Abstract

A Difficult Cycle: The Effect of Labor Market Changes on The Employment And Program Participation of People With Disabilities

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This paper examines the dynamics behind the employment and program participation trends of workers with disabilities. We find strong evidence that labor market declines induce male workers with disabilities to exit employment and enter the disability programs. However, the evidence only weakly supports the hypothesis that male workers with disabilities are more likely than those without disabilities to lose their jobs in a declining labor market. Rather, those who lose their jobs are much less likely to re-enter employment in later years. Our findings for women with disabilities suggest that adverse labor markets do not have a disproportionately large impact on employment exits, though they do induce program entry.

For information about the full paper please contact Anne Sieverding at acs5@cornell.edu