resources. Other social elements I included in the framework of constraint were components of individuals' personal narratives. Included here were the stories people tell about their homeownership experience (homeownership as a commodity, a gamble or an achievement) as well as narratives that include an experience of injustice related to their home.

Appearing in these narratives were themes of rationality and morality, as well as constraint. While (ir)rationality and (im)morality are not fitting as primary lenses for making sense of individual decision-making, they are often components of the individual narratives that shape decision-making. That is, while participants were driven by constraints that reflect their embeddedness in a particular social reality, they made decisions simultaneously as moral actors, rational actors, and constrained actors. For example, many homeowners reported an element of deceit or unfairness in their accounts, usually pointing to a person or organization that deceived them when buying or trying to save their home. Such an experience implied that some of the blame for their predicament lay elsewhere, and seemed to shift their decision-making calculus about the point until which they would continue investing in their homes.

Together, these elements of people's social lives (resource constraints and exogenous shocks, homeownership narratives and narratives of injustice) shaped much of the diversity in the decisions households made when facing foreclosure. Of course, individuals' decisions are only one factor ultimately determining household trajectories, but those decisions have meaningful consequences, and a fuller understanding of what drives them is therefore warranted.

To take an example of how different decision-making frames might apply, we could frame Bill's decision to embark on homeownership without a cushion as driven by immorality or irresponsibility. However, when we examine his decision in its social context, as he struggled to find a way to finance his elderly mother's care, the irresponsibility of taking on that mortgage is less clear. Highly constrained in the resources available, this was one means Bill had of providing for his elderly mother in the near term, even if it was a gamble. Similarly, the Aquinos' decision to use their retirement funds to try to save their home might be considered irrational, depleting their life savings for the future to try to hold onto a reward in the present. However, given the myriad resources a home can provide, the sanctuary it offered three generations at the point of their foreclosure, and the effort they had invested in making their home a reality, drawing on household savings could appear a more sensible strategy. A frame of constraint—in this case one that focuses on elements of people's narratives and the availability of resources with a household and network—casts a different light on the decision-making process.

Such a frame is especially useful for examining realistic, complex and ongoing decision-making, such as that confronting households facing foreclosure. Rarely were these homeowners facing simple decisions between clear alternatives whose risks were well known. Rather than facing a single decision between a certain loss of $10,000 and a 50% chance of losing $50,000, or between an 80% chance of losing their house and a certain loss of their retirement funds, heads of household faced long strings of decisions about whether or not to default on their mortgage and how to proceed after defaulting, each characterized by a high degree of uncertainty.

This analysis highlights the heterogeneity of responses to the prospect of foreclosure, and provides some tools for making sense of this variety. Others have suggested that we should expect variation in people's responses to the realities of risk and uncertainty. Giddens (1990) describes a "range of adaptive reactions to the risk profile of modernity," describing pragmatic acceptance, sustained optimism, cynical pessimism and radical engagement as potential responses to the dangers encountered in everyday life (134). My own consideration of people's embeddedness in the social world, and the specific ways this can shape the decision-making process, suggests why we should expect to observe such variation in human responses. The complicated realities of our social world leave households distinctly situated upon entering the decision-making process. This chapter offers the beginnings of an analytical framework for acknowledging and making sense of variation in decision-making. Moving away from binaries that lack much in the way of explanatory power (rational/irrational decisions, or moral/immoral decisions), a more nuanced investigation of economic decision-making is an important intellectual step.

Similarly, this analysis can help to explain decision-making biases such as the endowment effect, in which people value something more highly once they own it. A subset of participants (the Investors in the American Dream), driven by a narrative in which homeownership is an achievement and made possible by the continued availability of crucial resources, made decisions that aligned with this bias. When decisions are examined in social context, we may be able to identify more compelling explanations for such tendencies, grounded in notions of social embeddedness (Granovetter 1985; Krippner and Alvarez 2007).

In this chapter, I focused on the ways that individual decision-making is socially embedded. The realities of social embeddedness play other roles in shaping households' trajectories of loss that I do not focus on here, but are worth mentioning. Beyond the ways that we are individually embedded, our experience is also institutionally embedded. The predatory practices of some mortgage brokers, presented here as individual cases, are part of institutional routines that constrain homebuyers' possibilities. Such cases highlight the asymmetry between individual and organizational actors, and the inequalities borne of their interactions. I do not focus on these inequalities in this chapter (for example, disparities in the risks to which actors are exposed and the tools available to assess the other's trustworthiness), although this represents another important way that individual decisions and outcomes are socially embedded and constrained. Similarly, the institutional practices of a wide variety of creditors link mortgage default to people's credit scores, and a parallel set of practices link credit to labor market outcomes. Maroto (2012) observes this relationship, finding that eroded credit is associated with worse labor market outcomes. These relationships, and the constraints they present in people's lives, are not inevitable; rather, they are the product of institutional embeddedness, which weaves together access to these disparate resources in systematic ways. Through this light, we can see how social embeddedness—as individuals, and in institutions— shapes decision-making and outcomes in multiple ways.

***

Given the starting point of this study as an investigation of households struggling with homeownership, I will return briefly to the homeownership aspirations of study participants. Even in the context of foreclosure, across these groups, participants retained their desire to own a home. This aligns with other research on the continued preference for owning over renting after the Great Recession (Rohe and Lindblad 2014). Several participants had purchased homes again, immediately prior to or years after their foreclosure or short sale. Some expressed hope that they would own again soon, although follow-up interviews indicated their timeline for buying again would be longer than anticipated. Others made slow but concrete steps in this direction. The Navarros had originally expressed doubt about owning again, but less than two years later, they were working with a lender to rebuild their credit and qualify for a loan. Each time I saw Marta Ibarra, she was excited to report another step she had taken towards becoming a homeowner again, including getting approved for a government program serving those affected by foreclosure and getting pre-approved for a loan.

Very few participants expressed hesitance or opposition to buying again. Albert was one of the few, explaining, “I’m not into that so-called American Dream anymore. ‘Cause I think I lived it. I’ve been through it.” He cited a desire for flexibility and wanting to get out of Forbes magazine’s “most miserable city in America” as the reasons he did not want to buy again, rather than opposition to homeownership per se. By and large, participants’ identities as homeowners remained strong, and they focused on the high use value or exchange value of owning a home. Whether homeownership was a gamble, an achievement or a commodity, and despite their foreclosure experiences, homeownership remained something they desired.

Notwithstanding these aspirations, it was difficult for households to rebuild everything they had lost. The challenges created by the embeddedness of resources slowed those efforts. Just as Warren and Tyagi (2003) describe credit as a cement life raft for many families, a home acted as a sinking ship for many of these households, taking many familial resources down with it. For some, the after-effects of foreclosure came up only rarely, such as when the Eshus needed a new car and couldn’t get a loan or when Carolyn Stewart wondered whether her difficulty finding a job was because of her short sale. For others, there were constant reminders, as Deborah Armstrong and the Navarros operated day-to-day without a credit card, any savings, or other forms of a safety net, wondering how they would be able to afford the basics. Regardless of their trajectory of loss, it was impossible to avoid completely the losses associated with foreclosure and the risks to which homeowners were exposed. Default and foreclosure left each of these households with a weakened cushion, with less protection from the risks inherent in life, and more vulnerable to future challenges.

Chapter 5:
Postponement as a Strategy for Getting By

Deborah Armstrong was a poster child for postponement. She delayed and held off in ways big and small whenever she could. It wasn't something she enjoyed, but postponement was a strategy that helped her get by from one day to the next as she struggled with major financial constraints. Deborah had been out of work for two years and had health issues that kept her from finding new employment. Once her disability payments ran out, she got by on what she earned from odd jobs and help from friends.

When we met, she had been trying to delay her foreclosure and eviction from her home. However, overwhelmed by the uncertainty of the situation she saw unfolding, she explained she wanted to "end my misery" and "stop the train before it crashes." To this end, she had decided to give up her house and agreed upon a date when she would leave, rather than adding an eviction to the litany of problems she faced. Nevertheless, 11 days later, Deborah was preparing a letter to her lender requesting additional time to vacate her home. It hadn't been her intention, but Deborah sought a way to postpone her move a bit longer, as she struggled to pack up a lifetime of belongings and hadn't yet worked out a place to put them.

On her way home from the library where she had been preparing the letter (she didn't own a printer), Deborah pulled her car into a gas station. In my field notes I noted that she had said "she was on empty, and she had almost gotten herself into trouble the last time she let it get so low." In the years I got to know Deborah as a participant in the ethnography, she made a habit of letting her gas tank get dangerously low, postponing putting gas in her tank as long as possible. On occasion this habit had left her stranded and unable to keep our appointments. Deborah was a woman who took deadlines seriously but did everything at the last possible minute. Surely many factors led to this behavior, but a simple truth was that Deborah experienced extreme insecurity (including all 7 of the dimensions described in Chapter 3), and the precariousness of her situation encouraged her to delay and postpone wherever she could—putting gas in the car, leaving her foreclosed home, paying her bills and going to the doctor.

In Chapter 4, I focused on household decision-making specifically related to the home and the prospect of foreclosure. In this chapter, I consider insecure households' strategies for getting by more generally. For all households in the study, across the spectrum from foreclosed to current homeowners, how did they manage the threat or reality of insecurity from one day to the next? I focus on one of the primary sets of strategies I observed households drawing upon, those which fall under the umbrella of postponement. I discuss the range of ways people postponed, what postponement offers as a strategy, and suggest an alternative lens for understanding the discounting preferences or present bias which economists and psychologists have thoroughly documented.

In describing strategies for "getting by" or "making ends meet," I refer to the tools people draw upon to bring income in line with expenses, or from a slightly different perspective, the strategies they use to gather necessary resources each month, so as to avoid exposing families members to serious material hardship. Families in the study necessarily relied upon multiple strategies to get by, as did the households in other studies documenting the experiences of households facing financial difficulties. Accounts such as Edin and Lein's *Making Ends Meet* (1997), Stack's *All Our Kin* (1974) and Dohan's *The Price of Poverty* (2003) focus especially on household strategies that generated extra income or in-kind resources in their efforts to get by from one month to the next. Households in this study drew on these and other tools. They took on new jobs or extra hours. They made sacrifices to minimize expenses. They relocated to less expensive areas. They sought out the financial and emotional support of family, friends, religious communities, government programs and community organizations.[41] In this chapter, I focus on the set of strategies involving postponement because of the frequency with which participants drew upon them, and their utility and flexibility as tools for getting by.

I define postponement as the delaying of some present cost until a future moment, also perceived as gaining a present reward by avoiding a present cost. Postponement works alongside strategies that increase income or decrease expenses as it changes the calculus of a household's monthly budget. It alters the monetary amounts needed or available by adding the dimension of time to the challenge of getting by, pushing decisions and realities into the future. In this way it is a powerful tool for generating slack, or "breathing room provided to households by the ability to make relatively costless adjustments to align resources with needs" (Barr 2012: 1-2; Mullainathan and Shafir 2009). It offers a means of exercising one's agency to create this essential room to maneuver for a household. While many scholars emphasize the room to

[41] A small number of households in the study received formal government support. While none received welfare, 6 of the 31 households received food stamps. In addition, 4 received Social Security, 5 received disability and 1 was receiving unemployment, representing forms of government support that are not means-tested. However, even among those receiving formal assistance, these government programs represented only one of the strategies these households drew upon to get by.

maneuver made available through use of the financial system as well as reducing expenditures and increasing income, postponement can do this important work as well. The relatively short time horizons of insecure households make strategies of postponement especially valuable to these households, whose focus is often on the present moment, as discussed in Chapter 3.

I draw attention to strategies of postponement as a critical and understudied tool in the toolkit of insecure households. Social scientists have investigated people's time preferences in general terms, and have examined separately some of the specific strategies I describe in this chapter. For example, studies focus on households' increasing reliance on credit (Houle 2014b), the decision to forego medical care (Burgard and Hawkins 2014), and the delaying of childbearing (Mills et al. 2011) as isolated social facts. However, to my knowledge, these decisions to postpone have not been considered together as a related set of practices. Investigating the many forms of postponement to which households in this study turned, I highlight the utility of this strategy and the underlying constraints and concerns that drive its use. From this perspective, we observe insecurity as a motivator of many forms of postponement, and postponement as an important means of getting by.

In the next section, I review how social scientists have investigated time preferences and postponement. I then go on to describe the many areas in which study participants postponed, from accessing health care to finishing schooling to paying utility bills. I conclude the chapter with a discussion of what households stand to gain and lose from using postponement as a strategy for getting by and consider implications for future research.

Research on Delaying and Discounting

Economists, psychologists and sociologists have all considered issues of postponement in decision-making. The underlying dilemma of postponement is the crux of intertemporal choice:

the need to determine preferences and make decisions "involving tradeoffs among costs and benefits occurring at different times" (Frederick, Loewenstein and O'Donoghue 2002: 351). Scholars of intertemporal choice draw upon the notions of temporal discounting and time preference, prominent in economics and psychology. Frederick and colleagues (2002) describe time discounting as "*any* reason for caring less about a future consequence, including factors that diminish the expected utility generated by a future consequence, such as uncertainty or changing tastes" (352). Discounting then refers to the preference for a present reward over a future reward; a reward to be received in the future is "discounted," the derivation of the term (Doyle 2013). Time preference refers to the related "preference for immediate utility over delayed utility" (Frederick, Loewenstein and O'Donoghue 2002: 352).

Psychologists and economists have investigated intertemporal decisions from a variety of perspectives. Some studies focus on one specific decision (i.e. should I postpone taking my medication and risk falling ill, or take it as prescribed and bear the cost of the medication now?; should we enact a policy that will decrease industry profits today but curb carbon emissions affecting future generations?). Other studies investigate how variation in the parameters of the decision (a smaller versus larger reward, a future date that is sooner versus later) shapes individual decision-making in order to better understand the bounds of time preferences. Researchers use both field and experimental studies to study intertemporal decision-making, though the majority of studies in this area rely on experiments (da Matta, Gonçalves and Bizarro 2012; Doyle 2013; Frederick, Loewenstein and O'Donoghue 2002).[42]

Such studies generally rely on an underlying set of moral and logical assumptions about the

[42] Beyond experiments, psychologists are beginning to use neuroimaging to understand such decision-making processes (Wittman and Paulus 2009). Wittman and Paulus (2009) note that although there are many mathematical models and empirical findings related to discounting, we still have a great deal to learn about the cognitive and affective processes involved.

decisions people *should* make. Behavioral economists have long assumed the rationality of economic actors, as discussed in Chapter 1. Their models include discount rates that reflect this assumption. However, in reality people do not always make the decisions behavioral economists predict they will (Frederick, Loewenstein and O'Donoghue 2002; Zeckhauster and Viscusi 2008). People who overemphasize the value of present rewards as compared to future rewards are said to have hyperbolic time preferences or a high rate of delay discounting (Samuelson 2008). While behavioral economists have begun to shift their thinking on the discount rate, the underlying assumption often remains that it is irrational and ill-advised to select a smaller reward now instead of a larger reward later on. Studies on self-control and impulsiveness draw on these ideas, and suggest that the ability to delay rewards leads to greater success in life (Casey et al. 2011; Mischel, Shoda and Rodriguez 1989; Moffitt et al. 2011). Economists often refer to decisions that reflect a high discount rate as errors, anomalies or deviant choices (Frederick, Loewenstein and O'Donoghue 2002; Mullainathan and Shafir 2009; Thaler and Sunstein 2008). Researchers also study discounting in the context of socially undesirable behaviors such as addiction, substance abuse and gambling, framing those who have these vices as having an extremely high level of delay discounting (da Matta, Gonçalves and Bizarro 2012; Teuscher and Mitchell 2011). Da Matta and colleagues (2012) suggest a moral failing in these decisions, asserting that, "The inability to tolerate the delay in gratification may be a factor in the production of many social problems" (144). The frames of immorality and irrationality run subtly throughout research on intertemporal choices, shaping studies and observations on this type of decision-making.

While the literature on discounting within psychology and economics speaks to some degree to the decision to postpone among study households, there are two important distinctions between this research and my own investigation of postponement. The first distinction is in the nature of costs and rewards incorporated in studies of intertemporal choice. In many experiments, researchers offer participants well-defined, hypothetical choices between which they must select (da Matta, Gonçalves and Bizarro 2012). Even in research involving real costs or benefits, those tend to be removed from participants' social reality. That is, even if a participant will receive actual payment as part of an experiment, the decision about whether and when they will receive a reward is divorced from the demands of their social existence, including obligations to others and their own aspirations. My examination of postponement focuses on decision-making that is quite distinct. I consider decisions between a known possibility in the present moment and a future possibility that is often quite hazy, and decisions that are situated squarely in decision-makers' social context, with real but uncertain consequences. The present investigation acknowledges the high degree of uncertainty about the future, a reality that is absent in most experimental studies and which complicates the process of assessing and choosing between options. Heimer (1988) notes the difficulty decision-makers face in real-life situations, needing to compare the relative risk of different choices, as well as other elements of our social worlds that are not incorporated in the stylized framework typically forwarded by psychologists and economists. Furthermore, decision-making is necessarily a social process, constrained by the institutions and networks of which individuals and households are a part. Few researchers have incorporated components of people's social context into their investigation.[43]

[43] In one exception, Griskevicius and colleagues (2011) consider childhood socioeconomic status in their experiments on temporal discounting, though the actual dilemma participants faced was a hypothetical one. Still, their finding that childhood SES can help explain decisions about risk tasking and temporal discounting suggests the potential relevance of more immediate social context, such as a household's degree of insecurity, in shaping decisions.

Rather than considering hypothetical costs and rewards, my investigation of postponement allows for consideration of decision-making in its social context, which necessarily includes a high degree of uncertainty as well as the need to weigh potential consequences that will ripple through the lives of household members.[44]

The second distinction between the present study and the majority of research on intertemporal choice is that the latter often points out important patterns in decision-making but largely omits discussion of *why* people decide to postpone, as well as when and how they actually postpone in day-to-day life. In my dissertation, I consider the same intertemporal dilemmas in decision-making, but explore them in the context of realistic decisions and with an eye towards an explanation of why people postpone.

In their review of research on intertemporal choice, Frederick, Loewenstein and O'Donoghue (2002) note that "the spectacular cross-study differences in discount rates also reflect the diversity of considerations that are relevant in intertemporal choices and that legitimately affect different types of intertemporal choices differently" (393). They argue for

---

[44] Beyond the consideration of costs and rewards that are hypothetical versus part of one's social reality, and certain versus uncertain, there is a separate but related distinction in the consideration of gains as compared to losses. Studies on discounting often consider decision-making about a reward or gain and more rarely consider a cost or loss. In their review, da Matta and colleagues (2012) distinguish between studies of "appetitive" rewards such as money, drugs in the case of drug users, and health, and studies of "aversive" rewards, such as an electric shock or an unpleasant sound, which would represent costs or losses. There are many ethical and practical reasons why studies typically focus on appetitive rewards. In reality, however, people must make many decisions about losses, and insecure households often face a daily string of such dilemmas. In addition, those studies that do consider losses or "aversive rewards" may have little bearing on actual decisions about losses, as decision-making about the cost of an electric shock or the loss of hypothetical money is substantively quite different from deciding whether to pay cash for this weeks' groceries or put them on a credit card, or whether to use one's savings to make a mortgage payment or hold onto those savings for the future. Similarly, losses such as electric shocks or hypothetical resources have only a momentary cost, quite distinct from costs that are experienced continuously over an extended period.

In general, psychologists do distinguish between peoples' preferences about losses and gains. The notions of loss aversion and the endowment effect are an articulation of this distinction, indicating that the way people make decisions about gains is qualitatively different from decisions about losses (Ariely 2010; Ericson, Marzilli and Fuster 2014; Frederick, Loewenstein and O'Donoghue 2002; Kahneman, Knetsch and Thaler 1991). We can view postponement as delaying a loss, or alternatively as acquiring a gain in the present moment. While they are arguably two sides of the same coin, it is possible that study findings on delay discounting with respect to gains provide limited insight on decision-making about losses in day-to-day life.

taking into consideration "disparate and often competing psychological motives" that could better explain observed variation across and within individuals with regard to how they make intertemporal decisions (393). There is an important opportunity for sociologists in this field of research, investigators well suited to consider not only psychological motives but also social drivers and constraints in decision-making.

My review of the literature uncovered very little research examining intertemporal decision-making in social context, with real-life implications. One exception is the work of Tach and Greene (2014), which highlights decision-making about debt management in low-income households. They examine study participants' decisions on whether and how to pay off or postpone debt, situating those decisions in the context of their social identities and aspirations. Though they did not employ the language of postponement in their analysis, their research demonstrates how decisions to postpone or make debt payments are shaped by people's desire to maintain a social identity as financially responsible and self-sufficient. Their research provides an important example of investigating intertemporal decision-making in its social context. In this chapter, I argue that such debt management strategies are part of a broader set of postponement strategies available to households struggling to get by.

How People Postponed

Daily life offers myriad opportunities for postponement. Some participants relied on it heavily and frequently, in many different contexts. Others used it sparingly and some actively avoided it, rejecting it as a viable tool in most areas of life. While a minority of participants postponed in each of the specific ways I review below, there were many contexts in which participants called on this strategy, and all but four households reported intentionally postponing in at least one of the ways I describe (and certainty I could not capture every area or instance of postponement in their lives). I focus on the various areas where people identified opportunities to postpone and the anticipated consequences of their decisions. Specifically, I consider postponement in health care, in relocating in the context of a foreclosure, in making payments and growing debt, and in investing in one's family and future. Where possible, I note research on the frequency with which these strategies are drawn upon at the population level.

Postponing Health Care

In Chapter 3 I discussed health insecurity as one dimension of insecurity, most clearly indicated by a lack of consistent health insurance or not receiving needed medical care. I demonstrated the wide reach of health insecurity in the lives of participants: over half of the families were uninsured or not receiving needed care during the course of the study. However, the focus of insecurity draws attention towards the outcomes experienced and away from people's agency and decision-making in this realm. The ways that people manage their health and well-being day-to-day can contribute to insecurity but simultaneously offer opportunities for strategic decision-making that can support efforts to make ends meet within a household.

Both the nature of health management and the complexities of the US health care system offer rich terrain for postponement. Below I describe the many ways that study participants postponed in the realm of health. Eleven (of 31) households reported that they postponed seeking needed health care (this does not include those that only postponed health care payments). I then briefly consider the anticipated outcomes of such strategies and the findings of relevant research on the postponement of health care.

Most of the ways that household members postponed in the realm of health were related to delaying use of formal medical care. The Murray family, precariously holding onto their status as homeowners, delayed care many times over the course of the study. During our first meeting, Grace Murray explained:

> …I was trying to hold off as long as I could from going to the doctor, but because it was kind of a serious issue—I was bleeding, I was losing a lot of blood, and I actually felt faint—and then that's when, my husband was wanting me to go to the doctor's, but I was…afraid because of our finances. And so I was trying to hold off. But then when he knew I was feeling faint, he said, 'Well, you have to go, because it could be something really serious.' So then I did go, and then I realized I had to have surgery, so it was a good [thing] I did go [little laugh]. I had some cysts, so.
> Elyse: Did you have that surgery?
> Grace: Yes, I did. Yeah, and honestly we couldn't really afford it, but we just are making payments. You know it's something you can't really say no to. If you need it, you need it, so…. But I don't want to take on *unnecessary* bills… [emphasis hers].

Grace held off as long as she could and tried to reserve doctor's visits only for truly dire situations. Several others experiencing pain but under tight financial constraints also tried to make do without medical care. When I first met Deborah Armstrong, she was holding off on seeing a doctor for ongoing health concerns. She simply did not have the money to pay for the high out-of-pocket cost of a doctor's visit due to her lack of health insurance. As she pieced her life together in the year following her foreclosure, she eventually sought medical care and slowly addressed some health concerns, while continuing to hold off on others. Robert postponed doctor's appointments for his chronic pain when he didn't have enough in his budget to pay for the gas to get there. Unlike the cases of Grace and Deborah, this was a brief postponement with a clear end date, as he planned to reschedule the following month. A temporary delay helped Robert get to the end of the month a bit less financially strained.

Lilly Vargas, a single mother of three in her 40s, had postponed a vision screening because of the costs of the exam and the follow-up she knew would be required. "I know right now, I need glasses so bad. Like I know I cannot read this from far away…. So I know I haven't had an eye exam since I was divorced, and that's been 5 years." Similarly, several women had put off preventative screenings such as a mammogram or Pap smear.[45] Carolyn Stewart, recovering from a job loss and a short sale on her home, noted how her approach to medical care had shifted in the face of their current economic challenges: "I know personally for myself there's been—I really probably needed like a mammogram, haven't done *that*. Just because there's a co-pay…." While it is probable that Carolyn and others who reported holding off on these screenings could have obtained them for free or at low-cost at a local clinic, they decided to postpone. As I will emphasize in other cases in this chapter, putting off the screening is a strategy that is private, not immediately threatening, and indefinite. It allowed Carolyn and others a way to acknowledge that they needed something and to affirm that they can get to it in the future, while postponing any present costs.

Participants also frequently delayed dental care. In addition to an eye exam, Lilly Vargas put dental work at the top of the list of things she wished that she could afford.

> …in the back, my filling came out, and then another tooth crack[ed].... I went in because I had this free coupon, [for a] free exam. They did all these x-rays and exams, a couple weeks ago, and they said that they need to pull it out, because it's cracked so bad.… So I'm learning to kind of live with it, it's kind of uncomfortable because it's wobbly. So stuff like that, I wish I had insurance. I wish, you know if I did have a regular job with insurance, those things would be taken care of, but you just kind of live with it, you know? It's okay.

Lilly had made concrete steps towards accessing care and was clear she hoped to address her medical concerns, but she didn't see a way of doing so in the near-term. Lourdes, a 67-year-old divorced woman, postponed replacing her partial dentures because she couldn't afford the cost. After a year of delay, she eventually sought dental care and was slowly paying off the bill in installments. Lilly and Lourdes are joined by many Americans in putting off this type of care. Recent surveys of the US population suggest that postponing needed dental care is especially

[45] These screenings are now covered, with no out-of-pocket costs, for the vast majority of insurance plans under the Affordable Care Act (Kaiser Family Foundation 2015). However, other costs may be associated with accessing care, such as getting to the doctor and taking time off of work, which may encourage postponement.

common. The 2011 Survey of Income and Program Participation found that people in 9.9% of US households did not see a dentist in the last year when it was needed, and 7.9% didn't see a doctor (Siebens 2013). The Federal Reserve Board's 2014 Survey of Household Economics and Decision-making found that 25% of respondents went without needed dental care over the last year because they could not afford it, and 15% did not see a doctor when they needed to (Board of Governors 2015). Dental care may be out of reach financially for the large number of American households that lack dental insurance, including 26% of those with private health insurance (Bloom and Cohen 2010). Trading pain and discomfort for some financial slack, postponing dental care offers an opportunity for households to ease their financial constraints. The Murray family drew upon this strategy when Mr. Murray's hours were cut back and their monthly income fell. Grace Murray explained, "Included in our cutbacks to try to stabilize our current financial dilemma, we cancelled all upcoming family dental appointments." All members of the Murray family had recently scheduled appointments to address cavities and other dental issues, but they ended up delaying as they couldn't afford the visits. Of course, there is often a cost to going without dental care, as suggested by research linking poor dental health in children to a higher likelihood of missing school and worse school performance (Jackson et al. 2011). However, when facing an urgent need to diminish or avoid present costs, postponing dental care is an easy means of temporary relief.

Beyond holding off on seeking health care, participants also postponed paying for care they had received. This was especially common in the case of dental bills, which participants arranged to pay in installments. Antonia and Maricel used this strategy, paying off dental bills over a period of months to avoid creating a financial hardship. Bill had planned to pay for his dental work in installments as well, but he ultimately delayed payment of those bills as well, adding to his outstanding debts. Victor Cabrera described a tactic he'd used to postpone payment on medical bills: when he arrived at his visit, he pretended he'd left his wallet at home, and asked for the doctor to bill him, thus giving himself extra time to get funds together, and opening up other opportunities to delay.

A year into the study, the Murray family cancelled their health insurance, highlighting another pathway for postponing health care. Their finances were constrained at our first meeting, but over time the family's budget had tightened further. The Murrays were already living very frugally, and suspending health insurance was one way to quickly and substantially decrease monthly expenses. The Murrays' intention was not to go without insurance indefinitely; rather, temporarily holding off on all medical care and foregoing the cost (and protection) of insurance could help them to make ends meet as they sought a path through a trying economic time.

Other participants postponed by using medications less often than prescribed or needed. Clara Videla, a 50-year-old woman with diabetes, stopped taking her prescribed medication over a period of years, as her family's housing costs rose and their monthly budget became unworkable. She identified her diabetes medication as an area where she could cut back. For Clara, this was a temporary measure; once she and her husband decided they could not hold onto their home and stopped paying their mortgage, she resumed taking her medications as prescribed. Denise Sweet, a recently-widowed 60-year-old woman, relied on a similar strategy to get through an especially difficult period. She had lost her health insurance and knew she could not enroll in another plan for a period of months. She postponed taking her medications for several chronic conditions as a way to get through her gap in coverage: "I'm trying *not* to take my pain pills unless I'm in so much pain I can't go on. That's what I'm doing, trying to make them last as long as I can." Skipping medications, only taking them when pain is unbearable, or putting them on hold until some future point all offer means of postponing health-related costs. This strategy is especially relevant for those with chronic conditions that require regular, ongoing outlays of resources.

The many ways that study participants postponed in the realm of health demonstrate what a flexible and dynamic strategy it can be. However, postponing in this way may also have its costs. I briefly consider the anticipated outcomes of such practices, and the time frames in which such outcomes would be apparent.

The postponement of preventive screenings such as mammograms and Pap smears could lead to later diagnoses of cancers, and potentially higher cancer mortality. (However, even if such an effect was visible at the population level, it likely would not be observable for some years.) Among those who postpone and extend medication and other care for chronic conditions, we would expect worse health management outcomes over time. For example, the health outcomes of those with diabetes and hypertension, which are commonly managed with prescription medications, could worsen in the context of postponement. Delaying medical and dental health treatment until pain becomes intolerable would likely result in more emergency room visits and greater dependence on urgent care generally.

The nature of postponement, and the crux of intertemporal choice, is that many of its costs are pushed into the future. Certainly foregone care can lead to pain and difficulty in the present, but as these examples suggest, in many cases the implications of health postponement may not be immediately apparent. Temporarily cancelling health insurance may only have negative consequences if a health problem arises. Postponed preventive screenings may have no effect, or may lead to later detection of health problems years down the line. These avenues of postponement highlight the uncertainty that defines intertemporal decision-making in the real world. While decision-makers can often calculate present-moment gains with relative ease and accuracy, future costs are in many cases unknowable and potentially wide-ranging.

Recent research on the Great Recession indicates that postponing health care is a common response to economic difficulties, supporting my observations here. Burgard and Hawkins (2014) found that during the Recession nearly all groups in the population were foregoing medical, dental and mental health care as well as prescription medications at higher rates that before the Recession. Kalousova and Burgard (2013) found that having debt, and especially credit card and medical debt, was associated with foregoing medical care.

While the postponement of medical care appears to increase in the context of an economic downturn, it is a strategy available whenever households feel constrained, regardless of the broader economic climate. Even in the case of Iceland, where the socialized health care system should provide equal access to care, researchers found that 24% of respondents had cancelled or postponed doctor visits in the last 6 months (Vilhjalmsson 2005). Even in a system designed to offer equal access to care, people in households experiencing financial difficulties were more likely to cancel or postpone than those in other households. Studies on medication use among Medicare beneficiaries in the US have found that people are more likely to postpone or discontinue medications at the end of the year when out-of-pocket costs tend to be higher, sometimes reinitiating in the new year and sometimes postponing for a longer period (Colby et al. 2011; Kaplan and Zhang 2014).

These studies confirm that postponing health care is a common practice, especially for households facing economic insecurity.[46] They suggest the importance of examining the health

---

[46] Health postponement may help to explain some of the relationship between economic downturns and health outcomes. For example, Halliday (2014) found that higher local unemployment rates are associated with higher

of subgroups in the population, such as those disproportionately affected by unemployment or foreclosure. Similarly, it is worth investigating the health implications of postponement over an extended time period to capture its potential effects. While postponement is only one pathway through which economic insecurity can affect health, it reflects an important and perhaps overlooked path linking the two, and it may explain some of the relationship between unemployment, economic insecurity and negative health outcomes.

Postponing Foreclosure and Relocation

In a different realm, many participants tried to postpone a foreclosure or the need to relocate to a new home. This strategy bought participants time as they decided on next steps or provided a crucial opportunity to generate some room to maneuver in their finances. Twenty of 31 participating households had gone through a foreclosure or were far enough along in the foreclosure process to make this strategy a possibility. Of these, eight participants mentioned explicitly that they drew upon this strategy, and others likely did so as well.

Delaying in this manner is tied up in the details of the foreclosure process, which vary according to state laws. In California, once a borrower is 90 days delinquent, the lender can file a Notice of Default with the County Recorder, setting the foreclosure process in motion.[47] After a 90-day waiting period, a Trustee's Sale can be scheduled and held, and the property is sold to a third party or returned to the bank. The new owner can then begin the eviction of the former homeowner, if they are still living in the home. The actual window between a Notice of Default, a sale, and an eviction is typically much longer than 90 days. In California in 2011, the average

---

mortality risk for working-age men. Strategies of health postponement may be one mechanism contributing to this relationship.

[47] In 2008 and 2013, California passed laws adjusting and lengthening the foreclosure process in the state. For a brief review of this legislation see: http://www.nolo.com/legal-encyclopedia/california-laws-that-encourage-foreclosure-alternatives.html.

foreclosure timeline was 350 days (RealtyTrac 2012).[48] This multi-step process creates opportunities to postpone the foreclosure itself as well as a family's departure from the home.

Many participants reported that their lender would only consider a loan modification once the homeowner had stopped paying, so they delayed payments in hopes of negotiating a lower, affordable housing payment. Elaine acknowledged using this strategy to buy herself time before needing to leave the house, paying someone to help with a modification, although she felt it was a sham and didn't anticipate actually receiving a modification.

Deborah Armstrong and Bill Ingram both declared bankruptcy as a means of delaying the foreclosure process, as foreclosures cannot take place or are significantly delayed in the window between a bankruptcy filing and the discharge of debts. Neither had strong hopes of retaining ownership of their home, but both decided it was worth declaring bankruptcy to temporarily postpone the inevitable. (Others in the study also declared bankruptcy around the time of their foreclosure, but did not describe this as an intentional means of postponing their foreclosure.) Deborah recounted,

> …they postponed [my court date for the foreclosure] once, because of the bankruptcy. And then 30 days had to go by…so they set another date, but from what I can understand…the bank put in the request to lift the stay of bankruptcy, where they couldn't pursue me, so that they could proceed with the eviction. But then even when they do that, there's another 14-day stay that's created. So I'm in the 14-day stay right now… So I'll just say, this is just prayer right now…because I really don't know. I don't have any family here, I don't have anywhere really to go, I don't have any money to move, or to put down a deposit to get a place or anything. And so I just, you know, it's just God's favor right now that's keeping me there, until something happens, you know, that gives me enough money that I can… spring out of there.

Deborah knew that the bankruptcy would only temporarily postpone her need to find a new home, but bringing the foreclosure process into the court provided her with an opportunity to delay the day when she would lose the roof over her head.

---

[48] In California, the vast majority of foreclosures are non-judicial. In states with only judicial foreclosures, where all foreclosures must go through a court, the process can drag out for much longer periods, sometimes for years.

Participants were of different minds about when to move out of their homes once foreclosure was certain. Because of the often lengthy foreclosure process (even without further delaying tactics such as declaring bankruptcy), in many cases household members could postpone leaving, creating an opportunity to live rent- and mortgage-free for some period of time, offering respite to families facing financial hardship. Several participants stayed in their home for many months, as the foreclosure process crawled forward or as they tried to work out a short sale. While some remained financially constrained during this time, others were able to use this cushion to get their economic house in order, pay off debts, or stop postponing in other areas (i.e. utility payments and health). After making unsustainable mortgage payments for years, Diego Zamora gave up and defaulted on his loan. In a state of limbo, the Zamora family continued to live in their home for more than two years, not making mortgage payments and not sure when or if the foreclosure would be finalized. This decision generated some slack in their budget, and Diego's daughter, who had originally cancelled plans to attend a 4-year university, was able to transfer to a 4-year school to complete her education. Once Clara Videla stopped paying her mortgage and remained in her home while in default, her difficulties paying bills tapered off and she was able to resume full monthly payments of her utilities. Calem and colleagues' (2014) finding that longer foreclosure timelines were associated with payment of delinquent nonmortgage debt among US borrowers is not surprising in this light. Lengthening the time households live mortgage- and rent-free would increase the resources available to settle other debts.

Diego described the relief this strategy provided him: "When I stopped paying [the mortgage], that was when I started paying *everything* that I owed. I started to pay, and I started to feel different. It wasn't like I was…drowning anymore, like they say, more and more, each month that passed, and I sunk lower and lower. But when I decided not to pay [the mortgage], it was like I started going up, up….” Indeed, remaining in one’s home during a foreclosure process can be an extremely effective means of generating slack. Not paying a mortgage but keeping a roof over one’s head temporarily changed the calculus of monthly budgets. Some families who postponed leaving were also able to take advantage of lenders’ “cash for keys” programs, which provided a lump sum (perhaps a few thousand dollars) in exchange for leaving the home clean and undamaged.[49]

Despite these potential benefits to postponing leaving a home, the range of ways that households responded to an impending foreclosure highlight the many demands people balance when making decisions about how they will get by as well as the potential costs of postponement. Financial resources are important, but they are not people’s only considerations.

Several participants selected a very different strategy, rejecting postponement in this area and seeking another place to live even before their foreclosure was finalized. Recognizing that they could have stayed longer, noting that others advised them to do so, and mentioning that they likely could have secured some additional money through cash for keys programs, these participants explained that they could not face the uncertainty inherent in such a strategy. In default on the mortgage, Eduardo struggled to decide if he should stay put temporarily or move out immediately. “Well, I was just *insecure*. Okay, if my house goes on sale, say this day, right? And you have this much time, and if they don’t sell your house within this time, then you can stay there. But if they all of a sudden sell your house, then you have to move out.” As he juggled

---

[49] These programs were designed to avoid a bank having to take on properties that had been badly damaged or stripped of valuables. Homes in foreclosure were often destroyed, an example of homes viewed as commodities. During my fieldwork, I observed the stripping of a foreclosed home, as people removed pipes, appliances and anything of value. Similarly, participants who bought during and after the foreclosure crisis described seeing homes in terrible shape during their search, a result of this practice.

his responsibilities as head of household, he didn't know what would be best for his family. He opted to move out right away and avoid that threat of insecurity.

Denise Sweet was also concerned about the consequences of postponing her departure from her soon-to-be-foreclosed home. At 60 years old, she was the sole caretaker of her elderly husband and elderly mother. Already stressed about this role, she couldn't handle additional stress and uncertainty about where they would move. "They kept sending us letters saying they were gonna foreclose on this date, or that date. I mean, I told [my husband], 'I'm just moving out…. Let's go find a house…I'm not waiting for them to foreclose on us, and maybe not be *able* to find a decent house that we can afford.'" While remaining in their homes for a longer period during and after a foreclosure would have temporarily avoided the expense of rent in a new home, these heads of household preferred bearing this economic cost to the insecurity of remaining in their homes—insecurity that others decided to tolerate. Perhaps their role as sole caretakers shifted the decision-making calculus of these heads of household, prompting them to prefer greater expenses to the possibility of homelessness for their family (Kovalsky Unpublished Manuscript). This and other factors, such as the availability of a regular, dependable income to pay rent in a new home, likely factor into the decision-making process. The possibility of delaying foreclosure and relocation highlights how the preferences of insecure households can vary and still be entirely rational when viewed within their social context. In deciding how to proceed with their living arrangements, households had to determine the level of uncertainty they could tolerate, constrained by the resources available and the social demands they faced.

Postponing Payments and Growing Debt

Households juggle and build debt in many ways, reflecting a variety of opportunities for postponement. Whether framed in the language of losses or gains, the basic premise of temporal discounting suggests that people would prefer to make a later, larger payment rather than an immediate, smaller payment, up to some threshold. People express this preference through decisions to postpone payments on outstanding debt as well as decisions to take on new debt. Below I discuss three general areas in which participants delayed in the past, present, and occasionally aspired to delay in the future. The juggling of debts acted as a sleight of hand, offering a moment of relief, creating some room to maneuver and temporarily allowing participants to suspend worries about payments.

Delayed Bill Payment. Perhaps the most straightforward form of postponement was the delaying and partial payment of bills. As discussed in Chapter 3, alternating and otherwise maintaining a balance on water, electric and other bills was common among households in the study. Clara described how she rotated each month: “So we’d pay one bill and then pay the next one. It’s kind of like, skip one bill so we can pay for the other. And then, every other month I did that, juggle, is what I did.” Many respondents in Tach and Greene’s (2014) study similarly juggled their debts in order to avoid collections or default. Lilly Vargas explained a related approach to household bills: “What I do, every bill that I have, I call and I only pay whatever they’ll accept, minimum.” Denise found that her lender wouldn’t accept partial mortgage payments, a common practice among lenders. However, after her foreclosure she continued to experience financial difficulties, and she postponed her rent payments, giving her landlord only a portion of the money she owed until she could find a less expensive home to rent.

There are myriad variations on how people can delay payment on outstanding bills. Sometimes the delays are regular, part of a deliberate plan for getting by each month, as in the case of Lilly. In other cases, people catch up briefly and then fall behind again. Victor described the cycle of his mortgage payments over the last year:

> Elyse: …Have you been multiple months behind, so much so that you got a notice of default or anything like that?
> Victor: …Yeah. Like every three months.
> Elyse: And then does it get rescinded?
> Victor: No, I will pay them in full whatever I owe them, and then for another three months I can't.

In rare cases, people requested permission to delay. For example, as Victor struggled with his mortgage payments and sought temporary relief, he contacted the lender on his car loan, which granted him two months' postponement on his car payments. Much more commonly, people simply didn't make a payment, without contacting or requesting the permission of their creditor. The act of seeking permission can turn an otherwise private strategy into a more public one, reducing its appeal.

In some cases the delay of payments appeared to have no negative consequences and quickly generated a bit of slack for participants, producing an immediate reward. For example, when people paid in installments and without interest, postponement did not result in a greater total amount owed and allowed for a more flexible budget in the near term. This was common with dental bills, as described in the section on health postponement. In other cases, delayed payments were costly, increasing debt through interest payments and late fees. Delaying payments may also generate stress in that it puts at risk reliable access to key resources such as housing, water and electricity.

Credit Cards and Other Borrowing. Credit cards offered a similar avenue for postponement. Participants used credit cards to acquire things in the present and pay for them later. They were in good company, as credit card debt has skyrocketed in the US over the last several decades, both in terms of the proportion of households with debt and the amount of debt they hold (García 2007; Houle 2014b; Porter 2012; Sullivan, Warren and Westbrook 2000) (although this trend slowed in the context of the Great Recession (Bricker et al. 2014)). Credit cards offer a clear example of a present reward for a future loss, and economists have investigated the association between present-bias and credit card borrowing (Meier and Sprenger 2010), though these studies lack an explanation for this present-bias and its ties to credit card borrowing. Looking more broadly at the social context of decision-making, the experience of insecurity offers a potential explanation both for these observations about present-bias (heavy discounting of the future) and its relationship to credit card borrowing.

Use of credit cards and similar forms of borrowing is not spread evenly across the population. Mann (2009) notes that low- and moderate-income households carry more debt than higher income households as a share of their income. Importantly, Barr (2012) finds that people who use one type of short-term lending product (i.e. credit cards, payday loans, or a pawn shop) are more likely to use another. This research suggests that the strategy of postponing by growing debt is used more heavily by lower-income households, and those households often rely on this strategy in multiple forms.

For participating households with access, credit cards offered an immediate release valve, a short-term strategy to smooth large expenses that did not fit within the household's monthly budget. When Che Khang bought her home, she and her fiancé used credit cards to buy the home appliances and other necessities for the house. Two years later, they had not paid off this debt: "I'm trying to [pay off my credit card], but it's getting hard. I just pay the minimum…. Because of the expense of new cars, mortgage, everything else, it just really puts a damper on. …[I]f I had like, $15,000 right now, I could pay off my credit cards right now. But I don't." Carrying a large credit card balance allowed Che to continue paying essentials (her mortgage, car payments) and postpone other debts. Though the Stewarts' credit took a hit because of their short sale, Carolyn Stewart still had some access to credit: "that's kind of like our primary—like if we go over budget then that's what we use. But just the one credit card." Carolyn emphasized that they tried to use this strategy sparingly but that it remained an important safety net. The Zamoras had put their home only in Diego's name, so despite their mortgage default, they were able to use a credit card in Mrs. Zamora's name to smooth expenses when they exceeded their monthly income.

While this was a useful tool for postponement among a subset of participants, to others it became unavailable in the context of foreclosure. The Navarros explained how their credit card used to provide an important cushion: "If something occurred…you know what, we're going to pay the bill right now with the credit card, and then you know my paycheck's not until a week, we'll just pay off the credit card with my pay." The Navarro family and others with damaged credit wished this was a strategy upon which they still could draw. Lilly described how any large expense was now out of reach: "I wish I could get a credit card…so I could buy certain things and then have the time to pay it." Without the possibility of postponing payments through credit card use, she instead postponed essentials such as health care and car repairs.

Participants lamented their restricted access to credit cards for two main reasons: an inability to cover unusually large expenses that they could then pay off over a period of months, and the lack of a safety net in case of an emergency. As Sofia Navarro noted simply, "…sometimes credit cards can bail you out of a bad situation." For insecure households with little or no assets saved, postponing through credit was a vital strategy for getting by.

The implications of credit card use have been well-documented (Barr 2012; García 2007; Vyse 2008; Warren and Tyagi 2003). While those without access to this strategy may lament its unavailability, those relying on credit often do not fare better. Gelman and colleagues (2015) found that workers experiencing a temporary drop in income frequently delayed recurring payments such as mortgages and credit card bills. However, in their study the cost of this strategy varied depending upon the cushion a worker had available in savings. Those with less liquid savings took on additional debt following their income drop, and it took several additional months to bring their balances back down, risking higher costs of temporarily postponing payments.

High interest borrowing, including credit cards, is costly. Interest and fees represent losses, and those costs increase with lower credit scores, contributing to a vicious circle. Beyond these financial costs, researchers point to other negative effects of credit card debt, including mental health effects, especially among households in the middle of the income distribution (Hodson, Dwyer and Neilson 2014).

Debt Consolidation. Beyond credit cards and delayed bill payments, this study's focus on homeownership highlighted an alternative pathway to the postponement of payments: the consolidation and conversion of debt in the context of a mortgage refinance. Several households had used this strategy, though it was later rendered unworkable by the collapse of the housing market.

Refinancing in general was common among participating households. Nearly half (45%) had refinanced their mortgages, and several others were attempting to do so at the time of our interview or had unsuccessfully pursued a refinance in the past. Refinancing a mortgage involves obtaining a new loan with new terms, and a common motivation for refinancing is a lower interest rate or other better loan terms. However, a related practice of consolidating debt in the process of a refinance became more common in the last decades. Homeowners consolidated outstanding credit card debt and car loans, as those creditors were paid off and the amounts tacked on to the total mortgage. In the case of credit card debt, this involved converting unsecured debt to secured debt as part of a mortgage. A subset of participants who refinanced (at least 5 of 14) consolidated and converted other debt as part of a refinance, thereby postponing those payments over an extended time period (i.e., in theory, the 30 years of the new mortgage).[50]

While researchers noted an increase in refinancing in the years leading up to and especially during the housing boom (Brady, Canner and Maki 2000; Goodstein 2014), and some publications reference this practice of debt conversion and consolidation (Drew and McCrew 2008; Joint Center for Housing Studies of Harvard University 2008), the frequency and implications of postponing debt through this pathway have not been well-studied.[51]

There are multiple ways to understand this practice of consolidation, and according to participants' accounts, there were several drivers. Some described it as required by their lenders as part of a refinance, while others framed it as something they themselves desired. I suspect both of these were true, but want to emphasize the broader context of constraint and insecurity in which participants used this strategy. This was one of several possibilities for households looking to reduce debts owed in the short-term. While commentators may have portrayed homeowners who refinanced as irresponsible borrowers who racked up debt they couldn't afford (Wall Street Journal 2009; Wyatt 2012), from the perspective of homeowners, a refinance might be an alternative to bankruptcy, a way to attempt to stay afloat and meet obligations rather than

---

[50] While I asked all participants about their refinancing history, I did not initially inquire specifically about this practice of consolidating debts during a refinance. It is possible that additional participants who refinanced also consolidated other debts in the process.

[51] Despite the lack of data on this form of postponement, the cost of refinancing and its credit implications suggest some immediate drawbacks. The fees associated with refinancing increase the cost of this strategy to homeowners, and refinancing in general can have a negative effect on credit scores, increasing the cost of credit for households relying on it in the short-term.

collapse under debt. From the perspective of lenders and brokers, this may be a way to encourage borrowers towards an affordable monthly payment on their total debt, or it may simply be a way to increase the total loan amount and their own profits from the loan. The moral and financial drivers of the practice remain unclear in the absence of additional data.

Nevertheless, from the vantage point of postponement, it is a powerful tool. Instead of facing immediate credit card debt payments, debts are converted into payments to be made over the life of a mortgage. If a house is sold at a profit before then, a homeowner might think of these as debts postponed indefinitely, never needing to be paid. While some financial planners advise against this strategy, it remains an attractive option for households without funds to pay debts currently due.

Elaine and her husband refinanced their home four times over a period of five years, and their monthly mortgage payments rose from $800 to $1600 in the process. Elaine remembered how her husband, "…paid off the Montero and then he paid off the truck, we had a new truck, we had a 2003 Tundra truck. He paid that off. That was the time we got big chunks—well, we didn't get the money, but big chunks to pay off credit cards, those two cars…." In describing this strategy, Elaine and others use the language of having "paid off" debts, though in reality those debts are added to the mortgage and paid in installments, with interest, over its duration.

Eduardo, who had helped his father through the home buying and refinancing processes by serving as his translator, described how his father had made use of this strategy. His $80,000 mortgage grew as he consolidated other debts into their home, which they ultimately lost to foreclosure. His father refinanced in order to:

> pay off the credit card debt, [which he had] used to remodel the house. And he paid off the van, and then a year or two passed… And then he took out a truck, a brand new truck, and then he refinanced it *again*, and then he paid off that truck,

> which added on like $40,000 dollars to our mortgage. Or like, to the total amount that he owed. So now, the total amount was like $120-some thousand….

Denise Sweet was another former homeowner who had made use of this strategy, and in the process saw her mortgage payments go from $853 to $2200/month.

> …we paid off *a lot* of things when we refinanced, you know, and thought we'd get it all into *one* payment, and then not have to worry about all the credit cards, all this, all that, we were gonna stop using everything. Then my, in 2005 my husband had a major stroke, and…that turned our lives upside down. We had *just* refinanced the house.

As these households refinanced and consolidated debt, their household balance sheets shifted: they went from somewhat manageable mortgage payments with other growing and often unmanageable debts, to unmanageable housing payments, and then after the housing market collapsed, to unmanageable housing payments on homes that were far underwater, in some part due directly to this strategy of debt consolidation.

While presenting an opportunity to delay present costs, this form of postponement carries the risk of a major loss in the form of the home, a significant threat to household security. External factors increased the associated risk for study participants, including drops in monthly household income and the housing market collapse. This form of postponement did not end well for households in the study: of the five households who reported consolidating debt in this manner, four had lost their homes in foreclosure and one was at risk, having defaulted on his mortgage.[52]

Prasad (2012) outlined the rise of credit-based consumption in the US over the 20th century, including a series of credit innovations that allowed a larger portion of Americans, including low-income Americans, to take on debt. Such a shift was made possible by changing policies and norms related to accessing credit in the US (Manning 2000). In this context, we can

[52] In the context of foreclosure, homeowners are able to avoid paying this consolidated debt that has been rolled into their mortgage, offering another benefit to postponing, although given the losses often involved in foreclosure (see Chapter 4), this benefit is often accompanied by high costs.

view credit card use, consolidation of debt in a refinance and other formalized means of delaying payments as contemporary versions of the timeless strategy of postponement.

Changes in legal regulations and accepted practices create new possibilities for postponement (and close off others). In the context of the deregulation of US credit markets in the last decades of the 20th century (Carr and Mulcahy 2010; McCoy and Renuart 2008), the consolidation and conversion of debt through a mortgage refinance became one of these new avenues of postponement. Lacking other forms of accessible protection from insecurity, household heads will continue to seek out new means of taking on debt and postponing more generally.

On the macro level, consumer debt is partially responsible for keeping the American middle class and the broader economy afloat (Leicht 2012). At the level of the household, it generates slack temporarily, creating room to maneuver and offering the illusion of making ends meet, but ultimately putting families at greater risk. People like Elaine and Denise expressed a sense of having addressed a financial difficulty (they used language of having paid off or no longer needing to worry about a debt) when they postponed debts, especially through consolidation of debt in a refinance. However, far from offering protection, this strategy arguably heightened their exposure to risk and specifically the risk of losing their home by combining debts and linking other unaffordable payments directly to the home.

Postponing Investments in Family and Future

A small number of participants reported a very different means of delaying: postponing investments in their family and future, including marriage, children and the completion of higher education. Heads of household presented this as a strategy for avoiding future insecurity as well as one for mitigating current insecurity. Its relatively limited use among participants is in part a simple reflection of the demographics of participating households, and of homeowners in the US more generally. The average age at initial interviews was 48, and so adults in most households were past typical childbearing years and therefore any decisions about childbearing. Only 3 participants of childbearing age hadn't yet had children as of our initial interview. Similarly, 78% of families had long been married (15 families), divorced (7 families) or widowed (2 families), leaving adults in only 7 households single or cohabitating. For most participants, decisions about such investments in family life had been made at an earlier time. However, for those who saw the risk of new investments as something that could threaten household security, the strategy of postponement was considered and used.

In the areas of marriage, children and higher education, postponing involves the choice to delay costs associated with investments in the future. These forms of postponement represent a preference for the status quo over potential future gain from one of these investments. They align in their logic with other forms of postponement discussed earlier, pushing costs into an unknown future. Importantly, these strategies crept into the lives of the most secure households (relative to others in the study), who viewed investments in these areas as risks to their security.

Che Khang, a Hmong woman in her early 30s, was one of the more economically secure participants. She and her fiancé had purchased a home together 2 years before, both worked full-time, and they made more than enough to cover their essentials each month. Still, the couple had decided to postpone both marriage and children:

> We delayed having a family, and we're getting married soon but we have to—when we saved up for the house, of course we didn't have money to save up for a wedding. 'Cause we ended up paying for the house instead. So that delayed our marriage. Yeah, so that negatively affected, 'cause we said we'll get a house, we'll get married, we'll have kids, that's our plan, but…it ended up being a little longer due to the fact that financial burden of the house, that's delaying what other things we were planning on doing with our lives.

During our follow-up interview less than 2 years later, Che was thrilled to tell me that she was a new mother and recently married, so in her case postponement had been temporary. Che's account of her and her fiancé's decision-making aligns with recent research on delayed adulthood (Taylor et al. 2012; Waters et al. 2011) and fertility postponement in the context of the Great Recession and economic insecurity more generally. Cherlin and colleagues (2013) found a decline in fertility between 9-11% from 2007 to 2011, and noted larger declines in states that experienced bigger jumps in unemployment and among the poor and near-poor. This suggests that economic difficulties may lead to decisions to postpone childbearing, though the authors anticipate that, as in past recessions, those births will be delayed temporarily rather than postponed indefinitely. Evidence from other countries, looking both at the national level and at individual fertility decisions, aligns with these findings, suggesting that women postpone fertility in the face of economic insecurity, such as that generated by precarious jobs, recessions, and persistently high unemployment rates (Hofmann and Hohmeyer 2013; Modena, Rondinelli and Sabatini 2014; Sommer 2014).[53]

With regard to postponing marriage, Cherlin and colleagues (2013) find that the long-term decline in marriage rates continued but did not accelerate during the Great Recession. However, previous research on delays in marriage among low-income couples in the US have found a lack of financial stability to be the top reason cited for delaying marriage, suggesting that the threat of economic insecurity leads to postponement in this area (Gibson-Davis, Edin and McLanahan 2005). We can view these decisions to delay as an important means of creating some room to maneuver, both for those experiencing insecurity as well as those who anticipate the risk of insecurity. While there are various cultural interpretations of the trends related to delayed

[53] There is also evidence in support of the inverse. Lovenheim and Mumford (2012) find that increases in housing wealth increase the probability of having a child.

adulthood (Newman 2008), from the perspective of intertemporal decision-making, postponing investments in family and future offers the benefit of minimizing present costs.

Beyond marriage and children, household heads faced decisions about if and how to invest in their own education as well as that of their children. When I first met Serena, a 24-year-old married homeowner with an associate's degree, she was excited to return to college to complete her bachelors and had been accepted at a local university for the fall. However, when we spoke again a year and a half later, she explained that the reality of student loans led her to change her plans just before she was set to enroll. With her mortgage and other monthly bills needing to be paid, she explained that "…getting *more* into debt absolutely terrifies me, so for me that wasn't an option…. So I haven't gone back." Serena saw the costs of higher education as a direct threat to the financial health and security of her family, and decided to postpone her schooling rather than expose her household to additional risk.

Parents with college-age children faced similar choices. Victor Cabrera had long hoped his two children would attend 4-year colleges. However, struggling for over a year to make mortgage payments and facing the threat of losing the family home, he encouraged his son to postpone plans to attend a 4-year school and enroll instead in the local community college. The Zamoras relied upon a similar strategy, having their eldest daughter attend a community college until they decided to stop making mortgage payments, at which point she started work to complete a bachelor's degree. Several other parents and young adult children shifted plans, postponing the completion of a degree or changing plans for the type of school in which a student would enroll.

There has been little published on postponement of higher education in the context of the Great Recession, including delays in enrollment and completion. However, surveys indicate that some students postponed college completion or selected 2-year rather than 4-year colleges during those years (Irons 2009). Lovenheim and colleagues (Lovenheim 2011; Lovenheim and Reynolds 2013) suggest that the inverse is true, noting that increases in housing wealth were associated with college attendance, attendance at higher-quality institutions, and college completion for household members. These trends square with the discussion here. An increase in housing wealth generates excess funds that homeowners can use to make investments in the future, making present costs more bearable. However, for insecure households lacking financial slack, such investments are likely out of reach or appear imprudent. Postponing educational costs, whether temporarily or indefinitely, can help households struggling to make ends meet.

Data from recent surveys suggest that many Americans are postponing these types of investments in the aftermath of the Great Recession. The Survey of Household Economics and Decisionmaking found that 18% of Americans reported putting off a major life decision because of the recession, including having a child, getting married, moving, buying a home and retiring (Board of Governors 2014). Postponement offers households a way to temporarily avoid the substantial costs associated with each of these investments. However, such a strategy prevents decision-makers from accessing the potential financial, emotional and social benefits associated with such investments. Once again, short-term relief is available, but at varied and often unknown future costs. For example, delaying marriage a couple years may carry few consequences down the line, whereas never completing a bachelor's degree is likely to have significant costs, most obviously in terms of lifetime earnings (Pew Research Center 2014). Still, for those facing insecurity in the present moment, putting off investments in marriage, children and education can offer a measure of relief.

Other Opportunities for Postponement

These reflect the primary areas in which participants postponed, although myriad other aspects of our daily lives provide similar opportunities. Needed repairs and inspections, especially for vehicles, offer another avenue for postponement. In areas like Stockton, without dependable public transit systems, cars are often a lifeline to everything people do. Personal vehicles can help people meet their day-to-day needs—going to work, taking children to school, getting groceries, seeking medical care, seeing friends and family—more efficiently in terms of time and money (Barnes 2005). Several households postponed needed car repairs, but highlighted one of the immediate costs of this strategy, expressing stress about their constrained ability to get around.

> Lilly: I wish I had a credit card to be able to—I know my car needs maintenance right now, and I can't afford it. I know it needs a tune up, I need new tires, and that's like… You know, I don't drive very far so it's okay right now, but [pause]…
> E: But that's on your mind.
> L: Right. Oh yeah, all the time.

Postponing expenses on repairs and upkeep (of cars, of homes, and of bodies) is an effective but risky strategy, one that generates further uncertainty. While participants could hope to avoid the need for a dentist or look for another means of extending credit, the daily necessity of a car heightens the challenges associated with uncertain access to this resource. For over a year, Deborah had a crack in her car windshield. In our conversations, she would often mention her anxiety at the possibility of being pulled over and getting a ticket for this infraction, potentially running up expenses beyond the cost of fixing the windshield, none of which she could afford. This was a daily source of stress, something she worried about as she drove around town, but something she had felt she had to put off.[54]

These varied examples highlight the versatility of postponement as a strategy for getting

---

[54] About a year and a half later, when she received a lump sum payment, Deborah was finally able to gather the full amount needed to address this repair.

by. However, they also point to the uncertainty postponement brings into decision-makers' lives, and the potential for delaying to lead to significant, sometimes unanticipated costs.

Discussion

This chapter considers, as a coherent set of strategies, several separate trends observed by social scientists, including growing levels of household debt, decisions to forego medical care and the postponement of childbirth (Burgard and Hawkins 2014; Hofmann and Hohmeyer 2013; Houle 2014b; Kalousova and Burgard 2013; Sommer 2014; Sullivan, Warren and Westbrook 2000). When we examine these various forms of postponement alongside each other, from the seemingly trivial (temporarily delaying a car repair) to the clearly consequential (indefinitely postponing the completion of a college degree), the parallels in these strategies and the decision-making process that surrounds them become more apparent. What unifies and defines these social practices is that they generate some room to maneuver for a household at a relatively small present cost. Simultaneously, they offer a sense of agency—an opportunity to make a choice and feel strategic—in situations that are otherwise often highly constrained. To simply say people postpone because they discount future costs is to ignore the powerful social and economic tools that postponement offers. Similarly, to deny people's agency and argue that postponement was something forced upon these families rather than a strategy they chose to employ in some areas and not in others is to ignore the fact that each of these families was confronted with decisions about how to deploy available resources. The accounts of study participants emphasize what they prioritized and what they decided to put off, shaped by the social context of each household. Below I briefly discuss what participants gained from making use of postponement as a strategy for making ends meet.

Postponement is dynamic, offering varied opportunities to generate slack in different areas of life. Participants found some forms of postponement palatable and others unacceptable, and they could easily reject delaying in some areas and accept it as a useful strategy in others. For example, Grace explained that she doesn't like credit and avoids using it, but she and her family delayed in other ways, cancelling health insurance and putting her daughters' higher education plans on hold. Similarly, Denise couldn't imagine postponing leaving her home once foreclosure was imminent, unwilling to delay on that front, but she accumulated and postponed debt several times as she struggled financially. In this way, postponement offers a degree of flexibility to those that employ it. However, making use of this strategy can restrict one's options over the longer-term. For example, racking up too much credit card debt can impede future access to credit, and postponing a move-out until the point of eviction can further limit future housing options. While postponing can increase flexibility in the moment, it has the potential to decrease one's capacity to maneuver later on.

As compared with other means of getting by, strategies of postponement can offer a high degree of privacy and independence. The stigma associated with being poor and with accessing formal supports such as welfare has been widely documented (Hays 2003; Katz 1989; Seccombe 2010; Sherman 2013). Hacker (2008) describes how the stigma against government assistance stretches from the lives of the poor to the middle class through what he terms "the Personal Responsibility Crusade," a movement forwarding the notion that social insurance is inefficient and presents a moral hazard, and that families should take responsibility and not rely on government supports. This stigma decreases the attractiveness of such means of getting by. Many households are also ineligible for such support, whether because their income falls above the threshold or because their legal status denies them access. Stigma, income level, and immigration status aside, many households still struggle to get by and seek alternative strategies to mitigating insecurity. In this context, private strategies that do not require reliance on others may be especially appealing.

Postponement then is an excellent alternative (or addition) to more visible and stigmatized strategies. Often the decision to postpone can be made in private, such that heads of household need not advertise widely their struggles to get by. Postponement allows households to avoid the stigma of relying on others (through public assistance or private help from within one's network), and to identify as self-sufficient. Victor explained that he's the kind of person that, "I don't wanna bother my neighbors or my brothers and sisters…. I'm always being one of the persons like, 'No, I can do this.'" As an alternative strategy, Victor postponed in many areas of his life, building debt, postponing health care payments, and postponing attendance at 4-year colleges for his children. Doing so allowed him to maintain his sense of self-sufficiency and avoid seeking help from family members or friends. Other research finds a similar preference for such strategies. In their study of how lower-income families manage debt, Tach and Greene (2014) found that families preferred personal coping strategies that could be used in private to those requiring outside involvement, such as relying on government assistance or social networks. In the present study, participants communicated their preference for private strategies for making ends meet by referencing other strategies as less desirable because they lacked privacy, such as going to the food bank. The relative social invisibility of postponement parallels the frequent invisibility of many dimensions of insecurity, as described in Chapter 3, offering an attractive possibility of privacy.

Thirdly, beyond it's flexibility and privacy, postponement can provide a sense of control. Working within their reality of heightened constraint, it presented an opportunity for participants to feel strategic in their decision-making. Unlike unemployment benefits, disability or food assistance, it isn't something that can be taken away or for which one can be deemed ineligible, a concern of several participants receiving those types of formal assistance. It offers a way to assert, "I'll get to it," maintaining plans to address something in the future, rather than admit defeat, dependence, or a lack of self-sufficiency. In some cases, postponing may be a practical and effective means of controlling consumption by constraining others in one's social network who are less concerned about household difficulties. For example, Deborah's decision to postpone putting gas in her car provided a means of avoiding expenses tied to social obligations to others, as she had a ready excuse to limit rides provided to others or cancel meetings outside of her home.

While heads of household usually acknowledged a discrepancy between their ideal situation and their reality, postponement allowed them a means of affirming the possibility of bridging this gap. When referencing this strategy generally, participants implied that postponement was both a temporary strategy (not meant to be indefinite), and asserted that the present circumstances were endurable. This combination seemed to provide a sense of control over their lives.

Grace indicated her family's lack of internet access was temporary: "we had to let our service go for now." Lilly remarked about her dental problems, "it's kind of uncomfortable because it's wobbly…but you just kind of live with it, you know? It's okay." Vera asserted that that while she had postponed utility payments, it hadn't caused her immediate problems. About the reminders she receives from the utility companies, "you may get a call because the phone automatically dials your number…. They do that four or five times a day, you know what I'm saying…but they're not really saying, 'if you don't do this, you're fitting to go off, we're fitting to shut you off.' I don't have none of that. I have *reminders*" (emphasis hers). Framed in these terms, postponement allows household members to maintain a narrative of a temporary setback rather than a permanent fall, and a narrative that suggests the current undesirable but still manageable situation is one over which they have some control.

Beyond these benefits of flexibility, privacy, and a sense of control, the temporary financial relief that postponement often provides is immensely important to households in their efforts to avoid or mitigate insecurity. The room to maneuver it can generate, however fleeting, is an essential tool for households working to make ends meet. This was most clearly visible among study participants when they delayed a move during a foreclosure, allowing participants to gather money that helped them get back on their feet. This benefit is borne out in data collected during the foreclosure crisis. Calem and colleagues (2014) found that households with longer foreclosure timelines and periods of nonpayment (in the language of this chapter, those households that were able to postpone their relocation longer) performed better on nonmortgage debt, suggesting that the slack generated by delaying their departure from their home helped them get their financial house in order.[55]

In their research on decision-making under scarcity, Mullainathan and Shafir (2013) describe how scarcity leads people to "tunnel," or focus narrowly on immediate needs, such that this short-term relief available through postponement is highly valued. Their discussion, encompassing both scarcity of time as well as scarcity of money, highlights why the strategies of postponement I review in this chapter may resonate with very busy, time-constrained people just as they do with insecure households.

---

[55] Alongside these clear benefits of postponing, it is worth noting that in some cases, institutional norms may also encourage the decision to postpone. The most obvious example of institutional pressure to postpone was the case of brokers and lenders who suggested or demanded the conversion and consolidation of debt in the context of a refinance.

Despite these benefits, postponement is not without its costs. The temporal distance between the decision to postpone and its effects, an inherent characteristic of the strategy, generates significant uncertainty about its ultimate consequences. Those who decided to move out rather than postpone their departure from foreclosed homes highlighted the uncertainty they were unwilling to bear, and the stress that such uncertainty can bring on. While in some cases delaying can be harmless, there are potential social, emotional, physical and financial costs to walking the tightrope of postponement, costs that are difficult or impossible to assess at the decision-making moment.

Postponing by delaying payments and growing debt negatively impacts credit scores and diminishes future access to credit. The experiences of study participants indicate that this can affect a household for many years, depriving members of an important resource and safety net, and potentially complicating future searches for housing or employment. Drawing on postponement at one point can make it more difficult to maneuver in the face of economic difficulties later on.

Delaying can also lead to small additional costs for households, nickel-and-diming them to greater overall expenses. For example, a ticket for a broken windshield reflects an additional cost beyond the repair itself. Late fees and interest are added on to money already owed. In many (but not all) instances, postponing will ultimately lead to greater financial costs in the long term. There may be emotional and physical costs to postponing, as decisions on the same issue must be confronted repeatedly and household or personal challenges remain unresolved. In describing the notion of a "scarcity trap," Mullainathan and Shafir (2013) focus on this same reality, "how scarcity perpetuates and often amplifies itself through what we do when in a scarcity mindset" (125).

Postponing debt through consolidation can also expose households to additional risks. In my sample, households who consolidated previously-unsecured debt into mortgage payments often turned once-affordable housing payments into unaffordable housing payments. To the risk of restricted access to credit or bankruptcy, these households added the risk of losing their home, and the set of resources that often accompany such a loss, as detailed in Chapter 4. Data linking this type of debt consolidation to homeownership status at several points in time could speak to the association between consolidation and home loss on a broader scale.

In the realm of health, postponing care may lead to worse management of chronic conditions as well as later detection of health problems. For example, Kayla worried about the many years that had passed since her last doctor's appointment and cancer screenings, especially in light of ongoing health problems. At the population level, more frequent postponement of these visits could lead to later cancer detections and higher cancer mortality. If health care postponement increased in the years of the Great Recession, as Burgard and Hawkins (2014) found, we would expect to see worsening health outcomes on metrics like these in the years following the Great Recession (and perhaps worse ratings of self-rated health during the Recession).[56]

My research suggests that when looking for postponement-related effects at the population level in the realm of health and beyond, we should look especially in geographies and among demographic groups in which postponement may take on disproportionate importance as a strategy for getting by. While some effects may be visible on the population-level (i.e. Cherlin

[56] It is therefore not surprising that Currie and Tekin (2011) do not find an association between local foreclosure activity and cancer-related health visits during the years they examine (2005-2009). During the recession, I would expect people to postpone such visits at higher rates (decreasing the likelihood of receiving an early diagnosis). However, I hypothesize that a similar examination covering 5-10 years following the Great Recession may reveal an association between prior local foreclosure activity and cancer-related health outcomes, as postponement decreases in the context of economic recovery.

and colleagues' (2013) finding of delays in childbearing, during and after the Great Recession), this study indicates we should look more closely at insecure households for whom postponement would be especially attractive. This includes regions especially hard hit by economic downturns as well as racial/ethnic groups and cohorts disproportionately affected.

The explicit intention of postponing is to push any negative effects into an often-unknown future. The temporal distance between decisions to postpone and their consequences complicates the task of identifying the effects of postponement and obscures the consequences for decision-makers themselves. In this chapter, I pointed to some potential implications of postponing in different areas, but telling a clear causal story, including across multiple generations, may be challenging in some cases. For example, if they ultimately do not complete a 4-year college degree, Victor's children will likely have significantly lower lifetime earnings than they otherwise would (Pew Research Center 2014). However, to capture this shift in college-going plans and link parents' decisions to postpone to children's later educational attainment and earnings is a complicated task at the population level and may not be observable in existing data sources, even if many households made decisions like Victor's during the Great Recession.

Conclusion

I conclude by briefly considering the implications of this study for research on making ends meet, as well as research on intertemporal choice. Prasad (2012) distinguishes between credit, which she frames as "redistribution from the future," and the welfare state, which she frames as "redistribution in the present" (239). They are alternative means of addressing critical distributional issues and the challenges of households not having enough to get by in the present moment. Through the lens of this study, we can view reliance on credit as one of many forms of postponement, and postponement more broadly as an important means of redistribution for many American households. It is a tool that allows people to access the resource of time in order to make ends meet in the present moment.

While social scientists and sociologists in particular have investigated specific instances of postponement (i.e., Kalousova and Burgard 2013; Tach and Greene 2014), to my knowledge, this is the first study to consider postponement more broadly, across many areas of life, as a strategy for getting by. Among study participants, I witnessed postponement as a tool for responding to the insecurity I detailed in Chapter 3, as well as a means to protect against it.

The study of postponement is especially important in that it widens the scope of scholarship on making ends meet. The various strategies of postponement used by study participants indicated that many Americans today—not only those considered poor—struggle to get by and must seek out assistance in different forms to get to the end of the month. National survey data suggest that, separately, many of these strategies are quite common.

These findings raise several considerations for scholars at the intersection of the family, economic sociology and inequality. First, postponement highlights the potential implications of household decision-making for multiple generations. When heads of household decide to delay health care, higher education or debt payments, those decisions directly and indirectly affect both opportunities and outcomes for other household members, especially children. As households redistribute resources across time, they are often also redistributing across generations and across individual family members, shifting their access to resources and opportunities. Second, the use of strategies of postponement, which can often be drawn upon in relative privacy, should prompt researchers to consider what other strategies households might turn to when trying to avoid more public and stigmatized means of getting by. Lastly, a study of postponement focuses scholarship on the complicated decision-making households face. By examining decisions to postpone in context, we can look beyond the black and white of their balance sheets and gain rich insight into the daily dilemmas that are part of making ends meet.

This study of postponement also offers important insight for social science research on intertemporal choice. The adage "time is money" takes on new meaning in light of these strategies for getting by, as households use the resource of time to postpone costs and avoid outlays of money. Cause and effect (in this case, the decision to postpone and when its outcome is felt) are temporally distanced in ways that can obscure the relationships between them, both for researchers and those that draw upon these strategies.

Most researchers investigating discounting and time preference have not accounted for the uncertainty that is part of so many families' lives, and the ways that such uncertainty complicates efforts to look beyond protecting oneself and one's family from risk in the short-term. Postponement, a form of discounting, can do the essential work of protecting households in the present moment. For many people, postponing is strategic, rational and advisable when viewed in social context.

While the act of discounting (preferring a present reward over a future reward) warrants continued study, the findings of this chapter suggest the need to investigate discounting as lived experience rather than in experimental or hypothetical settings. Calculating a mathematical discount rate to predict people's decision-making in real life without incorporating the social and economic demands of a household suggests a fundamental misunderstanding of how most people make decisions. In their book on improving people's day-to-day decision-making, Thaler and Sunstein (2008) frame decisions in areas such as health and wealth as simple, low-stakes propositions, such as selecting more or less healthy options from a cafeteria line, or saving versus spending $100 a month from a paycheck. Such a framing belies the tradeoffs that people must make and the ways that different areas of life are interwoven. To frame Grace Murray's decision to cancel or keep her children's dentist appointments without taking into account the broader context is misleading—paying for dental care would mean the Murrays could not make a full mortgage payment or wouldn't be able to afford groceries that month. For households facing economic constraints and insecurity, each decision can put family resources at risk, often in unpredictable ways. People undertake the act of discounting in their roles as parents, providers, homeowners, debtors, neighbors and workers, and the broad demands that come with these roles necessarily frame each decision they make about how to get by. As my research highlights, even decisions to postpone in small ways do not occur in a vacuum. Investigating decisions to postpone in their broader social context elucidates motivations for relying on this strategy and at times for heavily discounting future rewards.

Chapter 6: Conclusion

This dissertation is a study of household insecurity, viewed through the lens of homeownership and foreclosure. After laying out a multidimensional description of insecurity, I sought to answer two primary questions: how do households make decisions in the face of such insecurity, and what strategies do insecure households draw upon to get by? In this conclusion, I review my responses to these questions before considering the implications of this study for sociological research on homeownership, economic decision-making, and risk and insecurity. I then turn briefly to program and policy recommendations stemming from this research.

In response to the first question, I argue that decision-making is constrained by the realities of people's social embeddedness. Specifically, in the context of decision-making around mortgage default and foreclosure, individuals' homeownership narratives, experiences of injustice related to their home, resource constraints within a household and network, and the exogenous shocks that are part of our social lives (death, job loss etc.) were elements of people's social existence that constrained the options between which people decided and framed their relative attractiveness. Unlike the frames of irrationality and immorality, a frame that focuses on constraint allows for a nuanced investigation of how people confront complicated and realistic decisions. Such a frame, considering a wide range of factors shaping the decision-making process, can help account for some of the variation observed across households—in this case, for the varied ways that people respond to the possibility of default and foreclosure.

Study participants took widely different tacks in response to difficulties with mortgage payments, underwater mortgages, and losing their home. Some quickly gave up trying to save their home, while others invested heavily in trying to maintain ownership. Some looked to find a new home right away, while others participated in foreclosures that dragged on for years. While the present study examined in-depth only a small number of families, research that incorporates a larger population similarly finds households making a variety of decisions about when and if they default, not neatly guided by principles of rationality or morality (Bhutta, Dokko and Shan 2010; White 2010b). A frame of constraint can account for some of this variation by highlighting the multiple aspects of people's social worlds that factor into decision-making and lead people on divergent paths. Participants faced nearly-impossible decisions: should Diego continue making unaffordable housing payments or pay for his wife's medical care? Should Deborah declare bankruptcy as a means of slowing down her impending foreclosure or let the process run its course as it otherwise would? With so many unknowns but many immediate constraints, people's decisions were guided and options framed by the social world in which they were embedded.

In the dissertation I focus especially on decision-making related to homeownership and foreclosure, but Americans' heavy reliance on credit and debt, and the realities of insecure households more generally, leave many household heads facing similar dilemmas, month after month. A frame of constraint, offering a more sociological view of the decision-making process, may be useful for understanding decisions in these other contexts (though the elements of people's social worlds most salient in shaping decisions will vary). For example, Tach and Greene's (2014) research on decisions about debt payments highlights how people's narrative identities are especially important in shaping the strategies they select for the payment or non-payment of different types of debt. The possibility of declaring bankruptcy offers a parallel to mortgage default, as similar constraints frame decision-making each month about whether to continue paying assorted debts or enter into the formal bankruptcy process. While we have some insight into the life events associated with declaring bankruptcy (i.e. Maroto 2015), we have less insight into the actual decision-making process involved. A frame of constraint could shed light on why and when some households move forward with declaring bankruptcy while others opt not to.

The area of higher education also leaves insecure households needing to make many decisions about how to proceed. Students must decide whether to continue or take leave from school (and its associated costs) each semester. Those who have graduated or otherwise ended their schooling, and especially those without well-compensated employment or with crippling amounts of debt, must necessarily make monthly decisions about paying or defaulting on what can seem an unmanageable, and perhaps unjust, burden. Certainly many struggle with this decision, as in 2015, 7.5 million federal student loan borrowers were in default (The Institute for College Access & Success 2015). Like decisions about mortgage payments, decisions about student debt payments are necessarily socially embedded, and a frame of constraint could aid in more fully understanding this decision-making process. For many, it is likely more complicated than a simple economic or moral calculus, as their social obligations to others, the meaning they assign to their education, and other social realities may factor in.

While each of these—credit card debt, bankruptcy, mortgage default, student loans and even college attendance—raises the possibility of offering a person or household some form of protection, each can also expose household members to new risks. Insecure households constantly face decisions, surrounded by uncertainty, about how to manage life in light of these risks. A frame of constraint urges us to consider the various aspects of people's social realities that shape economic decision-making in these highly consequential areas. Understanding what drives these decisions is part of fully appreciating how people navigate threats to household security.

The second question I sought to answer was about the strategies insecure households draw upon in doing the work of getting by. A comprehensive answer is beyond the scope of this dissertation, but my research highlighted several strategies that were essential to getting by. Here, I want to draw attention to three observations about the strategies of insecure households in the space between poor and middle class: the challenges associated with downsizing as a potential strategy, the possibilities opened up by drawing on the resources of multiple generations, and the utility of manipulating time through strategies of postponement. These describe some of the various resources that can be deployed in the service of bringing expenses in line with income and making ends meet.

Difficulties with Downsizing

An obvious strategy for those struggling to get by is to reduce costs of living. For households in the study, this was a difficult strategy to implement. Mullainathan and Shafir (2009) describe financial slack as "the ease with which one can cut back consumption to satisfy an expected need. Under this definition, the poor appear to have less economic slack than the rich. Whereas a rich person can often cut back on (by their own admission) more frivolous spending, a poor person faced with a financially demanding situation is forced to cut back on essential expenses" (129). They raise an important point about the relative ease with which different groups are able to cut back, though they ignore the middle class in their discussion. The households in the study emphasize the particular challenges to cutting back for those occupying the space between poor and middle class.

This study's starting point of homeownership focuses attention on challenges tied to housing and its centrality in our lives. Most obviously, the contractual nature of homeownership through a mortgage, structured to be a long-term commitment, makes it difficult to cut housing costs quickly. In the immediate term, default is often the only option for reducing this cost, especially if the housing market is weak and selling a home quickly is not a possibility. However, beyond mortgage payments, many other costs of living are tied to the home, and can therefore be equally hard to cut back on. People can try to be frugal with their use of utilities, but there are some fixed costs associated with providing heat, air conditioning and water to a home of a certain size. Similarly, while living in a given location, people can make marginal changes in how they move around (and households in the study certainty did so), but transport costs for getting to and from work, getting kids to and from school, and acquiring things needed for living involve a set of expenses that cannot easily be eliminated (for most households, this involves one or two vehicles, gas, maintenance, registration and other costs). More broadly, the costs of living in a given community are difficult to avoid (i.e. local food and housing costs). People can relocate to less expensive areas, as some participants did, but there are a separate set of costs associated with doing so. In many ways, our lives are structured around our homes, and the realities of homeownership are such that it is often difficult to meaningfully and quickly reduce expenses in a wide variety of areas tied to housing. For many households, mortgage default may be one of the few options for quickly and substantially downsizing.

Other costs not tied to the home can involve long-term contracts that lock people into certain payments and/or penalize changes, such as telephone contracts, debt payments (i.e. student loans), and some childcare arrangements. Such agreements benefit the service providers, offering them a measure of certainty in their own budgets, while creating uncertainty for the consumers of those services. They leave households with very little in the way of discretionary income, reducing the maneuverability in their budgets. This reality highlights the limited utility of measures like asset poverty, which ignore households' typical expenses as well as the difficulties they face in downsizing. The institutional arrangement of long-term contracts and the ways they can tie up much of a household's budget make downsizing a less viable strategy for households working to quickly bringing expenses in line with income. What appears an obvious and straightforward option is greatly restricted for many homeowners and others with limited discretion over their budget. Similarly, this reality again highlights the asymmetry between organizational and individual actors (with formal agreements and institutional practices benefiting organizations while reducing the discretion and flexibility of individuals), further contributing to the inequalities households face in negotiating the process of getting by.

Multigenerational Strategies

Household heads often drew on the resources of older and younger generations as they struggled to make ends meet, avoid foreclosure, and find stability after a foreclosure. The path to homeownership is frequently multigenerational, especially with regard to parental assistance with down payments (Hall and Crowder 2011; Oliver and Shapiro 2006). The work of getting by is often no different. This occurred in many ways and on varying scales, seeping into a vast range of efforts to make ends meet. Grace Murray described taking $70 from her son's piggy bank one month, one of the measures included in the family's "cutbacks to try to stabilize our current financial dilemma." Her decision to do so highlighted how tight their budget was and their difficulty affording the essentials. On a much larger financial scale, the Aquinos borrowed $10,000 from extended family members and received monthly financial contributions from Mr. Aquino's parents, who lived with them as they struggled to avoid foreclosure. After Beverly bought her new home post-foreclosure, she could barely get by until she received an inheritance from her aunt, allowing her to comfortably afford her monthly mortgage payments for the first time.

While pooling the wealth of multiple generations is often key to getting by, multigenerational strategies for making ends meet were not limited to financial exchanges. Several participants moved in with parents or relied on them to care for children during difficult times. Younger generations also offered possibilities for cutting back on expenses, as parents asked them to postpone or make sacrifices, in the name of getting by. Shifting children's college plans to less expensive options is an obvious example, as is holding off on children's health care needs.

These strategies echo Stack's (1974) observations of kin-based supportive networks as a strategy for survival. The parallels suggest that many non-poor households similarly rely on extended networks and multiple generations to get by from one month to the next. While of great utility in the present moment, these multigenerational strategies can run the risk of eroding the safety net available in a wider network. As homeowners asked parents, siblings, children and other relatives for help or to make their own sacrifices, varied resources (including but not limited to wealth) were drained from multiple generations and households. In some cases these resources can be replenished, while in others these strategies weaken the cushion available in the case of future difficulties.

Strategies of Postponement

Insecure households drew on another approach to getting by, manipulating the resource of time. Strategies of postponement, detailed in Chapter 5, proved a critical means of generating a small amount of room to maneuver within household budgets.[57] Postponement in many cases offers the additional benefit of a strategy that is easily concealed and not highly visible socially, a quiet and flexible response to the insecurity and risk that are often an invisible part of people's daily lives. Possibilities such as building up credit card debt, consolidating unsecured debt into secured mortgage debt, delaying health care and delaying educational plans each offered a means of minimizing present expenses while often exposing households to new risks later on.

My investigation of postponement highlights the vicious circle within which insecure households often find themselves. Postponing in different areas of life, while done in response to the threat of insecurity, can often breed further insecurity, making it increasingly difficult to regain one's footing. Delayed consequences, built into the act of postponing, raise uncertainty about the future. Postponement can also foreclose other strategies down the line. For example, building up credit card debt can make it more difficult to lean on credit in future times of need, and it can be harder to secure a higher paying job for someone that has postponed additional schooling. Often, the strategies available perpetuate rather than solve the problem they intend to address. Similar to Mullainathan and Shafir's (2013) scarcity trap, in which "scarcity perpetuates and often amplifies itself through what we do when in a scarcity mindset" (125), insecurity is generally heightened by the strategies implemented in response. This is one pathway through

[57] There was overlap between strategies of postponement and multigenerational strategies for getting by, such as when homeowners looked to postpone various services for and investments in their children.

which insecurity can exacerbate patterns of inequality, as the available means of coping drive insecure households further into insecurity.

Returning to the Literature: Homeownership, Economic Decision-Making and Risk & Insecurity

This study highlights the centrality of home and homeownership in the lives of many Americans and offers several considerations for future research on homeownership. While there is an important place for the study of its potential benefits, a broader view of the implications of homeownership in owners' lives is warranted. First, it is essential that we examine its implications for various subgroups (at a minimum, minority households, lower-income households, first generation homeowners and immigrant households), as several other scholars have suggested (Rohe and Lindblad 2014; Shlay 2006). While anyone may benefit or lose from homeownership, patterns in predatory lending, wealth accumulation and other areas suggest the importance of tracking different groups' outcomes. Second, just as scholars have looked extensively across many different areas of life at the beneficial impacts of homeownership, potential losses associated with homeownership should be investigated just as comprehensively. If homeownership can be linked to health, children's educational and socio-emotional outcomes, civic participation, neighborhood stability and other benefits, losses in these areas should be similarly catalogued at the population level.

This dissertation also highlights the importance of a sociological view in the social scientific research on economic decision-making. I've argued that frames of irrationality and immorality (irresponsibility) are of limited utility in explaining people's decisions in realistic circumstances (rather than in experimental and hypothetical settings). A consideration of household decision-making around foreclosure emphasized the need for an alternative frame. For example, when facing multiple, simultaneous, uncertain losses in the context of foreclosure, it is unclear how biases like loss aversion or the endowment effect, part of a frame of irrationality, would guide decision-making. A frame of immorality, attempting to draw clear boundaries between moral and immoral actors even as this research highlights the complicated nature of drawing such boundaries, also appears inadequate as a tool for making sense of decision-making. We require a frame that looks at decisions in their social context and gives adequate attention to decision-making constraints. While this is not a radical notion, it is often absent in studies of human decision-making within the social sciences.

In this dissertation, I focused on how decision-making is shaped by an individual's embeddedness in the social world, highlighting the role of narrative and the resources people can access through their households and networks. I have largely ignored the ways decision-making is also institutionally embedded—that is, how the practices and routines of institutions also shape individuals' decision-making (see Heimer 2002 on institutional embeddedness). Future research on economic decision-making could focus on the role of institutional embeddedness in constraining decision-making. For example, returning to the case at hand, researchers could consider many institutional policies and practices—those of mortgage brokers and the broader lending industry, the government policies that encourage homeownership, organizations tasked with helping struggling homeowners and the rules determining eligibility for different types of relief and assistance—that shape decision-making around homeownership and foreclosure. These are all reflections of our institutional embeddedness, similarly constraining our decision-making processes.

Lastly, this dissertation recommends a rethinking of literature on risk and insecurity, which should be tied more closely to scholarly conversations on household well-being and patterns of inequality. As I discussed in Chapter 3, there is much about the experience of insecurity that is invisible or hidden. On the most basic level, many participants mentioned, unsolicited, that they had never spoken to anyone about their foreclosure prior to our interview. For some, our conversation was the first time they described to someone else the trajectory on which they lost their home and the related challenges they experienced. Unlike a medical problem, for which people might go to the doctor, people typically didn't discuss their challenges with insecurity with any professional. There is no threshold of insecurity beyond which people are eligible for aid, which might force people to publicly demonstrate their insecurity. The realities of insecurity, and the parallels in day-to-day experiences across many households, are often hidden from view. In his discussion of risk societies (as contrasted with class societies), Beck (1992) highlights this same quality of invisibility, and predicts the negative consequences for individuals' lived experience.

> Class societies are societies where…the main concern is the visible satisfaction of material needs…. Misery needs no self-confirmation. It exists. Its directness and visibility correspond to the material evidence of wealth and power. The certainties of class societies are in this sense the certainties of a culture of *visibility*: emaciated hunger contrasts with plump satiety; palaces with hovels, splendor with rags.
>
> These evident qualities of the tangible no longer hold in risk societies. What escapes perceptibility no longer coincides with the unreal, but can instead even possess a higher degree of hazardous reality. (44)

Painted in these stark terms, the relative invisibility of the risks and insecurities to which households are exposed appears highly problematic. This suggests that scholars must take up the task of thoroughly documenting the lived experiences of risk and insecurity, across all segments of the population and dimensions of life. It is not enough to document income dynamics, employment status, family structure, education level and other similar indicators. Given the different pathways through which insecurity may contribute to inequality (such as by constraining decision-making, as I argue in this dissertation), scholars investigating household well-being must consider the roles of risk and insecurity in their field of research.

While highlighting the insecurities that are part of many American households' realities, this dissertation simultaneously points to their lack of protection from risk. As I focus on the individual actors involved—a homeowner and her extended family, a mortgage broker who used deceptive practices, a lawyer promising help—this turns attention away from the reality that many of the decisions households made occurred in the context of highly unequal and asymmetric relationships between individual and organizational actors. These relationships often shift risk from organizations to individuals in systematic ways. So while popular discourse may focus on the moral hazards facing individuals (i.e. the Personal Responsibility Crusade described by Hacker (2008)), the moral hazards facing organizations are often ignored in discussions on risk, ignoring how such hazards can increase the risk to which individual actors are exposed (but see Heimer (2002) on the moral hazards facing organizations). Asymmetries in the interactions between organizational and individual actors (for example, vetting of the trustworthiness of borrowers, with few means of similar vetting of broker and lenders; institutional protections available to banks while individuals flounder without such protections) contribute to the kinds of insecurities I describe in this dissertation. Investigating the role of such asymmetrical interactions in shaping patterns of inequality is an essential task of scholars interested in the ties between risk and inequality.

Policy and Program Recommendations

This dissertation highlights how risk and insecurity are defining elements of life in the contemporary United States. Its findings and those of similar studies should prompt a much-needed policy debate on the protections routinely afforded to individuals. The relatively weak protections in the private and public spheres, discussed in Chapter 1 and apparent in the chapters that follow, are not a given of our “risk society” but rather the result of myriad policy decisions and institutional practices. The relative accessibility of formal protections such as health insurance and unemployment insurance are central in shaping the day-to-day experiences of risk across the population.

The insecurities I document suggest a number of specific policy changes. I offer some brief examples here. The institutional arrangements that tie access to credit to a number of other resources offer a prime example of the institutional embeddedness of key resources and how those institutions can generate additional risks. Access to employment and housing often involves routine credit checks, so that those with damaged credit (including people who have gone through a foreclosure) face hurdles in securing jobs and housing, in addition to their compromised ability to borrow. The institutional entanglements of these resources systematically produce additional risks for households struggling to get by. Both in and outside of government, people are advocating for policy changes in this area, most notably through Senator Elizabeth Warren’s proposed Equal Employment for All Act (S. 1981), which would restrict employers’ ability to use credit reports in employment decisions (Traub 2013). Disentangling access to these varied resources could reduce the risks to which households are routinely exposed in difficult times.

Separately, to minimize the risks associated with foreclosure and other forms of housing insecurity, regulation of predatory and discriminatory lending practices must remain a priority of government agencies. The injustices that were part of participants’ narratives were made possible by public and private institutions that condoned those practices. While the abuses of the subprime lending market have been curbed, new forms of predatory lending will inevitably surface looking to exploit disadvantaged borrowers. The recent growth in contracts for deed provides a case in point. In this form of home lending, sellers make high-interest loans and promise to turn over the deed after 20-40 years of installment payments, but leave borrowers without the protections of a traditional mortgage (including appraisals, inspections and time to catch up on payments) and with heavy, upfront non-refundable fees (Editorial Board 2016). Growth in these types of lending highlight the need for the Consumer Financial Protection Bureau and other government agencies to continually monitor and regulate developments in the home lending market, and for strong protections against predatory lending.

Finally, this dissertation encourages those concerned about the security of American households to consider not only the availability of protections but also the temporal dimension of such protections. Because households tend not to have a significant cushion readily available in times of need, as evidenced by the reports of participating families and other studies' findings (Board of Governors of the Federal Reserve System 2014; Rank, Hirschl and Foster 2014), help available in several months is functionally quite distinct from help available immediately. This can mean the difference between weathering difficult times or becoming trapped by insecurity.

Victor Cabrera's experience elucidates the relevance of timing for household protections. After an on-the-job injury and the need for major surgery left him temporarily unable to work, Victor was deemed eligible for short-term disability. However, those benefits did not arrive until four months later, during which time he withdrew most of the funds from his retirement savings (his only significant source of savings) and built up $12,000 in credit card debt to try to make ends meet. Victor's injury, inability to work and the delay in receiving disability payments led the Cabrera family on a downward spiral that eventually left them in default on their mortgage, with their retirement savings decimated, much further indebted, and with no prospects for rebuilding the financial cushion they had. Even for households like the Cabreras, eligible for existing insurance protections, the temporal distance between need and receipt can be a source of insecurity. As government, non-profit and other institutions contemplate their support of insecure households, they would do well to consider the temporal dimension of available assistance. Because the work of making ends meet is a challenge of the present moment, immediate assistance can most effectively support households in mitigating risks and avoiding further insecurity.

Whether alongside or in the absence of policy changes and debate on institutional protections, this dissertation also highlights the need for targeted supportive services aimed at households struggling with insecurity. Given the starting point of this study, these recommendations for targeted services focus on families affected specifically by foreclosure and housing insecurity. For households at risk or in the process of foreclosure, carefully designed services could help stem losses and facilitate the work of regaining stability after a foreclosure. Such services could be incorporated into an expanded version of existing housing counseling, such as the National Foreclosure Mitigation Counseling program administered through NeighborWorks America. The goal of these support services would not necessarily be to avoid foreclosure but to mitigate its potential effects on household members.[58] This recommendation is driven by my observations on the multiple dimensions of insecurity and the possibility for insecurity in one area to cascade into insecurity in other areas of life. Counselors familiar with the decision-making patterns of households facing foreclosure (Chapter 4) could use this awareness to help families protect assets and access key resources even as they decided how to proceed with foreclosure. They could offer guidance on a range of topics (not limited to

---

[58] For homeowners who have been victimized in the past, such services must overcome the challenge of building trust and convincing individuals of the value and safety of accessing available services.

housing), and connect people to varied services. On the most basic level, ensuring households have adequate access to food each month could help heads of household avoid decisions between feeding family members and keeping a roof over their heads. The Murrays faced this decision each month, yet had been denied access to food stamps because, in Grace Murray's words, "we're just a few dollars over." This support could involve connecting households to food pantries and widening the criteria for programs like SNAP to include insecure households (even if their income falls above eligibility limits).

Actively connecting households to free or low-cost health care could weaken ties between home foreclosure and mental and physical health problems, as well as the postponement of routine care (Cagney et al. 2014; Houle and Light 2014; Tsai 2015). A counselor could encourage people to seek care rather than postpone. While the Affordable Care Act should improve the range of options available, for households with volatile incomes, unstable employment or other challenges that heighten uncertainty, targeted assistance navigating health insurance possibilities could ensure that households are able to secure insurance and care in a timely fashion.

As Chapters 4 and 5 highlighted, many household resources can be at risk in the context of foreclosure. The Aquinos lost their retirement savings, the Navarros lost their access to credit, and the Cabrera children lost their opportunity to attend a 4-year college, at least in the near term. Accessible and thorough financial counseling, looking beyond immediate mortgage concerns, could help heads of household navigate decisions about different types of debt as well as how to manage any existing savings. Prioritizing the maintenance of some type of financial cushion could help households weather future problems more easily, especially in the absence of institutional protections for families.

Postponement and unmanageable debt can limit higher education access and link one generation's difficulties directly to the educational opportunities of the next generation. Grace Murray's two college-age children did not complete their programs as they couldn't cover payments and had no help from their parents, who were in dire financial straits. Her children hoped to continue their studies in the future, but they didn't see a way to do so in the near term. Counselors with expertise in both housing- and education-related debt should work especially closely with households whose members aspire to attend college, with the goal of maintaining the possibility of college attendance even for members of households struggling to make mortgage payments, at risk of foreclosure or post-foreclosure.

Connecting with families early on in the foreclosure process presents a challenge, but the experiences of study participants suggest possibilities for identifying and engaging with households. The mortgage default process becomes part of the public record when lenders must file a Notice of Default. Those attempting to scam homeowners used this information to identify and prey upon several households in the study. While this information can be easily exploited, it offers a means of identifying and potentially connecting with households facing foreclosure in an area. Drawing on this publicly available information could allow non-profit agencies to connect struggling households with comprehensive counseling and services that acknowledge the extensive reach of foreclosure in people's lives.[59]

---

[59] In the present study, only three households had worked or planned to work with a HUD-approved housing counselor. I did not speak with anyone whose counselor had connected them with other services or advised beyond the specifics of the mortgage default. While the National Foreclosure Mitigation Counseling program has served 2 million households, this leaves the vast majority of struggling households unconnected to a counselor (see http://www.neighborworks.org/Homes-Finances/Foreclosure/Foreclosure-Counseling-(NFMC) for details). While involvement in foreclosure counseling does appear to reduce the probability of losing one's home (Collins and Schmeiser 2013), this dissertation argues for a broader view of the resources at risk of loss and the types of counseling and services that may support family security in the longer-term.

Final Thoughts

In this dissertation, I focus on how households make decisions and the strategies they select in the face of insecurity. Always in the background of these decisions are “the risks and hazards systematically produced as part of modernization” (Beck 1992: 19). This dissertation provides several examples of risks built into and indeed constructed by modern institutions. Rather than offering protections, they often create additional insecurities for households. Foreclosure is in part a risk produced by a set of institutional norms and practices including the rise of specific credit products, contemporary legal understandings and government regulation or lack thereof. The status of being without health insurance, and the risks that accompany it, are only possible in the context of the convoluted system developed for the provision of and payment for health care. Increased barriers to employment after a foreclosure are not a given; rather, they are a product of institutional practices linking foreclosure, credit scores and job applications. These and other risks, then, are systematically produced, emerging from modern institutions. While I focus on more individual aspects of social embeddedness in my discussion of decision-making (aspects of people’s narratives, and the resource constraints within their networks), these broader institutional arrangements are also a part of their social world, and institutional embeddedness similarly shapes the decisions people face and the risks to which they are exposed.

In analyzing the data I collected as part of this dissertation, I was struck by the depth and breadth of insecurity in these households. While as social scientists we can identify, describe and document experiences of insecurity and the sources of risk that contribute to it, such work raises important moral and political questions about how to respond to this data. “Risks systematically produced” (Beck 1992) were evident in the trajectories of study participants and lead to questions about where the boundaries of personal responsibility should lie and what formal protections should be in place. As household heads made decisions in the face of risk and uncertainty, it was often only apparent over time how interwoven these risks were—the threat of losing one's home with the possibility of impeding the next generation's access to education, or with restricted access to health care. Given the challenges of decision-making in such a context, I would argue that for insecure households, the pendulum between risk and protection has swung too far towards the former, hindering many (and by some measures, most) Americans' possibilities for living lives with a measure of security, economic and otherwise. Without more robust protection from risk in both the public and private spheres, we compromise individuals' ability to make critical investments in housing, education, family and community. This examination of the lived experience of insecurity opens the door onto myriad questions about how we might respond to this reality.

References

Abelmann, Nancy. 2003. *The Melodrama of Mobility: Women, Talk, and Class in Contemporary South Korea*. Honolulu: University of Hawai'i Press.

Acs, Gregory, and Austin Nichols. 2010. "America Insecure: Changes in the Economic Security of American Families." in *Low-Income Working Families*. Washington, D.C.: The Urban Institute.

Adams, John S. 1984. "The Meaning of Housing in America." *Annals of the Association of American Geographers* 74(4):515-26.

Akerlof, George A., and Robert J. Shiller. 2015. *Phishing for Phools: The Economics of Manipulation and Deception*. Princeton, NJ: Princeton University Press.

Anderson, Jason. 2016. "Stockton crime rate at 15-year low." *The Stockton Record*. January 13, 2016. http://www.recordnet.com/article/20160113/NEWS/160119879 (Accessed March 20, 2016).

Ariely, Dan. 2010. *Predictably Irrational: The Hidden Forces That Shape Our Decisions*. New York: Harper Perennial.

The Atlantic. 2011. "The 10 Most Dangerous Cities in America." May 26, 2011. http://www.theatlantic.com/national/archive/2011/05/the-10-most-dangerous-cities-in-america/239513/#slide1 (Accessed January 25, 2016).

Badenhausen, Kurt. 2011. "America's Most Miserable Cities." *Forbes*. February 2, 2011.

Banerjee, Abhijit V., and Esther Duflo. 2008. "What is Middle Class about the Middle Classes around the World?" *Journal of Economic Perspectives* 22(2):3-28.

Barnes, Sandra L. 2005. *The Cost of Being Poor: A Comparative Study of Life in Poor Urban Neighborhoods in Gary, Indiana*. Albany: State University of New York Press.

Barr, Michael S. 2012. *No Slack: The Financial Lives of Low-Income Americans*. Washington, D.C.: Brookings Institution Press.

Bear, Laura. 2014. "Capital and time: uncertainty and qualitative measures of inequality." *The British Journal of Sociology* 65(4):639-49.

Beck, Ulrich. 1992. *Risk Society: Towards a New Modernity*. Los Angeles: Sage Publications.

Beckert, Jens. 1996. "What is sociological about economic sociology? Uncertainty and the embeddedness of economic action." *Theory and Society* 25(6):803-40.

Been, Vicki, Sewin Chan, Ingrid Gould Ellen, and Josiah R. Madar. 2011. "Decoding the foreclosure crisis: Causes, responses, and consequences." *Journal of Policy Analysis and Management* 30(2):388-96.

Belsky, Eric S., Ren S. Essene, and Nicolas P. Retsinas. 2008. "Consumer and Mortgage Credit at the Crossroads." Pp. 5-64 in *Borrowing to Live: Consumer and Mortgage Credit Revisited*, edited by Nicolas P. Retsinas and Eric S. Belsky. Washington, D.C.: Brookings Institution Press and Joint Center for Housing Studies Harvard University.

Belsky, Eric S., and Nela Richardson. 2010. "Understanding the Boom and Bust in Nonprime Mortgage Lending." Joint Center for Housing Studies of Harvard University.

Beracha, Eli, and Ken H. Johnson. 2012. "Lessons from Over 30 Years of Buy versus Rent Decisions: Is the American Dream Always Wise?" *Real Estate Economics* 40(2):217-47.
Bhutta, Neil, Jane Dokko, and Hui Shan. 2010. "The Depth of Negative Equity and Mortgage Default Decisions." in *Finance and Economics Discussion Series, Divisions of Research & Statistics and Monetary Affairs*. Washington, D.C.: Federal Reserve Board.
Bleich, Sara N., Marian P. Jarlenski, Caryn N. Bell, and Thomas A. LaVeist. 2012. "Health Inequalities: Trends, Progress, and Policy." *Annual Review of Public Health* 33(1):7-40.
Bloom, Barbara, and Robin A. Cohen. 2010. "Dental Insurance for Persons Under Age 65 Years with Private Health Insurance: United States, 2008." Center for Disease Control and Prevention U.S. Department of Health and Human Services, Naitonal Center for Health Statistics. Washington, D.C.
Board of Governors of the Federal Reserve System. 2014. "Report on the Economic Well-Being of U.S. Households in 2013." Washington, D.C.: Federal Reserve Board.
—. 2015. "Report on the Economic Well-Being of U.S. Households in 2014." Washington, D.C.: Federal Reserve Board.
Bossert, Walter, and Conchita D'Ambrosio. 2013. "Measuring Economic Insecurity " *International Economic Review* 54(3):1017-30.
Bostic, Raphael W., and Kwan Ok Lee. 2009. "Homeownership: America's Dream?" Pp. 218-56 in *Insufficient Funds: Savings, Assets, Credit, and Banking Among Low-Income Households*, edited by Rebecca M. Blank and Michael S. Barr. New York: Russell Sage Foundation.
Boushey, Heather, Chauna Brocht, Bethney Gundersen, and Jared Bernstein. 2001. *Hardships in America: The Real Story of Working Families*. Washington, D.C.: Economic Policy Institute.
Brady, David, Andrew S. Fullerton, and Jennifer Moren Cross. 2010. "More Than Just Nickels and Dimes: A Cross-National Analysis of Working Poverty in Affluent Democracies." *Social Problems* 57(4):559-85.
Brady, Peter J., Glenn B. Canner, and Dean M. Maki. 2000. "The Effects of Recent Mortgage Refinancing." *Federal Reserve Bulletin* 86(7):441-50.
Bratt, Rachel G., and D. A. N. Immergluck. 2015. "The Mortgage Crisis: Historical Context and Recent Responses." *Journal of Urban Affairs* 37(1):32-37.
Bricker, Jesse, Lisa J. Dettling, Alice Henriques, Joanne W. Hsu, Kevin B. Moore, John Sabelhaus, Jeffrey Thompson, and Richard A. Windle. 2014. "Changes in the U.S. Family Finances from 2010 to 2013: Evidence from the Survey of Consumer Finances." Board of Governors of the Federal Reserve System. Washington, DC.
Brown, Dorothy. 2012. "How Home Ownership Keeps Blacks Poorer Than Whites." *Forbes*. December 10, 2012. http://www.forbes.com/sites/forbesleadershipforum/2012/12/10/how-home-ownership-keeps-blacks-poorer-than-whites/#68685e6d7e57 (Accessed July 1, 2016).
Burgard, Sarah A. , and Jaclynn M. Hawkins. 2014. "Race/Ethnicity, Educational Attainment, and Foregone Health Care in the United States in the 2007-2009 Recession." *American Journal of Public Health* 104(2):e134-e40.
Burgard, Sarah A., Kristin S. Seefeldt, and Sarah Zelner. 2012. "Housing instability and health: Findings from the Michigan recession and recovery study." *Social Science & Medicine* 75(12):2215-24.

Cagney, Kathleen A. , Christopher R. Browning, James Iveniuk, and Ned English. 2014. "The Onset of Depression During the Great Recession: Foreclosure and Older Adult Mental Health." *American Journal of Public Health* 104(3):498-505.
Calem, Paul S., Julapa Jagtiani, and William W. Lang. 2014. "Foreclosure delay and consumer credit performance." Federal Reserve Bank of Philadelphia, Working Papers: 14-8.
California Department of Corporations. 2012. "Mortgage Modification and Foreclosure Scams Alert." California Department of Corporations, California Department of Real Estate. http://keepyourhomecalifornia.org/wp-content/uploads/2012/12/Mortgage_Foreclosure_Alert.pdf (Accessed April 20, 2015).
Carr, James H., and Michelle Mulcahy. 2010. "Twenty years of housing policy: what's new, what's changed, what's ahead?" *Housing Policy Debate* 20(4):551-76.
Casey, B. J., Leah H. Somerville, Ian H. Gotlib, Ozlem Ayduk, Nicholas T. Franklin, Mary K. Askren, John Jonides, Marc G. Berman, Nicole L. Wilson, Theresa Teslovich, Gary Glover, Vivian Zayas, Walter Mischel, and Yuichi Shoda. 2011. "Behavioral and neural correlates of delay of gratification 40 years later." *Proceedings of the National Academy of Sciences of the United States of America* 108(36):14998-5003.
Cherlin, Andrew, Erin Cumberworth, S. Philip Morgan, and Christopher Wimer. 2013. "The Effects of the Great Recession on Family Structure and Fertility." *Annals of the American Academy of Political & Social Science* 650(1):214-31.
Cohen, Patricia. 2015. "Middle Class, but Feeling Economically Insecure." *The New York Times*. April 10, 2015. http://nyti.ms/1NZKRVI (Accessed November 9, 2015).
Colby, Margaret S, Dominick Esposito, Seth Goldfarb, Daniel E. Ball, Vivian Herrera, Leslie J. Conwell, Susan B. Garavaglia, Eric S. Meadows, and Martin D. Marciniak. 2011. "Medication Discontinuation and Reinitiation Among Medicare Part D Beneficiaries Taking Costly Medications." *American Journal of Pharmacy Benefits* 3(5):e102-e10.
Coleman-Jensen, Alisha, Mark Nord, and Anita Singh. 2013. "Household Food Security in the United States in 2012." United States Department of Agriculture Economic Research Service. Washington D.C.: USDA.
Collins, J. Michael, and Maximilian D. Schmeiser. 2013. "The Effects of Foreclosure Counseling for Distressed Homeowners." *Journal of Policy Analysis and Management* 32(1):83-106.
Cooper, Marianne. 2014. *Cut Adrift: Families in Insecure Times*. Berkeley: University of California Press.
Corbae, Dean, and Erwan Quintin. 2015. "Leverage and the Foreclosure Crisis." *Journal of Political Economy* 123(1):1-65.
CoreLogic. 2015. "CoreLogic Reports 36,000 Completed Foreclosures in August 2015." Irvine, California. http://www.corelogic.com/about-us/news/corelogic-reports-36,000-completed-foreclosures-in-august-2015.aspx (Accessed October 14, 2015).
Crump, Jeff, Kathe Newman, Eric S. Belsky, Phil Ashton, David H. Kaplan, Daniel J. Hammel, and Elvin Wyly. 2008. "Cities Destroyed (Again) for Cash: Forum on the U.S. Foreclosure Crisis." *Urban Geography* 29(8):745-84.
Currie, Janet, and Erdal Tekin. 2011. "Is the Foreclosure Crisis Making Us Sick?". Cambridge, Massachusetts: National Bureau of Economic Research. Working Paper 17310.
da Matta, Adriana, Fábio Leyser Gonçalves, and Lisiane Bizarro. 2012. "Delay discounting: Concepts and measures." *Psychology & Neuroscience* 5(2):135-46.

DeNavas-Walt, Carmen, and Bernadette D. Proctor. 2014. "Income and Poverty in the United States: 2013." *Current Population Reports*. Washington, DC: U.S. Census Bureau.

Department of Health and Human Services, Office of the Secretary. 2013. "Federal Register: Annual Update of the HHS Poverty Guidelines." Pp. 5182-83, Department of Health and Human Services.

Di, Zhu Xiao, Eric Belsky, and Xiaodong Liu. 2007. "Do homeowners achieve more household wealth in the long run?" *Journal of Housing Economics* 16(3–4):274-90.

Dickey, Sara. 2012. "The Pleasures and Anxieties of Being in the Middle: Emerging Middle-Class Identities in Urban South India." *Modern Asian Studies* 46(3):559-99.

Dietz, Robert D., and Donald R. Haurin. 2003. "The social and private micro-level consequences of homeownership." *Journal of Urban Economics* 54(3):401-50.

Dohan, Daniel. 2003. *The Price of Poverty: Money, Work, and Culture in the Mexican American barrio*. Berkeley: University of California Press.

Doyle, John R. 2013. "Survey of time preference, delay discounting models." *Judgment & Decision Making* 8(2):116-35.

Drew, Rachel Bogardus, and Christopher E. Herbert. 2013. "Postrecession Drivers of Preferences for Homeownership." *Housing Policy Debate* 23(4):666-87.

Drew, Rachel, and Daniel McCrew. 2008. "Home Sweet Home: Housing Costs Burying More Middle-Income Homeowners." *Journal of Housing & Community Development* 65(3):18-23.

Dshemuchadse, Maja, Stefan Scherbaum, and Thomas Goschke. 2013. "How decisions emerge: Action dynamics in intertemporal decision making." *Journal of Experimental Psychology: General* 142(1):93-100.

Duncan, Greg, Timothy Smeeding, and Willard Rogers. 1993. "W(h)ither the Midde Class? A Dynamic View." Pp. 240-71 in *Poverty and Prosperity in the USA int he Late Twentieth Century*, edited by Dimitri B. Papadimitriou and Edward N. Wolff. New York: St. Martin's Press.

Dynan, Karen, Douglas Elmendorf, and Daniel Sichel. 2012. "The Evolution of Household Income Volatility." *The B.E. Journal of Economic Analysis & Policy* 12(2).

Edin, Kathryn, and Rebecca Joyce Kissane. 2010. "Poverty and the American Family: A Decade in Review." *Journal of Marriage and Family* 72(3):460-79.

Edin, Kathryn, and Laura Lein. 1997. *Making Ends Meet: How Single Mothers Survive Welfare and Low-Wage Work*. New York: Russell Sage Foundation.

The Editorial Board. 2016. "The Racist Roots of a Way to Sell Homes." *The New York Times*. April 29, 2016. http://www.nytimes.com/2016/04/29/opinion/the-racist-roots-of-a-way-to-sell-homes.html?mabReward=A6&action=click&pgtype=Homepage&region=CColumn&module=Recommendation&src=rechp&WT.nav=RecEngine&_r=1 (Accessed May 22, 2016).

Edsall, Thomas B. 2015. "How Poor Are the Poor." *The New York Times*. March 25, 2015. http://www.nytimes.com/2015/03/25/opinion/how-poor-are-the-poor.html?_r=0 (Accessed March 27, 2015).

Ehrenreich, Barbara. 2001. *"Nickel and Dimed: On (Not) Getting By in America*. New York: Metropolitan Books.

Eisenhauer, Joseph G. 2011. "The rich, the poor, and the middle class: Thresholds and intensity indices." *Research in Economics* 65(4):294-304.
Elul, Ronel, Nicholas S. Souseles, Souphala Chomsisengphet, Dennis Glennon, and Robert Hunt. 2010. "What 'Triggers' Mortgage Default?". Philadelphia: Research Department, Federal Reserve Bank of Philadelphia.
Ericson, Keith M. Marzilli, and Andreas Fuster. 2014. "The Endowment Effect." *Annual Review of Economics* 6(1):555-79.
Esping-Andersen, Gøsta. 1990. *The Three Worlds of Welfare Capitalism*. Princeton, NJ: Princeton University Press.
Fieulaine, Nicolas, and Thémis Apostolidis. 2014. "Precariousness as a Time Horizon: How Poverty and Social Insecurity Shape Individuals' Time Perspectives." Pp. 213-28 in *Time Perspective Theory; Review, Research and Application*, edited by Maciej Stolarski, Nicolas Fieulaine, and Wessel van Beek: Springer International Publishing.
Fisher, Gordon M. 1992. "The Development and History of the Poverty Thresholds." Social Security Bulletin. 55(4).
Fligstein, Neil, and Adam Goldstein. 2015. "The emergence of a finance culture in American households, 1989–2007." *Socio-Economic Review*:1-27.
Flippen, Chenoa. 2004. "Unequal returns to housing investments? A study of real housing appreciation among black, white, and Hispanic households." *Social Forces* 82:1523-51.
Foley, Donald L. 1980. "The Sociology of Housing." *Annual Review of Sociology* 6:457-78.
Frederick, Shane, George Loewenstein, and Ted O'Donoghue. 2002. "Time Discounting and Time Preference: A Critical Review." *Journal of Economic Literature* 40(2):351-401.
Gabler, Neal. 2016. "The Secret Shame of Middle-Class Americans." *The Atlantic*. May 2016. http://www.theatlantic.com/magazine/archive/2016/05/my-secret-shame/476415/ (Accessed June 1, 2016).
García, José A. 2007. "Borrowing to Make Ends Meet: The Rapid Growth of Credit Card Debt in America." *Borrowing to Make Ends Meet Series*. New York: Demos. http://www.demos.org/sites/default/files/publications/Demos_BorrowingEndsMeet.pdf (Accessed July 29, 2015).
Garon, Sheldon M. 2012. *Beyond Our Means: Why America Spends While the World Saves*. Princeton, NJ: Princeton University Press.
Gelman, Michael, Shachar Kariv, Matthew D. Shapiro, Dan Silverman, and Steven Tadelis. 2015. "How Individuals Smooth Spending: Evidence from the 2013 Government Shutdown Using Account Data." http://www-personal.umich.edu/~shapiro/papers/Govt-Shutdown.pdf (Accessed July 9, 2015).
Gerardi, Kristopher, Kyle F. Herkenhoff, Lee E. Ohanian, and Paul S. Willen. 2013. "Unemployment, Negative Equity, and Strategic Default." Available at SSRN. http://ssrn.com/abstract=2293152 (Accessed April 30, 2015).
Gerardi, Kristopher, Lauren Lambie-Hanson, and Paul S. Willen. 2011. "Do Borrower Rights Improve Borrower Outcomes? Evidence from the Foreclosure Process." *Public Policy Discussion Papers*. Boston: Federal Reserve Bank of Boston. No. 11-9. http://www.bos.frb.org/economic/ppdp/2011/ppdp1109.htm (Accessed May 3, 2015).
Gerardi, Kristopher, Stephen L. Ross, and Paul Willen. 2011. "Understanding the Foreclosure Crisis." *Journal of Policy Analysis and Management* 30(2):381-400.

Gibson-Davis, Christina M., Kathryn Edin, and Sara McLanahan. 2005. "High Hopes But Even Higher Expectations: The Retreat From Marriage Among Low-Income Couples." *Journal of Marriage & Family* 67(5):1301-12.
Giddens, Anthony. 1990. *The Consequences of Modernity*. Stanford, California: Stanford University Press.
Goodstein, Ryan M. 2014. "Refinancing Trends among Lower Income and Minority Homeowners during the Housing Boom and Bust." *Real Estate Economics* 42(3):690-723.
Gosselin, Peter. 2008. *High Wire: The Precarious Financial Lives of American Families*. New York: Basic Books.
Granovetter, Mark. 1983. "The Strength of Weak Ties: A Network Theory Revisited." *Sociological Theory* 1:201-33.
—. 1985. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91(3):481-510.
Griskevicius, Vladas, Joshua M. Tybur, Andrew W. Delton, and Theresa E. Robertson. 2011. "The influence of mortality and socioeconomic status on risk and delayed rewards: A life history theory approach." *Journal of Personality and Social Psychology* 100(6):1015-26.
Gruenstein Bocian, Debbie, Wei Li, and Keith S. Ernst. 2010. "Foreclosures by Race and Ethnicity: The Demographics of a Crisis." Durham, N.C. Center for Responsible Lending. http://www.responsiblelending.org/mortgage-lending/research-analysis/foreclosures-by-race-and-ethnicity.pdf (Accessed December 21, 2011).
Gruenstein Bocian, Debbie, Wei Li, and Roberto G. Quercia. 2011. "Lost Ground, 2011: Disparities in Mortgage Lending and Foreclosures." Durham, N.C.: Center for Responsible Lending. http://www.responsiblelending.org/mortgage-lending/research-analysis/Lost-Ground-2011.pdf (Accessed February 8, 2012).
Gruenstein Bocian, Debbie, Peter Smith, Ginna Green, and Paul Leonard. 2010. "Dreams Deferred: Impacts and Characteristics of the California Foreclosure Crisis." Durham, N.C. Center for Responsible Lending. http://www.responsiblelending.org/california/ca-mortgage/research-analysis/dreams-deferred-CA-foreclosure-report-August-2010.pdf (Accessed December 21, 2011).
Hacker, Jacob S. 2002. *The Divided Welfare State: The Battle over Public and Private Social Benefits in the United States*. New York: Cambridge University Press.
—. 2004. "Privatizing Risk without Privatizing the Welfare State: The Hidden Politics of Social Policy Retrenchent in the United States." *The American Political Science Review* 98(2):243-60.
—. 2008. *The Great Risk Shift: The New Economic Insecurity and the Decline of the American Dream*. New York: Oxford University Press.
Hall, Matthew, and Kyle Crowder. 2011. "Extended-family resources and racial inequality in the transition to homeownership." *Social Science Research* 40(6):1534-46.
Hall, Matthew, Kyle Crowder, and Amy Spring. 2015a. "Neighborhood Foreclosures, Racial/Ethnic Transitions, and Residential Segregation." *American Sociological Review* 80(3):526-49.
—. 2015b. "Variations in Housing Foreclosures by Race and Place, 2005–2012." *The ANNALS of the American Academy of Political and Social Science* 660(1):217-37.

Halliday, Timothy J. 2014. "Unemployment and mortality: Evidence from the PSID." *Social Science & Medicine* 113(0):15-22.
Harris, Richard, and Chris Hamnett. 1987. "The myth of the promised land: the social diffusion of home ownership in Britain and North America." *Annals of the Association of American Geographers* 77:173-90.
Hays, Sharon. 2003. *Flat Broke with Children: Women in the Age of Welfare Reform*. New York: Oxford University Press.
Heimer, Carol A. 1988. "Social Struture, Psychology, and the Estimation of Risk." *Annual Review of Sociology* 14:491-519.
—. 2002. "Insuring More, Ensuring Less: The Costs and Benefits of Private Regulation through Insurance." Pp. 116-45 in *Embracing Risk: The Changing Culture of Insurance and Responsibility*, edited by Tom Baker and Jonathan Simon. Chicago: The University of Chicago Press.
Heimer, Carol A., and Lisa R. Staffen. 1998. *For the Sake of the Children: The Social Organization of Responsibility in the Hospital and the Home*. Chicago: The University of Chicago Press.
Herbert, Christopher E., and Eric S. Belsky. 2008. "The Homeownership Experience of Low-Income and Minority Families: A Review and Synthesis of the Literature." *Cityscape* 10(2):5-60.
Herbert, Christopher E., Daniel McCue, and Rocio Sanchez-Moyano. 2013. "Is Homeownership Still an Effective Means of Building Wealth for Low-income and Minority Households? (Was it Ever?)." Cambridge, MA: Joint Center for Housing Studies, Harvard University. HBTL-06.
Hirschl, Thomas A, and Mark R Rank. 2010. "Homeownership Across the American Life Course: Estimating the Racial Divide." *Race and Social Problems* 2(3-4):125-36.
Hitlin, Steven, and Stephen Vaisey. 2013. "The New Sociology of Morality." *Annual Review of Sociology* 39:51-68.
Hochschild, Jennifer L. 1995. *Facing Up to the American Dream: Race, Class, and the Soul of the Nation*. Princeton, NJ: Princeton University Press.
Hodson, Randy, Rachel E. Dwyer, and Lisa A. Neilson. 2014. "Credit Card Blues: The Middle Class and the Hidden Costs of Easy Credit." *The Sociological Quarterly* 55(2):315-40.
Hofmann, Barbara, and Katrin Hohmeyer. 2013. "Perceived Economic Uncertainty and Fertility: Evidence From a Labor Market Reform." *Journal of Marriage & Family* 75(2):503-21.
Houle, Jason N. 2014a. "Mental health in the foreclosure crisis." *Social Science & Medicine* 118(0):1-8.
Houle, Jason N. 2014b. "A Generation Indebted: Young Adult Debt across Three Cohorts." *Social Problems* 61(3):448-65.
Houle, Jason N., and Michael T. Light. 2014. "The Home Foreclosure Crisis and Rising Suicide Rates, 2005 to 2010." *American Journal of Public Health* 104(6):1073-79.
Hout, Michael. 2007. "How Class Works in Popular Conception: Most Americans Identify with the Class Their Income, Occupation, and Education Implies for Them." Berkeley, CA: University of California, Berkeley Survey Research Center. http://ucdata.berkeley.edu/rsfcensus/papers/Hout-ClassIDJan07.pdf (Accessed June 6, 2016).

Hout, Michael, and Orestes P. Hastings. 2014. "The Social Recession: Americans' Subjective Reactions to the Great Recession and Lagging Economy Since 2006." *American Sociological Association Annual Meeting*. San Francisco, CA. http://textlab.io/doc/540814/the-social-recession--americans (Accessed June 6, 2016).
Hwang, Jackelyn, Michael Hankinson, and Kreg Steven Brown. 2015. "Racial and Spatial Targeting: Segregation and Subprime Lending within and across Metropolitan Areas." *Social Forces* 93(3):1081-108.
Hyman, Louis. 2011. *Debtor Nation: The History of America in Red Ink*. Princeton, NJ: Princeton University Press.
Iceland, John. 2012. *Poverty in America: A Handbook*. Berkeley: University of California Press.
—. 2014. *A Portrait of America: The Demographic Perspective*. Oakland, California: University of California Press.
Immergluck, Dan, and Geoff Smith. 2006. "The External Costs of Foreclosure: The Impact of Single-Family Mortgage Foreclosures on Property Values." *Housing Policy Debate* 17(1):57-79.
The Institute for College Access & Success. 2015. "Default Rate Declines, Yet 611,000 Defaulted on Federal Student Loans." http://ticas.org/sites/default/files/pub_files/cdr_2015_nr.pdf (Accessed April 15, 2016).
Irons, John. 2009. "Economic Scarring: The long-term impacts of the recession." Washington, D.C.: Economic Policy Institute. EPI Briefing Paper #243. http://s4.epi.org/files/page/-/img/110209scarring.pdf (Accessed August 12, 2015).
Jackson, Stephanie L., William F. Vann, Jonathan B. Kotch, Bhavna T. Pahel, and Jessica Y. Lee. 2011. "Impact of Poor Oral Health on Children's School Attendance and Performance." *American Journal of Public Health* 101(10):1900-06.
Joassart-Marcelli, Pascale. 2005. "Working poverty in southern California: towards an operational measure." *Social Science Research* 34(1):20-43.
Joint Center for Housing Studies of Harvard University. 2008. "The State of the Nation's Housing 2008." Cambridge, MA: Graduate School of Design and Harvard Kennedy School. http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2008.pdf (Accessed July 27, 2015).
—. 2014. "The State of the Nation's Housing." Cambridge, MA: Joint Center for Housing Studies of Harvard University. http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/sonhr14_txt_bw-full.pdf (Accessed November 17, 2015).
Kahneman, Daniel. 2011. *Thinking, Fast and Slow*. New York: Farrar, Straus and Giroux.
Kahneman, Daniel, Jack L. Knetsch, and Richard H. Thaler. 1991. "Anomalies: The Endowment Effect, Loss Aversion, and Status Quo Bias." *Journal of Economic Perspectives* 5(1):193-206.
Kahneman, Daniel, and Amos Tversky. 1979. "Prospect Theory: An Analysis of Decision under Risk." *Econometrica* 47(2):263-92.
—. 1982. "The Psychology of Preferences." *Scientific American* 246(1):160-73.
— (Eds.). 2000. *Choices, Values, and Frames*. New York: Cambridge University Press.
Kaiser Family Foundation. 2015. "Preventive Services Covered by Private Health Plans under the Affordable Care Act." Menlo Park, CA: The Henry J. Kaiser Family Foundation.

http://kff.org/health-reform/fact-sheet/preventive-services-covered-by-private-health-plans/ (Accessed November 20, 2015).
Kalleberg, Arne L. 2011. *Good Jobs, Bad Jobs: The Rise of Polarized and Precarious Employment Systems in the United States, 1970s to 2000s*. New York: Russell Sage Foundation.
Kalousova, Lucie, and Sarah A. Burgard. 2013. "Debt and Foregone Medical Care." *Journal of Health and Social Behavior* 54(2):204-20.
Kaplan, Cameron, and Yuting Zhang. 2014. "The January Effect: Medication Reinitiation among Medicare Part D Beneficiaries." *Health Economics* 23(11):1287-300.
Katz, Michael B. 1989. *The Undeserving Poor: From the War on Poverty to the War on Welfare*. New York: Pantheon Books.
Kimelberg, Shelley McDonough. 2014. "Middle-Class Parents, Risk, and Urban Public Schools." in *Choosing Homes, Choosing Schools*, edited by Annette Lareau and Kimberly Goyette. New York: Russell Sage Foundation.
Kingsley, G. Thomas, Robin Smith, and David Price. 2009. "The Impacts of Foreclosures on Families and Communities: Report Prepared for the Open Society Institute." Washington, D.C.: The Urban Institute. http://www.urban.org/UploadedPDF/411909_impact_of_forclosures.pdf (Accessed December 27, 2011).
Kovalsky, Elyse. Unpublished Manuscript. "Caring for Oneself to Care for Others: The Effect of the Provider Role on Diabetes Management."
Krippner, Greta R. , and Anthony S. Alvarez. 2007. "Embeddedness and the Intellectual Projects of Economic Sociology." *Annual Review of Sociology* 33(1):219-40.
Kusenbach, Margarethe, and Krista E. Paulsen (Eds.). 2013. *Home: International Perspectives on Culture, Identity and Belonging*: Peter Lang AG.
Lamont, Michèle. 2000. *The Dignity of Working Men: Morality and the Boundaries of Race, Class, and Immigration*. Cambridge, MA: Harvard University Press.
Lamont, Michèle, and Mario Luis Small. 2008. "How Culture Matters: Enriching Our Understanding of Poverty." Pp. 76-102 in *The Colors of Poverty: Why Racial and Ethnic DIsparities Persist*, edited by Ann Chih Lin and David R. Harris. New York: Russell Sage Foundation.
Lawrance, Emily C. 1991. "Poverty and the Rate of Time Preference: Evidence from Panel Data." *Journal of Political Economy* 99(1):54-77.
Leicht, Kevin T. 2012. "Borrowing to the Brink: Consumer Debt in America." in *Broke: How Debt Bankrupts the Middle Class*, edited by Katherine Porter. Stanford, California: Stanford University Press.
Lewis, Michael. 2011. *The Big Short: Inside the Doomsday Machine*. New York: W. W. Norton & Company.
Logan, John R., and Harvey L. Molotch. 1987. *Urban Fortunes: The Political Economy of Place*. Berkeley: University of California Press.
Lovenheim, Michael. 2011. "Housing Wealth and Higher Education: Building a Foundation for Economic Mobility." Economic Mobility Project. Washington, D.C.: The Pew Charitable Trusts. http://www.pewtrusts.org/~/media/legacy/uploadedfiles/wwwpewtrustsorg/reports/economic_mobility/pewempprojectfamilywealthpdf.pdf (Accessed April 8, 2012).

Lovenheim, Michael F., and Kevin J. Mumford. 2012. "Do Family Wealth Shocks Affect Fertility Choices? Evidence from the Housing Market." *Review of Economics and Statistics* 95(2):464-75.
Lovenheim, Michael, and C. Lockwood Reynolds. 2013. "The Effect of Housing Wealth on College Choice: Evidence from the Housing Boom." *Journal of Human Resources* 48(1):1-35.
Lusardi, Annamaria, Daniel Schneider, and Peter Tufano. 2011. "Financially Fragile Households: Evidence and Implications." *Brookings Papers on Economic Activity* (1):83-134.
Lyman, Rick, and Mary Williams Walsh. 2013. "California City's Return to Solvency, With Pension Problem Unsolved." *The New York Times*. New York. December 5, 2013. .http://www.nytimes.com/2013/12/06/us/stockton-set-to-return-to-solvency-with-pension-problem-unsolved.html?_r=0 (Accessed December 16, 2015).
Mani, Anandi, Sendhil Mullainathan, Eldar Shafir, and Jiaying Zhao. 2013. "Poverty Impedes Cognitive Function." *Science* 341(6149):976-80.
Mann, Ronald J. 2009. "Patterns of Credit Card Use Among Low- and Moderate-Income Households." in *Insufficient Funds: Savings, Assets, Credit, and Banking Among Low-Income Households*, edited by Rebecca M. Blank and Michael S. Barr. New York: Russell Sage Foundation.
Manning, Robert D. 2000. *Credit Card Nation: The Consequences of America's Addiction to Credit*. New York: Basic Books.
Mansbridge, Jane J. 1990. "On the Relation of Altruism and Self-Interest." Pp. 133-43 in *Beyond Self-Interest*, edited by Jane J. Mansbridge. Chicago: The University of Chicago Press.
Marcuse, Peter. 1980. "The Ideologies of Ownership and Property Rights." Pp. 39-50 in *Housing Form and Public Policy in the United States*, edited by Richard Plunz. New York: Praeger
Maroto, Michelle. 2012. "The Scarring Effects of Bankruptcy: Cumulative Disadvantage Across Credit and Labor Markets." *Social Forces* 91(1):99-130.
Maroto, Michelle Lee. 2015. "Pathways into Bankruptcy: Accumulating Disadvantage and the Consequences of Adverse Life Events." *Sociological Inquiry* 85(2):183-216.
Marron, Donncha. 2009. *Consumer Credit in the United States: A Sociological Perspective from the 19th Century to the Present*. New York: Palgrave Macmillan.
McCall, Leslie, and Christine Percheski. 2010. "Income Inequality: New Trends and Research Directions." *Annual Review of Sociology* 36(1):329-47.
McCloud, Laura, and Rachel E. Dwyer. 2011. "The Fragile American: Hardship and Financial Troubles in the 21st Century." *Sociological Quarterly* 52(1):13-35.
McCoy, Patricia A., and Elizabeth Renuart. 2008. "The Legal Infrastructure of Subprime and Nontraditional Home Mortgages." Pp. 110-37 in *Borrowing to Live: Consumer Mortgage Credit Revisited*, edited by Nicolas P. Retsinas and Eric S. Belsky. Washington, DC: Brookings Institution Press and Joint Center for Housing Studies Harvard University.
McFadden, Daniel. 1999. "Rationality for economists?" *Journal of Risk and Uncertainty* 19(1):73-105.
McFadden, Daniel L. 2013. "The New Science of Pleasure." Cambridge, MA: National Bureau of Economic Research.

McKernan, Signe-Mary, Caroline Ratcliffe, and Katie Vinopal. 2009. "Do Assets Help Families Cope with Adverse Events." *Perspectives on Low-Income Working Families*. Washington, D.C.: The Urban Institute. http://www.urban.org/sites/default/files/alfresco/publication-pdfs/411994-Do-Assets-Help-Families-Cope-with-Adverse-Events-.PDF (Accessed May 21, 2015).

Meier, Stephan, and Charles Sprenger. 2010. "Present-Biased Preferences and Credit Card Borrowing." *American Economic Journal: Applied Economics* 2(1):193-210.

Mills, Melinda, Ronald R. Rinduss, Peter McDonald, and Egbert te Velde. 2011. "Why do people postpone parenthood? Reasons and social policy incentives." *Human Reproduction Update* 0:1-13.

Mischel, Walter, Yuichi Shoda, and Monica L Rodriguez. 1989. "Delay of Gratification in Children." *Science* 244(4907):933-38.

Modena, Francesca, Concetta Rondinelli, and Fabio Sabatini. 2014. "Economic Insecurity and Fertility Intentions: The Case of Italy." *Review of Income and Wealth* 60:S233-55.

Moffitt, Terrie E., Louise Arseneault, Daniel Belsky, Nigel Dickson, Robert J. Hancox, HonaLee Harrington, Renate Houts, Richie Poulton, Brent W. Roberts, Stephen Ross, Malcolm R. Sears, W. Murray Thomson, and Avshalom Caspi. 2011. "A gradient of childhood self-control predicts health, wealth, and public safety." *Proceedings of the National Academy of Sciences of the United States of America* 108(7):2693-98.

Mullainathan, Sendhil, and Eldar Shafir. 2009. "Savings Policy and Decisionmaking in Low-Income Households." in *Insufficient Funds: Savings, Assets, Credit, and Banking Among Low-Income Households*, edited by Rebecca M. Blank and Michael S. Barr. New York: Russell Sage Foundation.

—. 2013. *Scarcity: Why Having Too Little Means So Much*. New York: Times Books.

National Coalition for Asian Pacific American Community Development, and Southeast Asia Resource Action Center. 2011. "Untold Stories of the Foreclosure Crisis: Southeast Asian Americans in the Central Valley." Washington, D.C. http://nationalcapacd.org/images/uploads/files/SEARAC_CRISIS_REPORT_2011_%28Revised%29.pdf (Accessed December 16, 2011).

Newman, Katherine S. 1999. *No Shame in My Game: The Working Poor in the Inner City*. New York: Vintage Books.

—. 2008. "Ties that Bind: Cultural Interpretations of Delayed Adulthood in Western Europe and Japan." *Sociological Forum* 23(4):645-69.

Newman, Katherine S., and Victor Tan Chen. 2007. *The Missing Class: Portraits of the Near Poor in America*. Boston: Beacon Press.

Noss, Amanda. 2014. "Household Income: 2013"*American Community Survey Briefs*. Washington, DC: U.S. Department of Commerce Economics and Statistics Administration, U.S. Census Bureau.

Obama, President Barack. 2009. "Remarks by the President on the mortgage crisis." Mesa, Arizona. February 18, 2009. https://www.whitehouse.gov/the-press-office/remarks-president-mortgage-crisis (Accessed October 15, 2015).

—. 2012. "Remarks by the President in State of the Union Address." United States Capitol, Washington D.C.: The White House Office of the Press Secretary. January 24, 2012. https://www.whitehouse.gov/the-press-office/2012/01/24/remarks-president-state-union-address (Accessed May 15, 2015).

—. 2013. "Remarks by the President in the State of the Union Address." Washington, D.C.: The White House Office of the Press Secretary. February 12, 2013. https://www.whitehouse.gov/the-press-office/2013/02/12/remarks-president-state-union-address (Accessed January 1, 2016).
Oliver, Melvin L., and Thomas M. Shapiro. 2006. *Black Wealth/White Wealth: A New Perspective on Racial Inequality*. New York: Routledge.
Owens, Lindsay A. 2015. "Intrinsically Advantageous?: Reexamining the Production of Class Advantage in the Case of Home Mortgage Modification." *Social Forces* 93(3):1185-209.
Owens, Timothy J., Dawn T. Robinson, and Lynn Smith-Lovin. 2010. "Three Faces of Identity." *Annual Review of Sociology* 36(1):477-99.
Pattillo, Mary. 2013. "Housing: Commodity versus Right." *Annual Review of Sociology* 39(1):509-31.
Pattillo-McCoy, Mary. 1999. *Black Picket Fences: Privilege and Peril among the Black Middle Class*. Chicago: University of Chicago Press.
Pew Research Center. 2014. "The Rising Cost of *Not* Going to College." http://www.pewsocialtrends.org/2014/02/11/the-rising-cost-of-not-going-to-college/ (Accessed June 6, 2016).
Pimpare, Stephen. 2009. "The Failures of American Poverty Measures." *Journal of Sociology & Social Welfare* 36(1):103-22.
Polletta, Francesca. 2006. *It Was Like a Fever: Storytelling in Protest and Politics*. Chicago: The University of Chicago Press.
Porter, Katherine (Ed.). 2012. *Broke: How Debt Bankrupts the Middle Class*. Stanford, California: Stanford University Press.
Portes, Alejandro, and Rubén G. Rumbaut. 2001. *Legacies: The Story of the Immigrant Second Generation*. Berkeley, CA: University of California Press.
Prasad, Monica. 2012. *The Land of Too Much: American Abundance and the Paradox of Poverty*. Cambridge, Massachusetts: Harvard University Press.
Rank, Mark R, and Thomas A Hirschl. 2001. "Rags or Riches? Estimating the Probablities of Poverty and Affluence across the Adult American Life Span." *Social Science Quarterly* 82(4):651-69.
Rank, Mark Robert, Thomas A. Hirschl, and Kirk A. Foster. 2014. *Chasing the American Dream: Understanding What Shapes Our Fortunes*. New York: Oxford University Press.
Ravallion, Martin. 2010. "The Developing World's Bulging (but Vulnerable) Middle Class." *World Development* 38(4):445-54.
Read, Daniel, Goerge Loewenstein, and Matthew Rabin. 1999. "Choice bracketing." *Journal of Risk and Uncertainty* 19(1):171-97.
RealtyTrac. 2011. "2010 Year-End U.S. Metro Foreclosure Report: 2010 Foreclosure Activity Down in Hardest Hit Markets But Increases in 72 Percent of Major Metros." Irvine, California: RealtyTrac. http://www.realtytrac.com/content/press-releases/2010-year-end-us-metro-foreclosure-report-6317 (Accessed June 30, 2014).
—. 2012. "2011 Year-End Foreclosure Report: Foreclosures on the Retreat." Irvine, California: RealtyTrac. http://www.realtytrac.com/content/foreclosure-market-report/2011-year-end-foreclosure-market-report-6984 (Accessed February 11, 2012).
—. 2013. "2012 Metro Foreclosure Report: 2012 Foreclosure Activity Up in 57 Percent of Metro Areas, Best Markets to Buy Foreclosures in 2013 Selected." Irvine, California.

http://www.realtytrac.com/content/foreclosure-market-report/2012-metro-foreclosure-report-7575 (Accessed June 30, 2014).
Rector, Robert E., Kirk A. Johnson, and Sarah E. Youssef. 1999. "The Extent of Material Hardship and Poverty in the United States." *Review of Social Economy* 57(3):351-87.
Renuart, Elizabeth. 2004. "An overview of the predatory mortgage lending process." *Housing Policy Debate* 15:467-502.
Rohe, William M., and Mark R. Lindblad. 2014. "Reexamining the Social Benefits of Homeownership after the Foreclosure Crisis." Pp. 99-140 in *Homeownership Built to Last: Balancing Access, Affordability, and Risk after the Housing Crisis*, edited by Eric S. Belsky, Christopher E. Herbert, and Jennifer H. Molinsky. Washington, D.C.: Brookings Institution Press.
Rohe, William M., Shannon Van Zandt, and George McCarthy. 2001. "The Social Benefits and Costs of Homeownership: A Critial Assessment of the Research." *Low-Income Homeownership Working Paper Series*. Cambridge, MA: Joint Center for Housing Studies, Harvard University.
—. 2002. "Home Ownership and Access to Opportunity." *Housing Studies* 17(1):51-61.
Roosa, Mark W., Shiying Deng, Rajni L. Nair, and Ginger Lockhart Burrell. 2005. "Measures for Studying Poverty in Family and Child Research." *Journal of Marriage and Family* 67(4):971-88.
Ross, Lauren M., and Gregory D. Squires. 2011. "The Personal Costs of Subprime Lending and the Foreclosure Crisis: A Matter of Trust, Insecurity, and Institutional Deception." *Social Science Quarterly* 92(1):140-63.
Rugh, Jacob S. 2015. "Double Jeopardy: Why Latinos Were Hit Hardest by the US Foreclosure Crisis." *Social Forces* 93(3):1139-84.
Saegert, Susan, Desiree Fields, and Kimberly Libman. 2009. "Deflating the Dream: Radical Risk and the Neoliberalization of Homeownership." *Journal of Urban Affairs* 31(3):297-317.
Samuelson, Paul A. 2008. "Asymmetric or symmetric time preference and discounting in many facets of economic theory: A miscellany." *Journal of Risk and Uncertainty* 37:107-14.
Santos, Laurie R. , and Alexandra G. Rosati. 2015. "The Evolutionary Roots of Human Decision Making." *Annual Review of Psychology* 66(1):321-47.
Sayer, Andrew. 2010. "Class and Morality." Pp. 163-78 in *Handbook of the Sociology of Morality*, edited by Steven Hitlin and Stephen Vaisey. New York: Springer.
Schafran, Alex, and Jake Wegmann. 2012. "Restructuring, Race, and Real Estate: Changing Home Values and the New California Metropolis, 1989-2010." *Urban Geography* 33(5):630-54.
Schor, Juliet. 1998. *The Overspent American: Upscaling, Downshifting, and the New Consumer*. New York: Basic Books.
Schwartz, Alex F. 2010. *Housing Policy in the United States: Second Edition*. New York: Routledge.
Seccombe, Karen. 2010. *"So You Think I Drive a Cadillac?" Welfare Recipients' Perspectives on the System and Its Reform. 3rd Ed.* Upper Saddle River, NJ: Prentice Hall.
Shahani, Aarti. 2011. "As Foreclosures Surge, Help Is Often Hard to Find." *NPR*. November 3, 2011. http://www.npr.org/2011/11/03/141976365/as-foreclosures-surge-help-is-often-hard-to-find (Accessed December 21, 2011).

Sharp, Gregory, and Matthew Hall. 2014. "Emerging Forms of Racial Inequality in Homeownership Exit, 1968–2009." *Social Problems* 61(3):427-47.
Sherman, Jennifer. 2013. "Surviving the Great Recession: Growing Need and the Stigmatized Safety Net." *Social Problems* 60(4):409-32.
Shlay, Anne B. 2006. "Low-income Homeownership: American Dream or Delusion?" *Urban Studies.* 43(3):511-31.
Short, Kathleen. 2014. "The Supplemental Poverty Measure: 2013." *Current Population Reports*. Washington, D.C.: U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau.
Siebens, Julie. 2013. "Extended Measures of Well-Being: Living Conditions in the United States: 2011." Economics and Statistics Administration U.S. Department of Commerce. Washington, D.C.: United States Census Bureau.
Sims, Chris R., Hansjörg Neth, Robert A. Jacobs, and Wayne D. Gray. 2013. "Melioration as rational choice: Sequential decision making in uncertain environments." *Psychological Review* 120(1):139-54.
Small, Mario Luis. 2009. "'How many cases do I need?': On science and the logic of case selection in field-based research." *Ethnography* 10(1):5-38.
Somers, Margaret, and Gloria D. Gibson. 1994. "Reclaiming the Epistemological 'Other': Narrative and the Social Constitution of Identity." in *Social Theory and the Politics of Identity*, edited by Craig Calhoun. Cambridge, MA: Blackwell Publishers.
Sommer, Kamila. 2014. "Fertility Choice in a Life Cycle Model with Idiosyncratic Uninsurable Earnings Risk." Board of Governors of the Federal Reserve System (U.S.), Finance and Economics Discussion Series: 2014-32. http://search.ebscohost.com/login.aspx?direct=true&db=ecn&AN=1439616&site=ehost-live (Accessed July 9, 2015).
Spilerman, Seymour. 2000. "Wealth and Stratification Processes." *Annual Review of Sociology* 26(1):497-524.
Squires, Gregory D., and Charis E. Kubrin. 2006. *Privileged Places: Race, Residence, and the Structure of Opportunity*. Boulder, Colorado: Lynne Rienner Publishers.
Stack, Carol B. 1974. *All Our Kin: Strategies for Survival in a Black Community*. New York: Harper & Row.
Stevens, Ann Huff. 1999. "Climbing Out of Poverty, Falling Back In." *Journal of Human Resources* 34(3):557-88.
Strom, Elizabeth, and Susan Greenbaum. 2013. ""Still the "American Dream"? View of Home Ownership in the Wake of the Foreclosure Crisis"." Pp. 49 - 72 in *Home: International Perspectives on Culture, Identity, and Belonging*, edited by Margarethe Kusenbach and Krista E. Paulsen. Frankfurt am Main, Germany: Peter Lang AG.
Sullivan, James X. 2008. "Borrowing During Unemployemnt: Unsecured Debt as a Safety Net." *Journal of Human Resources* 43(2):383-412.
Sullivan, Teresa A., Elizabeth Warren, and Jay Lawrence Westbrook. 2000. *The Fragile Middle Class: Americans in Debt*. New Haven: Yale University Press.
Tach, Laura M., and Sara Sternberg Greene. 2014. "“Robbing Peter to Pay Paul”: Economic and Cultural Explanations for How Lower-Income Families Manage Debt." *Social Problems* 61(1):1-21.

Tallman, Irving , and Louis N. Gray. 1990. "Choices, Decisions, and Problem-Solving." *Annual Review of Sociology* 16(1):405-33.

Taylor, Paul, Kim Parker, Rakesh Kocchar, Richard Fry, Cary Funk, Eileen Patten, and Seth Motel. 2012. "Young, Underemployed and Optimistic: Coming of Age, Slowly, in a Tough Economy." Washington, DC: Pew Research Center, Social & Demographic Trends. http://www.pewsocialtrends.org/files/2012/02/young-underemployed-and-optimistic.pdf (Accessed March 16, 2016).

Teuscher, Ursina, and Suzanne H. Mitchell. 2011. "Relation Between Time Perspective and Delay Discounting: A Literature Review." *Psychological Record: Part of special issue: Translational research on Discounting* 61(4):613-32.

Thaler, Richard H., and Cass R. Sunstein. 2008. *Nudge: Improving Decisions about Health, Wealth, and Happiness*. New Haven: Yale University Press.

Townsend, Peter. 1993. *The International Analysis of Poverty*. Hemel Hempstead, UK: Harvester-Wheatsheaf.

Traub, Amy. 2013. "Discredited: How Employment Credit Checks Keep Qualified Workers Out of a Job." New York: Demos. http://www.demos.org/discredited-how-employment-credit-checks-keep-qualified-workers-out-job (Accessed January 25, 2016).

Tsai, Alexander C. 2015. "Home Foreclosure, Health, and Mental Health: A Systematic Review of Individual, Aggregate, and Contextual Associations." *PLoS ONE* 10(4):e0123182.

Turner, Tracy M., and Heather Luea. 2009. "Homeownership, wealth accumulation and income status." *Journal of Housing Economics* 18(2):104-14.

U.S. Bureau of Labor Statistics. 2015. "Local Area Unemployment Statistics. "Table 1. Civilian labor force and unemployment by metropolitan area, seasonally adjusted." Washington, D.C.: Bureau of Labor Statistics. http://www.bls.gov/lau/metrossa.htm (Accessed August 18, 2015).

U.S. Census Bureau. 2011. "Historical Census of Housing Tables." Housing and Household Economic Statistics Division, U.S. Census Bureau. Washington, D.C. https://www.census.gov/hhes/www/housing/census/historic/owner.html (Accessed December 17, 2015).

—. 2013a. "2009-2013 American Community Survey 5-Year Estimates." Washington, D.C.

—. 2013b. "American Housing Survey for the United States: 2011." *Current Housing Reports, Series H150/11*. Washington, DC: U.S. Government Printing Office. https://www.census.gov/content/dam/Census/programs-surveys/ahs/data/2011/h150-11.pdf (Accessed December 10, 2015).

—. 2015. "QuickFacts: United States." Washington, DC. http://www.census.gov/quickfacts/table/PST045215/00 (Accessed April 5, 2016).

U.S. Department of Commerce, Economics and Statistics Administration. 2010. "Middle Class in America." Office of the Vice President of the United States Middle Class Task Force. Washington, D.C. http://2010-2014.commerce.gov/sites/default/files/documents/migrated/Middle%20Class%20Report.pdf (Accessed June 26, 2015).

Vilhjalmsson, Runar. 2005. "Failure to seek needed medical care: Results from a national health survey of Icelanders." *Social Science & Medicine* 61(6):1320-30.

Vyse, Stuart. 2008. *Going Broke: Why Americans Can't Hold On to Their Money*. New York: Oxford University Press.

The Wall Street Journal. 2009. "Call Them Irresponsible: Rewarding those who put the 'liar' in liar loans." March 2, 2009. http://www.wsj.com/articles/SB123595305743805193 (Accessed October 15, 2015)

Wang, Hairong. 2011. "Defining the Middle Class." *Beijing Review* 54(36):18-19.

Warren, Elizabeth, and Deborah Thorne. 2012. "A Vulnerable Middle Class: Bankruptcy and Class Status." in *Broke: How Debt Bankrupts the Middle Class*, edited by Katherine Porter. Stanford, California: Stanford University Press.

Warren, Elizabeth, and Amelia Warren Tyagi. 2003. *The Two-Income Trap: Why Middle-Class Mothers and Fathers Are Going Broke*. New York: Basic Books.

Waters, Mary C., Patrick Joseph Carr, Maria Kefalas, and Jennifer Ann Holdaway (Eds.). 2011. *Coming of Age in America: The Transition to Adulthood in the Twenty-First Century*. Berkeley: University of California Press.

Western, Bruce, Deirdre Bloome, Benjamin Sosnaud, and Laura Tach. 2012. "Economic Insecurity and Social Stratification." *Annual Review of Sociology* 38:341-59.

White, Brent T. 2010a. "The Morality of Strategic Default." *UCLA Law Review* 58:155-64.

—. 2010b. "Underwater and Not Walking Away: Shame, Fear and the Social Management of the Housing Crisis." *Wake Forest Law Review* 34:971-1023.

Williams, Brett. 2004. *Debt for Sale: A Social History of the Credit Trap*. Philadelphia, PA: University of Pennsylvania Press.

Williams, Richard, Reynold Nesiba, and Eileen Diaz McConnell. 2005. "The Changing Face of Inequality in Home Mortgage Lending." *Social Problems* 52(2):181-208.

Wilson, William Julius. 1987. *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago: The University of Chicago Press.

Wittmann, Marc, and Martin P. Paulus. 2009. "Intertemporal choice: Neuronal and psychological determinants of economic decisions." *Journal of Neuroscience, Psychology, and Economics* 2(2):71-74.

Wood, Geof. 2003. "Staying Secure, Staying Poor: The “Faustian Bargain”." *World Development* 31(3):455-71.

Wyatt, Dennis. 2012. "We're rewarding those irresponsible borrowers once again." *Manteca Bulletin*. Manteca, CA. February 21, 2012. http://www.mantecabulletin.com/archives/35344/ (Accessed December 1, 2015).

Yilmazer, Tansel, Patryk Babiarz, and Fen Liu. 2015. "The impact of diminished housing wealth on health in the United States: Evidence from the Great Recession." *Social Science & Medicine* 130(0):234-41.

Zeckhauster, Richard J., and W. Kip Viscusi. 2008. "Discounting dilemmas: Editors' introduction." *Journal of Risk and Uncertainty* 37:95-106.

Zelizer, Viviana A. 1997. *The Social Meaning of Money: Pin Money, Paychecks, Poor Relief, and Other Currencies*. Princeton, NJ: Princeton University Press.

Zingales, Luigi. 2010. "The Menace of Strategic Default: Homeowners who walk away from their mortgages undermine our financial system." *City Journal*. New York: Manhattan Institute. Spring 2010. http://www.city-journal.org/html/menace-strategic-default-13273.html (Accessed November 20, 2015).

Zukin, Sharon , and Jennifer Smith Maguire. 2004. "Consumers and Consumption." *Annual Review of Sociology* 30(1):173-97.