Abstract for the FY22 SSA RDRC Funding Program

The Impact of Nontraditional Work on Retirement Decisions: Evidence from the Gig Economy

Caitlin Gorback, Emilie Jackson, and Mingli Zhong[1]

March 24, 2021

Abstract

We examine the effect of the gig economy on older individuals' labor market participation and Social Security claiming behavior. Using survey data from the Census Bureau and the National Household Travel Survey (NHTS) and exploiting variation in gig job availability from the introduction of Uber across 229 U.S. cities, we document three findings. First, older individuals are more willing to drive and renew their driver's license. Second, they are more likely to report as part-time workers. Third, they are less likely to report that they no longer seek employment or they are retired. All of these results are consistent with older individuals using gig economy jobs, and Uber in particular, to supplement earnings. In further research, we will investigate whether gig economy participation differs by socio-economic characteristics such as race, ethnic group, gender, and household income.

In addition, we would like to access de-identified individual-level Social Security claiming data and socio-economic characteristics to study whether the availability of gig work, in particular the Uber platform, has impacted individuals' decision on initial Social Security claiming.

Relevant Focal Areas

Our project is tightly related to the Focal Area #6, Economic Security of SSA Beneficiaries. We particularly examine the effect of nontraditional work on Social Security claiming behavior and financial security. Our project also contributes to the Focal Area #7, Disparities by Race and Ethnicity. We will study the disparities in gig economy participation by race and ethnic group.

[1] Gorback: NBER. Email: gorback@nber.org. Jackson: NBER. Email: jacksone@nber.org. Zhong: NBER. mzhong@nber.org.