Objective Life Circumstances and Life Satisfaction:
Results from the Course of Homelessness Study*

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Relations between objective life circumstances and life satisfaction were examined using structural equation modeling of two waves of data obtained from homeless and mentally ill homeless participants (N=298) in the Course of Homelessness Study (COH). Cross-sectional analyses revealed that objective indexes of life quality were primarily associated with domain-specific, rather than general, life satisfaction. Results could not be attributed to the covariation of life satisfaction with other indexes of subjective well-being (i.e., psychological symptoms and perceived self-mastery). In addition, significant direct ("causal") cross-lagged effects were found linking initial objective housing status with subsequent income and subsequent satisfaction with housing. By contrast, neither life satisfaction nor any other index of subjective well-being exerted a direct impact on subsequent life quality as assessed by objective indexes. Finally, we found no support for previous claims that perceived self-mastery mediates the impact of objective life circumstances on subsequent life satisfaction. Findings are discussed with reference to the utility of a hierarchical model of life satisfaction that incorporates domain-specific, as well as global, satisfaction.

A confluence of social forces, including deinstitutionalization, the rise of consumerism, and changing conceptions of health and well-being, has spurred interest in the life satisfaction of persons with severe and persistent mental illness (Mercier 1994). Modeled after the assessment of life quality in the general population (e.g., Andrews and Withey 1976; Campbell 1981), numerous measures of life satisfaction have been developed for use with persons suffering from severe mental illness (e.g., Baker, Jodrey, and Intagliata 1992; Bigelow, McFarland, and Olson 1991; Lehman 1988). These instruments emphasize self-rated life satisfaction as a key index of overall well-being and represent a significant departure from more traditional assessment strategies which typically focus on clinician ratings of psychopathology (e.g., Overall and Gorham 1962) and functional status (e.g., Endicott et al. 1976).

A growing body of literature attests to the apparent value of self-rated life satisfaction as a means of quantifying the quality of life and rehabilitation needs of persons with psychiatric disabilities. Satisfaction ratings converge, for example, with more objective indexes of life quality, supporting the validity of self-reported satisfaction as a means of assessing the needs of persons with severe mental illness (Lehman 1983a). Additional research has demonstrated that persons with psychiatric illness experience lower levels of life satisfaction than the general population (Lehman, Ward, and Linn 1982; Simpson, Hyde, and Faragher 1989; Sullivan, Wells, and Leake 1991), and that persons residing in

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more restrictive settings are less satisfied with their lives than are their counterparts living in less restrictive settings (Lehman, Possidente, and Hawker 1986; Lehman, Slaughter, and Myers 1991; Oliver and Mohamad 1992). Moreover, preliminary evidence suggests that these associations are not attributable to the covariation of life satisfaction with conceptually related constructs like psychological symptoms (Lehman 1983b), thus underscoring both the utility of self-reported life satisfaction as an index of life quality and the lack of breadth inherent in quality of life assessment strategies that focus exclusively on distress and psychopathology.

Despite the apparent promise of life satisfaction as both an index of overall well-being and a guide to treatment and rehabilitation needs, several issues require further exploration. First, claims regarding the unique value of life satisfaction as an index of subjective well-being must be evaluated with respect to a wider array of constructs than has been appreciated to date. Life satisfaction is but one of several conceptually related aspects of subjective well-being. Other facets include the absence of psychological distress, the presence of positive emotions, high self-regard, and the perception of oneself as efficacious (for a recent theoretical discussion, see Ryff 1989). The covariation of life satisfaction with other facets of well-being introduces the possibility that alternative constructs account for the apparent utility of the life satisfaction construct. To the extent that life satisfaction varies as a function of either transient negative mood or stable individual differences in personality, for example, the fidelity of life satisfaction as an index of actual rehabilitation needs is undermined. Without articulation of the relations among facets of well-being—including life satisfaction—it is not possible to determine whether life satisfaction possesses unique explanatory or predictive power or whether it is essentially redundant with these other constructs.

Initial efforts to address this issue have yielded evidence that the apparent value of life satisfaction cannot be attributed to covariation with psychological distress. Specifically, Lehman (1983b) showed that domain-specific life satisfaction remained significantly correlated with objective markers of well-being even after controlling for an index of psychopathology. Although this demonstration constitutes an important step toward documenting the uniqueness of life satisfaction vis-à-vis other aspects of psychological well-being, a more comprehensive examination of this issue is required. First, Lehman (1983b) did not examine whether objective indexes of well-being remained correlated with psychological symptoms even after adjusting for covariation with life satisfaction. The latter analysis is critical for establishing that effects attributed to life satisfaction are uniquely attributable to satisfaction and not to other facets of well-being. Resolution of this issue assumes special importance, given recent research indicating that life satisfaction ratings covary substantially with perceived self-mastery in persons with serious mental illness (Rosenfield 1992). That is, individuals who are satisfied with their lot in life tend also to view themselves as capable of negotiating life's difficulties. Thus, at a minimum, the unique explanatory value of life satisfaction must be established with reference to both psychological distress and perceived self-mastery.

A second issue concerns the directionality of the relationship between objective life circumstances and life satisfaction. Although life satisfaction is widely presumed to follow from objective life circumstances, virtually all research to date shows only that objective life circumstances and life satisfaction covary contemporaneously (e.g., Lehman, Slaughter, and Myers 1992; Oliver and Mohamad 1992; Rosenfield 1992). As yet, no evidence establishes that life satisfaction actually varies as a function of changes in objective life circumstances. Conversely, research is also needed to examine the possibility that life satisfaction is a determinant—as well as a consequence—of favorable life circumstances. Perhaps, for example, individuals who feel better about their lives are more efficacious at bringing about positive changes in their environment. Alternatively, of course, life satisfaction and favorable life circumstances may both be the byproducts of a third variable such as perceived self-mastery. In any event, further research is required to establish the extent to which objective and subjective well-being are directionally (“causally”) interrelated.

A third issue concerns the magnitude of the link between objective life circumstances and subjective well-being. Considerable research has shown that life satisfaction bears only a modest relationship to objective life circum-
stances in studies of the general population (see Diener [1984] for review). Numerous studies reveal quite small, if discernible, associations between life satisfaction and demographic characteristics such as income, marital and ethnic status, and education. Moreover, no clear relationship has been found, for example, between life satisfaction and either age or gender (Diener 1984).

Although exceedingly little research has addressed the link between objective life circumstances and life satisfaction in either homeless persons or persons with severe mental illness, the available evidence again suggests that objective circumstances are only modestly linked with life satisfaction. In virtually the only study examining the demographic correlates of satisfaction among persons with severe mental illness, Lehman and associates (1992) found that gender and age were not prominently associated with life satisfaction. Similarly, while we know of no research examining life satisfaction among homeless persons, studies of the homeless have found little evidence of a relationship between objective life circumstances and psychological distress (Gelberg and Linn 1989; La Gory, Ritchey, and Mullis 1990; Schutt, Meschede, and Rierdan 1994). Given the paucity of studies examining objective life circumstances and life satisfaction in either homeless persons or persons with severe mental illness, additional research is needed.

Fourth, to the degree that objective life circumstances do promote life satisfaction, questions arise concerning the mechanisms by which objective life circumstances exert their influence. One prominent thesis posits that the impact of objective conditions is mediated by subjective processes (e.g., Pearlin et al. 1981). Pearlin and his colleagues contend, in particular, that perceptions of self-mastery may mediate the link between objective life stressors and subjective well-being. Adopting this position, Rosenfield (1992) has recently proposed that improved objective life circumstances promote life satisfaction indirectly by fostering perceived self-mastery. Rosenfield provided preliminary support for this claim, demonstrating that perceptions of self-mastery appear to account for the impact of mental health services on the life satisfaction of non-homeless persons with severe mental illness. By contrast, recent research on homeless persons found that self-mastery perceptions did not appear to mediate the impact of objective life circumstances on subjective well-being (La Gory et al. 1990). Insofar as both of these studies relied on cross-sectional data, more definitive conclusions concerning the role of self-mastery await longitudinal data.

A final issue concerns alternative approaches to the conceptualization and measurement of life satisfaction. Two strategies have emerged in recent years, each addressing life satisfaction at a different level of analysis. One approach emphasizes the commonality of satisfaction across different life domains, focusing on how respondents perceive their overall life circumstances (e.g., Baker et al. 1992; Bigelow et al. 1991; Diener et al. 1985). By contrast, a second strategy highlights the unique character of distinctive life domains. Within this framework, separate indexes are created reflecting satisfaction with respect to multiple, narrowly defined life spheres (e.g., Lehman 1988).

In principal, these two approaches offer complementary frames of reference. Whereas the former approach provides the capacity to summarize a given individual's level of satisfaction by reference to a single broad domain, the latter strategy yields richly detailed information concerning potentially important circumscribed life dimensions (e.g., social relations or housing). In practice, however, researchers have typically chosen to focus on either one level of analysis or the other. Thus, for example, Rosenfield (1992) employed an index of global life satisfaction whereas Lehman (1988) has emphasized specific life domains. Direct comparison of the two approaches would provide valuable insight into whether life satisfaction is more profitably conceptualized as a single broad domain or as a set of interrelated but distinct dimensions.

In summary, the goals of the current study were: (1) to evaluate whether life satisfaction is associated with objective life circumstances independently of the covariation of psychological symptoms and perceived self-mastery; (2) to assess whether relationships among objective and subjective well-being (i.e., life satisfaction, psychological distress and self-mastery) are directional ("causal") in nature; (3) to examine the relationship of objective life circumstances to both domain-specific and general life satisfaction; (4) to assess whether self-mastery acts as a mechanism by
which the impact of objective life circumstances and life satisfaction is mediated; and (5) to evaluate whether life satisfaction is best viewed as a unidimensional or a multidimensional construct.

To address these questions, we analyze panel data collected as part of the Course of Homelessness Study (COH), a two-year prospective study designed to determine the precursors and natural course of homelessness in both mentally ill and non-mentally ill adults. Homelessness constitutes a particularly important arena in which to examine the link between objective life circumstances and life satisfaction. First, as noted previously, little attention has been directed at the study of life satisfaction in this beleaguered population. Moreover, the profound impoverishment characterizing homelessness has prompted concerns regarding the degree to which subjective well-being in this population varies as a function of social or economic resources. (e.g., La Gory et al. 1990; Schutt et al. 1994).

METHOD

Study Design and Sampling

The Course of Homelessness Study (COH) data were obtained from a representative sample of both sheltered and unsheltered homeless adults drawn from two geographically distinct areas of Los Angeles County. The COH includes both a cross-sectional and a longitudinal component. For the cross-sectional study, a combination of sampling strategies—described elsewhere in detail (Koegel, Burman, and Morton, forthcoming)—was used to randomly select a probability sample of 1,563 homeless adults.

In brief, a stratified random sampling procedure was used in which persons using services were selected from three nested strata: persons using shelter services, persons using meal—but not shelter—services, and persons sleeping on the streets or in other places not intended for sleeping. Participants were sampled in proportion to their numbers in the two geographic areas, as determined by a one-night enumeration. Actual sampling occurred randomly within each of the shelter and meal facilities in our two study areas based on the proportion of individuals served by each facility over a 30-day period. To obtain a stratified probability sample of persons not using any services, individuals sleeping on the streets during the dead of night were randomly selected.

Eligibility for participation in the study was established with reference to an individual’s shelter arrangements during the 30-day period immediately preceding the screening interview. Individuals were considered to be homeless if they had spent at least one night in: (1) a setting that was defined as a temporary shelter; (2) a setting that was not designed to serve as a shelter; or (3) a program for homeless persons in which stays were defined as temporary. Persons were also considered to be homeless even if they were currently residing in their own dwelling, provided they had been homeless for at least one night of the preceding 30-day period. The latter criterion was adopted so as to avoid excluding persons who regularly cycled in and out of homelessness. Eighty-nine percent of those approached—4,753 persons—consented to participate in screening interviews. Eighty-seven percent of invited persons agreed to participate in the actual baseline survey.

From the total cross-sectional sample, a subset of persons (N = 520) was randomly selected—with an oversampling of persons with psychiatric disorders with a first-time episode of homelessness within the past twelve months—to participate in the longitudinal panel.

Data Collection

Data were collected by means of face-to-face structured interviews, for which respondents were paid $10. The baseline interview took about 120 minutes to complete and included the following topic areas: pre-homeless background, homeless history, psychiatric disorders and symptoms, current functioning, current access to resources, housing status and objective characteristics of living environments, satisfaction with various life spheres, and current subsistence patterns. An abbreviated and slightly modified version of the baseline interview, which took approximately 45 minutes to complete, was administered at bimonthly follow-up. Interviews were conducted in either English or Spanish, as required.
Sample Characteristics

The analyses reported here are based on data collected at the first two follow-up assessments because several variables relevant to the present study were not assessed at baseline. For the current purposes, our analytic sample consisted of all non-cognitively impaired persons for whom complete data were available for all analytic variables at both assessments (N = 298). Our sample consisted of persons with a lengthy period of homelessness, as judged by the number of consecutive days spent homeless prior to baseline (Median = 180 days; Mean = 795 days, s.d. = 1,447 days).

With respect to demographic characteristics, persons with psychiatric or substance use disorders (N = 222) averaged 37.88 years of age (s.d. = 8.51), 73 percent were male, 36 percent had attended some college, and 7 percent were currently married. Twenty-six percent were non-Hispanic Caucasians, 61 percent were African American, 7 percent were Hispanic, and 6 percent were from other ethnic groups. Monthly income from all sources averaged $384 (s.d. = 312.03). Among persons with no psychiatric or substance use disorders (N = 76), the average age was 38.56 (s.d. = 11.42), 57 percent were male, 11 percent were currently married, and 37 percent had attended some college. Sixteen percent were non-Hispanic Caucasians, 53 percent were African American, 12 percent were Hispanic, and 20 percent were from other ethnic groups. Monthly income from all sources averaged $374 (s.d. = 312.74).

Measures

Demographic characteristics. Demographic information regarding age, total income (log transformed), education, gender, marital status, ethnicity, responsibility for dependents, and psychiatric disorder was included in preliminary bivariate analyses. Of these demographic characteristics, only age, gender, and income were found to have statistically significant bivariate associations (p < .10) with self-mastery, psychological symptoms, or life satisfaction. To reduce the number of variables included in subsequent structural equation modeling, only age, gender, and income were included as demographic parameters in the remaining analyses.

Objective life quality. Total income (log transformed) and current living status served as indexes of objective economic circumstances. For these analyses, current living status was established at each assessment with respect to the 7-day period immediately preceding the assessment interview. Respondents were classified as either homeless during the entire 7-day period (0), homeless at some point during this period (1), or as housed during this period (2). Individuals residing in rooms or apartments for which they were paying were considered housed, as were persons residing in boarding homes, halfway houses, and board-and-care settings. For these analyses, persons living with friends and those residing in institutions (e.g., hospitals, nursing homes, or jail) were also treated as having made a transition—at least temporarily—out of homelessness.

Psychiatric disorder. Psychiatric diagnoses were established at baseline using relevant sections of the Diagnostic Interview Schedule (DIS; Robins et al. 1981). The DIS is a fully-structured psychiatric interview, designed for use by trained lay persons. The instrument yields lifetime and current psychiatric diagnoses using algorithms based on the DSM-III criteria of the American Psychiatric Association (APA 1980). Previous research attests to the suitability of the DIS for use with homeless persons (Koegel, Burnam, and Farr 1988). For the purposes of this study, persons were classified with respect to lifetime diagnoses.

Psychological symptoms. Psychological distress, one facet of subjective well-being, was assessed using items adapted from two well-validated instruments; that is, the Symptom Checklist-90 (Derogatis 1977) and the Psychiatric Epidemiology Research Interview (Dohrenwend et al. 1980). Five 5-item subscales were used to measure symptoms of anxiety, depression, anger, psychoticism, and mania. Respondents were asked to indicate the extent to which they had experienced each symptom during the past seven days using a 5-point scale ranging from “very often” to “never.” Subscales were constructed by averaging across items within each domain. Descriptive statistics and internal consistency reliability estimates for each subscale are shown in Table 1.
TABLE 1. Descriptive Statistics for Psychological Symptoms, Life Satisfaction, and Self-mastery

<table>
<thead>
<tr>
<th>Subscales</th>
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<th>Follow-Up 2</th>
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<td>Mania</td>
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<td>Psychoticism</td>
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<td>.72</td>
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<td>Life Satisfaction</td>
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<td>1–7</td>
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<tr>
<td>Clothing</td>
<td>4.33</td>
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<td>Food</td>
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<td>Health</td>
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<td>Housing</td>
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<td>Leisure</td>
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<td>1–4</td>
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<td>Mastery-1</td>
<td>3.21</td>
<td>.85</td>
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<tr>
<td>Mastery-2</td>
<td>3.36</td>
<td>.87</td>
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</tbody>
</table>

Note: N = 298. Higher scores reflect greater subjective well-being.

Self-mastery. Perceived self-mastery, another facet of subjective well-being, was measured using the instrument developed by Pearlin and Schooler (1978). This 7-item scale assesses the degree to which individuals possess perceived mastery over life outcomes (e.g., “I can do just about anything I really set my mind to do”). Responses were given on a 4-point scale ranging from “strongly agree” to “strongly disagree.” Previous research has demonstrated that the instrument possesses satisfactory psychometric properties (Pearlin and Schooler 1978) and is suitable for use with homeless persons (Ritchey, La Gory, and Mullis 1991). To reduce the number of parameters requiring estimation, the seven self-mastery items were averaged to form two clusters of items: Cluster I was composed of item numbers 1, 3, 6, and 7; Cluster II was composed of items 2, 4, and 5 (Pearlin and Schooler 1978). Descriptive statistics and internal consistency reliability estimates for these item clusters are shown in Table 1.

Life satisfaction, an additional facet of subjective well-being, was assessed using an abbreviated and modified version of the Lehman Quality of Life Interview (Lehman 1988). For the purposes of these analyses, satisfaction with seven life domains was assessed: housing (8 items), clothing (3 items), health (2 items), food (2 items), finances (2 items), social (2 items), and leisure (4 items). Respondents were asked to indicate their feelings about each life domain with respect to the past few days, using a 7-point scale ranging from “terrible” to “delighted.” Domain-specific satisfaction subscales were constructed by averaging across items within each domain. Global satisfaction was assessed indirectly as a function of responses to the seven indexes of domain-specific satisfaction. Descriptive statistics and internal consistency reliability estimates for the seven subscales are shown in Table 1.

Data Analysis

Overview. Structural equation modeling (SEM), using the EQS program (Bentler 1993), constituted the principal method of data analysis. As discussed by Hays et al. (1994), several features of SEM render it particularly well-sited to evaluating cross-lagged analytic problems. Within SEM, a series of hypothesized regression equations can be solved simultaneously to generate an estimated covariance matrix. By means of various goodness-of-fit indexes, including the normed (NFI) and nonnormed (NNFI) fit indexes (Bentler and Bonett 1980), and the comparative fit index (CFI, Bentler 1988), this estimated matrix can be evaluated against the observed sample covariance matrix to determine whether the hypothesized model is an acceptable representation of the data. In
general, fit indexes exceeding .90 are indicative of an acceptable model fit. In addition to estimates of the overall fit of the model, significance tests for each parameter estimated in the model are also provided.

Analysis strategy. Following the sequential strategy advocated by Anderson and Gerbing (1988) for evaluating models, the fit of the measurement model was evaluated prior to examining structural linkages. First, measurement models for psychological symptoms, life satisfaction, and self-mastery were verified. Indexes of objective life circumstances (i.e., income and housing status) and demographic characteristics were then added to the model. After establishing the adequacy of the measurement model across both waves of data, we examined a structural model that included all possible stability effects linking first follow-up factors with their second follow-up counterparts. Finally, cross-lagged direct effects and nonstandard direct effects (Bentler 1990) were considered for inclusion using Lagrange Multiplier tests (Bentler 1993; see also Lee and Bentler [1980] for a detailed discussion of underlying statistical theory) and nonsignificant parameter estimates were removed from the model. Because data departed from multivariate normality, model parameters were estimated using elliptical distribution theory (see Bentler 1993).

RESULTS

Covariance Structure Models

Measurement model for latent variables. To verify the factor structure for psychological distress, life satisfaction, and self-mastery, confirmatory factor analyses were conducted. Psychological distress was operationalized using symptom scale scores (anxiety, anger, depression, mania, and psychoticism) as measured indicators. Similarly, life satisfaction was operationalized using the seven domain-specific indexes of satisfaction. As noted previously, self-mastery was operationalized using two clusters of items. With two exceptions, all measured variables were initially allowed to load freely within their respective factors but were not allowed to load on other factors. Two measured indicators (i.e., depressive symptoms and health-specific life satisfaction) were allowed to contribute to both life satisfaction and psychological symptoms, as guided by a priori expectations based on past research (Lehman 1983b). Factors were allowed to correlate freely both within and across waves. The final variable measurement model for one wave of data is shown in Figure 1.

This measurement model fit the data well, chi-square ($331, N = 298$) = 1020.22, $p < .001$; NFI = .96, NNFI = .97, CFI = .97. Factor loadings for both waves are shown in Table 2. As shown in Table 3, all factor intercorrelations—which are disattenuated for measurement error—were statistically significant.

Structural model for latent variables. We next examined the structural relations among latent variables. For this model, cross-sectional relations among latent constructs were modeled as correlations. Relations between first follow-up factors and their second follow-up counterparts were depicted as unidirectional “causal” paths. No cross-lagged directional paths were initially included in the model. Lagrange Multiplier tests confirmed that no cross-lagged paths would result in a statistically significant increase in model fit. This model fit the data well, chi-square ($340, N = 298$) = 1060.28, $p < .001$; NFI = .96, NNFI = .97, CFI = .97. Moreover, large stability effects were observed for psychological symptoms, life satisfaction, and self-mastery.

Structural models incorporating demographic variables and objective quality of life indexes. An additional set of analyses incorporated demographic characteristics and objective quality of life indexes (i.e., income and housing status) into the model. These variables were allowed to correlate freely among themselves and with other variables from the first follow-up data. Within each wave of data, objective indexes of life quality were allowed to correlate freely with each other and with life satisfaction, psychological distress, and self-mastery factors. Stability effects for the two objective life quality indexes were also estimated. All nonsignificant paths were trimmed from the model. This trimmed model proved to be a good fit to the data, chi-square ($581, N = 298$) = 1374.87, $p < .001$, NFI = .96, NNFI = .98, CFI = .98.

The foregoing analyses revealed the following results: First, two demographic variables, age and gender, were associated with subjective well-being. Specifically, older persons were less likely to experience psycholog-
 FIGURE 1. Measurement Model for One Wave of Data. Large ovals represent factors; darkened circles depict error in observed variables; bidirectional arrows reflect correlations; and unidirectional arrows represent hypothesized directional links. Mastery-1 and Mastery-2 are composed of item parcels derived from the Pearlin and Schooler Mastery Scale (see text for details).

Psychological symptoms, and males were more likely to experience lower overall life satisfaction. Second, economic resources were linked to life satisfaction. At first follow-up, current income was positively correlated with both overall life satisfaction and satisfaction with finances. In addition, housing status was positively associated with housing satisfaction. In contrast to income, however, housing status was not significantly correlated with overall life satisfaction. A similar pattern of findings was observed with respect to the second follow-up assessment. Specifically, current income was positively associated with financial—but not overall—satisfaction, after adjusting for initial income levels. Finally, time spent in an exit from homelessness was positively associated with housing satisfaction, even after taking housing status at the initial assessment into account. Key parameter estimates are shown in Figure 2.

As a final step, we examined possible cross-lagged (i.e., “causal”) effects of initial quality of life—as measured by both subjective and objective indexes—on subsequent quality of life. Two significant directional paths involving initial housing status were identified. Inclusion of these two cross-lagged paths resulted in a statistically significant improvement in model fit, chi-square differences $(2, N = 298) = 17.31, p < .01$. In particular, initial housing status contributed significantly and positively to subsequent satisfaction with housing, even after adjusting for initial satisfaction levels. Moreover, initial housing status was positively and independently associated with subsequent income. No effects were found linking initial subjective well-being (i.e., psychological symptoms, life satisfaction, self-mastery) with subsequent indexes of objective life quality. Similarly, no significant cross-lagged paths were identified linking initial subjective well-being with subsequent subjective well-being. The final structural model, chi-square $(581, N = 298) = 1357.56, p < .001,$
TABLE 2. Measurement Model Parameter Estimates

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<td>Social</td>
<td>—</td>
<td>.69**</td>
<td>—</td>
<td>—</td>
<td>.66**</td>
<td>—</td>
</tr>
<tr>
<td>Self-mastery</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mastery-1</td>
<td>—</td>
<td>—</td>
<td>.62**</td>
<td>—</td>
<td>—</td>
<td>.75**</td>
</tr>
<tr>
<td>Mastery-2</td>
<td>—</td>
<td>—</td>
<td>.85**</td>
<td>—</td>
<td>—</td>
<td>.81**</td>
</tr>
</tbody>
</table>

*Note: Parameter estimates are standardized and significance levels are determined by critical ratios. Dash marks indicate parameters that were fixed at zero rather than freely estimated. Mastery-1 was created by averaging Self-mastery items 1, 3, 6, and 7. Mastery-2 was created by averaging Self-mastery items 2, 4, and 5.

NFI = .96, NNFI = .97, CFI = .98, is shown in Figure 2.

DISCUSSION

This study used structural equation modeling to examine relations between objective indexes of life quality and self-rated life satisfaction in homeless and mentally-ill homeless persons. First, these data are consistent with much previous research, showing that life satisfaction is significantly—albeit modestly—linked with objective life circumstances. More significantly, these results reveal that the relationship between life satisfaction and objective well-being is significantly stronger than corresponding associations between objective well-being and either psychological distress or perceived self-mastery. Thus, to our knowledge, this study is the first to establish the association of life satisfaction with objective quality of life while simultaneously accounting for multiple aspects of subjective well-being.

Second, our results suggest that objective life circumstances are primarily associated with domain-specific—rather than general—life satisfaction. For example, cross-sectional data from both assessments revealed that an exit from homelessness was associated with satisfaction with housing but not with general life satisfaction. Similarly, income was positively correlated with financial satisfaction but was not consistently related to general satisfaction. Income was, however, associated with general life satisfaction at T1 but not at T2, perhaps because of the relative

TABLE 3. Measurement Model Factor Intercorrelations

<table>
<thead>
<tr>
<th>Factor</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Psychological Symptoms-1</td>
<td>—</td>
<td>.36</td>
<td>.62</td>
<td>.77</td>
<td>.33</td>
<td>.51</td>
</tr>
<tr>
<td>2. Life Satisfaction-1</td>
<td>—</td>
<td>—</td>
<td>.42</td>
<td>.31</td>
<td>.80</td>
<td>.29</td>
</tr>
<tr>
<td>3. Self-mastery-1</td>
<td>—</td>
<td>—</td>
<td>.49</td>
<td>.42</td>
<td>.72</td>
<td>—</td>
</tr>
<tr>
<td>4. Psychological Symptoms-2</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>.46</td>
<td>.56</td>
<td>—</td>
</tr>
<tr>
<td>5. Life Satisfaction-2</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>.41</td>
<td>—</td>
</tr>
<tr>
<td>6. Self-mastery-2</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

*Note: N = 298.1 = first follow-up assessment; 2 = second follow-up assessment. All p's < .001.
stability of overall life satisfaction across this time period.

This basic pattern also held up with respect to prospective analyses. That is, objective indexes of life quality appear causally linked to subsequent domain-specific life satisfaction. Specifically, initial housing status had a modest but significant direct effect on subsequent satisfaction with housing such that initial independent housing was associated with a more favorable assessment of one's subsequent housing situation. Consistent with cross-sectional findings, however, initial housing status had no apparent effect on subsequent general life satisfaction. By contrast, initial income was not significantly associated with subsequent domain-specific or general life satisfaction.

Third, no significant cross-lagged effects were found linking initial subjective well-being—as measured by life satisfaction, self-mastery, and psychological symptoms—with subsequent objective life circumstances. In other words, we found no evidence that life satisfaction or any other aspect of subjective well-being promoted subsequent objective well-being as measured by income or transition to independent housing. Thus, to the extent that objective and subjective indexes of well-being are causally connected, these data suggest that such relationships operate from the former to the latter.

Our findings also bear on recently-emerging interest in psychological mediating mechanisms by which objective life circumstances may influence life satisfaction. In particular, although we replicated the previously reported cross-sectional association between perceptions of self-mastery and life satisfaction (Rosenfield 1992), we found no significant path linking initial self-mastery with subsequent life satisfaction. Thus, these results are at odds with the recent claim (i.e., Rosenfield 1992) that self-mastery promotes life satisfaction in persons with chronic mental illness. Instead, these data suggest that...
the hedonic value of improved life circumstances plays a larger role in promoting life satisfaction than does the knowledge that one is able to improve one’s life by dint of personal effort.

These data also address questions concerning the role of self-mastery as a determinant of psychological distress in homeless persons. Again, although we replicated previous cross-sectional research linking self-mastery with symptoms of distress (La Gory et al. 1990), longitudinal analyses revealed no evidence that initial levels of self-mastery influenced subsequent psychological well-being. Our data regarding self-mastery and symptoms of psychological distress are, to some extent, surprising given existing longitudinal research linking self-mastery with subsequent distress in various populations (e.g., Pearl et al. 1981; Turner and Noh 1988). Clearly, additional research is needed to examine both the nature of distress among the homeless and the mechanisms by which it might be ameliorated (cf. Schutt et al. 1994).

Our study joins other research in examining whether the subjective well-being of homeless persons varies as a function of sociodemographic characteristics and economic resources (La Gory et al. 1990; Schutt et al. 1994). Although we replicated earlier research reporting that objective economic circumstances are not substantially associated with psychological distress (Schutt et al. 1994), we nevertheless found a significant link between economic resources and at least one aspect of well-being, that is, life satisfaction. Whereas Schutt and colleagues concluded that the economic resources characteristic of homeless persons may be so profoundly limited that typical variation along this dimension might have no apparent psychological benefits, our results suggest an alternative hypothesis. Specifically, economic circumstances are associated with psychological well-being even among homeless persons with comparatively few resources. The psychological toll of impoverishment is readily detectable in the form of impaired satisfaction with life.

These results also highlight the heuristic value of a hierarchical conceptualization of life satisfaction in which satisfaction is simultaneously represented as both an overarching general domain and as multiple discrete dimensions tapping satisfaction with specific life spheres. To date, researchers have all too frequently chosen to operationalize life satisfaction using either one or the other approach. These results suggest that current knowledge of the nature of life satisfaction as well as its antecedents and consequences may be insufficient to support selection of one measurement strategy over another. In fact, these findings indicate that failure to differentiate general effects from domain-specific effects may hamper research progress by obscuring important relationships. Had we employed only a general measure of satisfaction, for example, we might not have detected the apparent causal relationship between initial housing status and subsequent life satisfaction with housing. Conversely, if we had used only sphere-specific measures, then we may have failed to identify associations between demographic characteristics (gender, income) and global satisfaction. For these reasons, we recommend that researchers consider assessing both general and domain-specific life satisfaction.

In any event, explicit recognition of the hierarchical structure of life satisfaction should stimulate productive inquiry into important research areas. Using this framework would, for example, aid in determining whether programs targeted at improving specific objective life circumstances (e.g., housing) can be expected to promote general life satisfaction or whether such changes exert a more circumscribed influence on domain-specific life satisfaction (e.g., satisfaction with housing) among homeless persons.

Additional research is, of course, needed to address other key issues. This study focused, for example, on naturally-occurring temporal variability in objective and subjective well-being. Inasmuch as no variables were manipulated in the current study, inferences regarding causality are offered tentatively. Future research must determine, for example, whether our findings would generalize to changes in response to therapeutic interventions. Moreover, inasmuch as we focused on only two indexes of objective well-being (i.e., housing and income), additional research would also aid in determining whether our findings would hold for other objective indexes of well-being such as the size and density of social support networks. Indeed, to the extent that we relied on self-reported income and housing status, further research is required to determine whether these results could be replicated using other, perhaps more
"objective," indexes of well-being. Furthermore, insofar as these results are based on assessments that took place within a relatively short time span, future research might clarify whether a similar pattern of findings would have emerged had a lengthier time period elapsed between assessments.

Finally, although our results appear inconsistent with those reported by Rosenfield (1992) concerning the putative mediating influence of self-mastery, caution should be exercised in drawing conclusions due to important differences between the two studies. First, whereas Rosenfield studied domiciled persons with severe mental illness, our research focused on homeless persons only some of whom had psychiatric disorders. Second, Rosenfield's sample consisted of individuals who were exposed to intensive rehabilitation efforts. By contrast, much of our sample was receiving little, if any, systematic assistance in their efforts to cope with circumstances that offered severely restricted opportunities for exercising personal control.

In conclusion, these data provide further evidence of the unique value of life satisfaction as an index quality in disadvantaged populations. Given the current climate of cost containment and increasing concern about quality and outcomes of care in the homeless (Department of Health and Human Services 1992), future research aimed at enhancing the conceptualization and measurement of quality of life is critical.

NOTES
1. Of the 520 persons who agreed to participate in the longitudinal phase of the study, 437 actually completed initial follow-up interviews. Eighty-three persons could not be found for follow-up; 16 persons subsequently declined to take part in the initial follow-up assessment; and two persons died prior to initial follow-up. Of the remaining sample (N = 437), 28 were lost to attrition prior to the second follow-up assessment; 11 were excluded due to cognitive impairment; and 19 cases were excluded due to missing data. An additional 81 persons were lost due to an elapsed time exceeding 120 days for either assessment. That is, although we had attempted to conduct follow-up interviews at bimonthly intervals, some variability existed with respect to the length of time that had elapsed between both the baseline and first follow-up assessments, and the first and second follow-up assessments. The average elapsed time to first follow-up was 67.80 days (s.d. = 16.36); the average elapsed time to second follow-up was 65.98 days (s.d. = 13.86). Eighty-one persons whose assessments occurred after a lapse of more than 120 days, for either of the two assessments, were omitted from the analytic sample used here.
2. The length of the current episode of homelessness was operationalized as the number of days that had elapsed since a respondent had resided in their own home or in the home of family or friends for a period of at least 30 consecutive days.
3. Of persons with psychiatric or substance use diagnoses (N = 222), 128 met criteria for substance dependence, 22 met criteria for serious mental disorder, and 72 met criteria for both substance dependence and mental disorder.
4. For the purposes of these analyses, age and total income (log transformed) were scored as continuous variables. A series of categorical variables was developed to examine the remaining demographic variables: gender (female vs. male), married (currently married vs. not currently married), ethnicity (non-Hispanic White vs. other; Hispanic vs. other), psychiatric disorder (presence vs. absence of lifetime disorder), education (some college vs. no college; high school degree vs. no degree) and responsibility for dependents (yes vs. no).
5. We included the DIS cognitive screener and sections focusing on major mood disorders, schizophrenia/schizophreniform disorder, and substance dependence.
6. As noted previously, several demographic characteristics were omitted from subsequent structural equation modeling due to nonsignificant bivariate relations with indexes of subjective well-being. One such variable was whether or not a person met lifetime criteria for psychiatric disorder or substance dependence. Because this issue is of special interest, however, we conducted a separate multisample covariance analysis comparing persons with psychiatric or substance dependence diagnoses (N = 222) to persons without disorders (N = 76). We detected no differences in the basic pattern of findings involving the two groups. The small number of persons without lifetime psychiatric or substance dependence disorders may have compromised our power to detect differences, however. Thus, more definitive examination of this issue requires additional study.
7. An additional series of analyses was conducted to determine whether within-wave correlations involving domain-specific and general satisfaction and key variables (e.g., current housing status) were significantly greater than corresponding correlations linking the same key variables with self-mastery and psychological symptoms. In each analysis, equality con-
straints were imposed on a pair of parameter estimates. For example, in one analysis, the correlation between income and general satisfaction was constrained to equal the correlation between income and psychological symptoms. In each instance, imposition of the constraints resulted in a significant decrement in model fit relative to a model in which these parameters were freely estimated. These analyses establish that the relationship between life satisfaction and objective well-being is significantly stronger than are corresponding associations between objective well-being and either psychological distress or perceived self-mastery. For example, the correlation between general life satisfaction and income is significantly greater than the corresponding association between perceived self-mastery and income.

8. This finding of a significant link between initial housing status and subsequent satisfaction with housing (i.e., that portion of life satisfaction that is specific to housing) is one example of a so-called nonstandard effect (Bentler 1990). Hypotheses concerning nonstandard effects are readily tested using features available in the most current version of EQS (Bentler 1993).

9. As discussed in Note 1 above, 81 persons whose assessments were not completed in a timely manner were omitted from our analytic sample. Supplementary analyses were conducted: (1) to examine whether these persons differed in other respects from cases included in the analytic sample, and (2) to determine whether omission of these cases had a significant impact on our findings. First, analyses were conducted to determine whether these 81 persons differed from those retained in the sample with respect to all analytic variables. No statistically significant differences were found, with one exception. Persons with delayed assessments were more likely to be residing independently during the 7-day period immediately prior to the assessment. The final structural model was reanalyzed after including the omitted cases. Results of this reanalysis were virtually identical to those reported in the text, indicating that deletion of these cases had no material influence on our findings.

REFERENCES


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