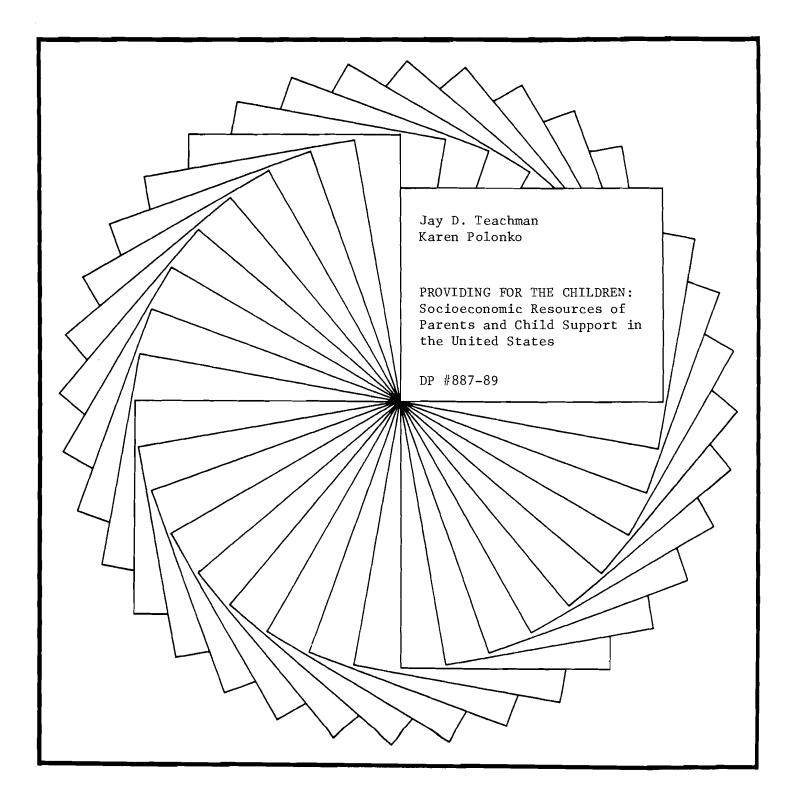
IRP Discussion Papers



Institute for Research on Poverty Discussion Paper no. 887-89

PROVIDING FOR THE CHILDREN: SOCIOECONOMIC RESOURCES OF PARENTS AND CHILD SUPPORT IN THE UNITED STATES

Jay D. Teachman Center on Population, Gender and Social Inequality and Department of Sociology University of Maryland

Karen Polonko Department of Sociology and Criminal Justice Old Dominion University

August 1989

This research was supported by the Small Grants program of the Institute for Research on Poverty and the U.S. Department of Health and Human Services and by a National Science Foundation grant, SES 8812215. We thank Jerry Hage and Harriet Presser for comments on an earlier version of this paper; the authors remain responsible for any errors. Any opinions expressed herein are those of the authors and not of the sponsoring institutions.

ABSTRACT

The American system of family and kinship is undergoing considerable change. Decreasing stability in the nuclear family has called into question the role of parents in providing for children across separate households. A significant proportion of absent parents do not make economic contributions to the well-being of their children. As a consequence, children living in single-parent homes run a much greater risk of living in poverty than do children in two-parent homes. We focus on this issue by examining several factors that influence child support awards and amounts. Our analysis uses a sample of ever-divorced women from the National Longitudinal Study of the High School Class of 1972. We argue that the socioeconomic resources of parents, as gauged by earnings of the father and earnings and education of the mother, at the time of divorce affect their ability to negotiate and the motivation of the noncustodial parent to provide support. Our results indicate that socioeconomic resources are significant predictors of child support outcomes.

Providing for the Children: Socioeconomic Resources of Parents and Child Support in the United States

The American system of family and kinship is undergoing considerable change. A primary indicator of such change is the declining proportion of all households that are family households.¹ From 1970 to 1987, the proportion of family households declined from 81 percent to 72 percent (U.S. Bureau of the Census 1987b). The decline is even steeper if attention is restricted to traditional married-couple families in which children are present and the wife does not participate in the labor force (from 40 percent to 28 percent). Of particular importance for the concern of this paper are striking changes in the living arrangements of children. In 1970, 85 percent of children lived in two-parent households, whereas by 1987 this figure had dropped to 73 percent (U.S. Bureau of the Census, 1987b). And the cross-sectional figures underestimate the proportion of children who will ever experience life in a single-parent family. Bumpass (1984) has estimated that more than 50 percent of children born recently will at some time live in a single-parent family before they reach age 18.

Historically, American families have undergone persistent change as various tasks performed by family members have been shifted to other institutions and organizations (Parsons 1949; Goode 1963; Harris 1983; Stone 1979). Commitment to family relationships has concurrently eroded as it has become more acceptable to pursue individual goals over group interests (Bellah, Madsen, Swidler, Sullivan, and Tipton 1985; Furstenberg and Spanier 1984; Scanzoni 1983). One strand of continuity throughout such change, however, has been the role played by mothers and fathers in the socialization and economic support of children. With greater individualism and decentralization of task performance, children have increasingly become the core around which family life revolves.

Nevertheless, as stability in the nuclear family has become more the exception than the norm (Martin and Bumpass 1989), and children are increasingly less likely to live with both biological parents, the role of parents in providing for children is being called into question.² There are no institutionalized arrangements, no set of entrenched rules and obligations, that define the nature and extent of resource transfers from noncustodial parents to their children. It is, therefore, increasingly important to investigate how parents arrange for the care and economic provision of children across separate households and to examine factors that influence these arrangements. The question is even more salient, given evidence indicating that a substantial proportion of noncustodial parents provide little or no economic support for their children (Office of Child Support Enforcement 1988). In this paper we explore the nature of economic transfers across households by focusing on the determinants of child support awards and amounts. We use a sample of divorced women taken from the National Longitudinal Study of the High School Class of 1972 (NLS).

THE PROBLEM

As a result of legal custom and a division of labor based on traditional sex roles, almost all custodial parents are women.³ Since 1967 the number of female-headed households has doubled, and they now constitute 16 percent of all families (U.S. Bureau of the Census 1987b). The increase in these families is of particular concern because they

often lack the financial resources to be economically self-sufficient, as shown by the fact that they make up 48 percent of families below the poverty line (U.S. Bureau of the Census, 1987a). Available evidence indicates that a substantial proportion of female-headed families are created by marital disruption (Garfinkel and McLanahan 1986) and that many of these families would not be in poverty if they had remained intact (Lerman 1987).

Accumulating evidence indicates that life in a female-headed family has negative consequences, most of which can be traced to the poverty experienced by such families (Graham and Beller 1988; Garfinkel and McLanahan 1986; McLanahan and Bumpass 1988). Children from female-headed homes are more likely to marry and give birth at early ages, are more likely to experience marital disruption, are more likely to be on welfare as adults and to receive less education. Experiencing life in a female-headed family is thus an overlooked but key link in the process by which negative socioeconomic traits are passed from one generation to another.

Child support awards are the most common mechanism by which economic resources are transferred from noncustodial parents, mostly men, to their children. Yet only about 60 percent of mothers heading a single-parent household have a child support award, and of these only 48 percent receive the full amount due and 26 percent receive nothing (Office of Child Support Enforcement 1988). While the figures are better for ever-divorced mothers, nearly one-fifth of such women are not awarded child support. Research on the processes determining the award and receipt of child support is therefore crucial to understanding variations in the care and maintenance of children across households.

We focus on the first step in this process by examining the determinants of child support awards and amounts, noting that the most significant predictor of subsequent receipt of economic provision from an absent parent is having a child support award (Peterson and Nord 1987).

A CONCEPTUAL OUTLINE

Why do absent parents allow their children's welfare to suffer by not paying child support? To answer this question, we first assume that both parents value the welfare of their children and each therefore benefits from the other's actions to increase the welfare of their children (see Weiss and Willis 1985). In a two-parent family, propinquity generally acts to maximize the investment of both parents in their children, so that either parent enjoys increments to a child's welfare made by the other parent while also making contributions to the child's welfare. Absent parents, however, lose control over the allocation of goods and services in the children's household. Noncustodial parents cannot assume that their economic contributions will be distributed as they wish for the purposes of private consumption of the custodial parent and the children. In addition, noncustodial parents receive diminished utility from their children owing to distance. These arguments lead us to expect that noncustodial parents will be less motivated than custodial parents to establish a child support award.

Indeed, it cannot be assumed <u>a priori</u> that all absent parents will be motivated to provide for their children. Rather, the nature and extent of resource transfers from noncustodial to custodial parents are subject

to negotiation, each parent seeking to maximize personal preferences subject to constraints imposed by concern for the welfare of the children. The outcome of these negotiations is the time and material support provided by the absent parent. Our knowledge of the factors determining such transfers is minimal, as there has been little research, either theoretical or empirical, that provides a firm understanding of existing variations in economic transfers from noncustodial parents to their children.

We argue that child support, as a negotiated outcome, is a function of several interrelated factors. First, the ability to negotiate a settlement in line with one's preferences is dependent on the level of socioeconomic resources possessed. Parents with greater resources will be better able to negotiate a position closer to their own preferences.

Second, noncustodial parents vary with respect to their motivation (or preferences) in providing child support. Noncustodial parents who are more concerned about the welfare of their children and who have greater control over the allocation of resources in the children's household will be more motivated to provide child support. As we outline below, we believe that the motivation of the noncustodial parent to provide child support is also linked to the socioeconomic resources of parents, and in ways that may counteract the effects of ability to negotiate.

Third, parents conduct negotiations concerning child support within limits imposed by law (see Mnookin and Kornhauser, 1979). Although courts usually ratify child support decisions made by parents, we expect that the use of legal assistance and the nature of divorce laws will influence the likelihood that child support will be awarded. The use of

legal assistance as a direct manipulation of the court system should increase the probability of support being awarded. The impact of divorce laws is less clear, although Weitzman (1985) has argued that no-fault divorce produces an atmosphere of "gender neutrality" that may reduce the likelihood of child support being awarded.

We elaborate on these arguments while discussing previous findings on the correlates of child support awards. We also outline a set of expectations for the effect of important predictor variables on child support awards that we test using data from the (NLS) National Longitudinal Study of the High School Class of 1972. An important aspect of the NLS data is that they contain information about the socioeconomic characteristics of parents at the time of divorce. While prior literature has emphasized the importance of socioeconomic status in determining whether child support is awarded, the NLS is the first nationally representative data set that includes such information at the time of divorce. Finally, even though our discussion is couched in terms of the award of child support, our comments apply as well to the amount of support awarded (e.g., an effect that acts to increase the likelihood of an award being made is expected to increase the amount of support awarded).

PRIOR RESEARCH

A common assumption in the literature is that noncustodial parents will be more likely to agree to provide support when they believe that the custodial parent is financially unable to care for the children (Beller and Graham 1985).⁴ In this case, the lack of economic resources

on the part of the custodial parent increases the motivation of the noncustodial parent to provide support by increasing the likelihood that support payments will be allocated in a manner that directly increases the welfare of the children (e.g., better housing, clothing and food). However, following our discussion above, we also anticipate that custodial parents with greater economic resources are better able to negotiate for child support. We expect, therefore, that the economic resources of custodial parents have offsetting positive and negative effects. Thus, determining the direction of effects is an empirical question.

The prior literature has little to say about the expected impact of the custodial parent's education on child support. Net of economic resources, however, we expect a positive effect of education on the award of child support. Education should increase the custodial parent's ability to bargain effectively within the legal system. In addition, since more highly educated mothers are more likely to invest resources in their children (Leibowitz 1977; Murnane, Maynard, and Ohls 1981), absent fathers will be more motivated to agree to provide child support.

In terms of empirical research, no study has included a measure of the custodial parent's income at the time of divorce, although several studies have examined the effect of a mother's current income in models seeking to determine whether child support due is received. The results from these models are inconclusive: some studies find no effect of mother's income (Hill 1984); others find a negative effect (O'Neill 1985). Results concerning mother's education do refer to award of child

support and are more consistent, indicating that women with more education are more likely to have an award (Beller and Graham 1986).

As is the case for the custodial parent's economic resources, the effect of the economic resources of noncustodial parents on award of child support is expected to operate in offsetting directions. Greater economic resources should increase the motivation of noncustodial parents to provide support by increasing their ability to influence the manner in which support payments are allocated in the custodial parent's household and by requiring fewer sacrifices in private consumption. In addition, models of socioeconomic attainment show that father's income increases the attainments of children (Sewell, Hauser, and Wolf 1980). Part of this effect may be due to the fact that higher-income men prefer to provide the resources, in this case child support, to develop higherquality children. However, if they have motivation not to provide support, noncustodial parents with greater economic resources are also better able to negotiate for no award. Thus, the economic resources of noncustodial parents may also have counteracting effects.

The expected effect of the noncustodial parent's education is also ambiguous. On one hand, net of economic resources, more education increases motivation to produce higher-quality children, increasing the probability that a child support award is made. On the other hand, education also increases the ability to negotiate effectively, reducing the likelihood of a child support award if the parent does not wish to grant it.

The empirical evidence concerning the effects of the socioeconomic resources of noncustodial parents on child support awards is slim. No study has included indicators of father's income and education at

<u>divorce</u>. Most research on the award of child support assumes that characteristics of fathers are proxied by the inclusion of the mother's characteristics (see Beller and Graham 1986), and so father's characteristics are not separately analyzed. Results pertaining to the payment of child support, however, indicate that the <u>current</u> income of fathers has a positive effect (Beller and Graham 1985; Hill 1984; O'Neill 1985), while the education of the father does not appear to be related (Hill 1984).

Research concerning the impact of the legal system on child support awards is almost nonexistent. No research has addressed the use of legal services as a factor in determining whether child support is awarded, although Beller and Graham (1985) emphasize the potential importance of this factor, arguing that access to the legal system acts to increase the likelihood of a child support award. Consistent with Weitzman's (1985) argument, Peters (1983) finds that transfers to divorced wives, including the likelihood of being awarded child support, are lower in states with no-fault divorce laws.

DATA

The data are taken from the fifth round of the National Longitudinal Study of the High School Class of 1972 (NLS). The NLS has followed respondents from their senior year in high school to early 1986, with intervening follow-ups in 1973, 1974, 1976 and 1979. The original sample was a stratified random sample of all high school seniors enrolled in public, private, and church-affiliated high schools in the United States (Tourangeau, Sebring, Campbell, Glusberg, Spencer, and

Singleton 1987). The fifth follow-up is a subsample of about 14,500 cases of the original sample of over 22,000 men and women and contains a supplement which, in addition to increasing the sample size of relevant individuals (e.g., respondents who have ever experienced marital disruption), provides detailed information concerning child support outcomes. Most important for our purposes, the NLS contains information about the socioeconomic resources of both mothers and fathers at the time of divorce.

Although the NLS data contain information on child support gathered from both men and women (the respondents are not a sample of spouses), we conduct our analyses based on responses provided by women. Prior evidence indicates that women are more likely than men to provide accurate information concerning child support outcomes (Cherlin, Griffith, and McCarthy 1983).⁵ Since very few fathers are reported as having custody of their children, we also restrict our attention to whether child support was awarded to the mother.⁶

The NLS misses individuals who were not in school during the spring of their senior year in high school. Variation in the award of child support according to education is thus truncated, as is variation on other variables related to education. This restriction is likely to have less impact on ever-divorced women, however, since they are more likely than never-married mothers to have graduated from high school.

Respondents in the NLS are followed from approximately age 18 until approximately age 34, a span of ages over which both marriage and divorce are likely to occur. However, disruptions of late marriages (after age 34) and marriages of long duration (more than 14 years) are not observed. This also means that women who are older at the time of

divorce are not included. Nevertheless, the ages covered in the NLS are those at which women are most likely to be eligible for award of child support (e.g., have children under the age of 18). Our final sample size is 664 (570 whites and 94 blacks). Our results are based on unweighted data, since the use of sampling weights violates the statistical assumption upon which the calculation of standard errors is based. Our results are not substantively different, however, if weighted data are used.

The NLS data only contain information on child support awards reported by ever-divorced mothers (if we exclude reports by fathers). Child support information is also restricted to first marriages. While the latter restriction is not significant for our purposes, since most ever-divorced women under age 35 have experienced only one divorce, the restriction to ever-divorced women is more significant. Prior research indicates that marital status is the most significant predictor of child support, ever-married mothers being more likely than those who never married to have an award. However, it is among ever-married mothers that the most consistent socioeconomic differences in child support occur (Beller and Graham 1986). We suspect that this is true because the never-married are a select group with a greater proportion of accidental and unwanted pregnancies and a subset of fathers less inclined to fulfill the parenthood role. Divorced couples have assumed the responsibilities of parenthood and subsequently have had to renegotiate, implicitly or explicitly, the terms by which children are nurtured and supported economically.

The variables we use in the multivariate analysis are presented in Table 1. We initially included a larger set of predictor variables as

Table 1

Variable	Mean	Standard Deviation
Dependent Variables:		
Child support awarded to wife Log of amount of child support awarded	.82 5.35ª	.45 .63
Socioeconomic Resources:		
Log of mother's earnings at divorce Mother has some college education Mother has college education Log of father's earnings at divorce	6.87 ^b .33 .07 9.13 ^c	4.13 .47 .25 2.66
Characteristics of the Legal System:		
No lawyer No-fault divorce state	.11 .71	.31 .45
Controls:		
Black Mother's age at divorce Number of children At least one child under 6	.14 25.66 1.48 .78	.35 3.46 .68 .41
Months married	69.65	37.19

Means and Standard Deviations of Variables Used in the Analysis of Child Support

^a\$187 dollars per child in 1985 dollars.

^b\$9,360 per mother in 1985 dollars.

c\$20,989 per father in 1985 dollars.

possible controls but did not obtain a better fitting model (and the estimated coefficients for the additional controls were insignificant), and their inclusion did not alter the pattern of results we report below. These additional variables include the following: whether the woman was in the labor force at the time of divorce; whether one of the children was a boy; whether the father had been married before and whether he was financially responsible for children from a prior union; whether the father was in the labor force at the time of divorce; and the mother's recall of the degree of bitterness between spouses at the time of the divorce.⁷ We chose to restrict the number of predictor variables to those shown in Table 1 in order simplify the presentation and to increase the precision of parameter estimates, given the relatively small sample size.

We also chose not to include education of the father in our presentation, since it had no effect in any of the models that we estimated. On one hand, this may mean that child support awards are not causally linked to father's education. On the other hand, as we argue above, it is possible that father's education has positive and negative effects which completely offset each other.

The mother's education and income at divorce and the father's income at divorce are used to measure socioeconomic resources. (We use "income" and "earnings" interchangeably.) A number of control variables are also included. Number of children is included to measure variation in economic need on the part of the mother. Whether there is at least one child under age 6 is included to measure constraints on the mother's labor force participation (largely through increased costs of child care), and thus an increase in her economic need. The mother's age is

included in order to tap unmeasured characteristics related to her life-course position that may influence child support (although age is virtually isomorphic with year of divorce). Race is included as a control, because prior research has consistently found that blacks are less likely to be awarded child support (Beller and Graham 1985, 1986; Hill 1984; O'Neill 1985). Duration of marriage is included as a proxy for the time and emotional investments that fathers make in a marriage prior to divorce, which may increase their motivation to provide child support (O'Neill 1985).

Two measures of the legal context are included. The first indicates whether the mother retained a lawyer;⁸ the second indicates whether the divorce took place in a state where irreconcilable differences (or a similar form of no-fault divorce) constitute grounds for divorce. This measure is constructed from information contained in various issues of the <u>Book of the States</u> (Council of State Governments 1970-1986). A state is coded 0 until the year following the passage of a no-fault divorce statute, after which it is coded 1.⁹

The means shown in Table 1 indicate that nearly one-fifth of the women in the sample were not awarded child support at divorce. This figure is comparable to that available for ever-divorced women of similar education from the Current Population Survey (U.S. Bureau of the Census 1988). Among mothers with a child support award, the average award per child is \$187 per month (to control for skewness, we use logged dollar amounts in our multivariate analysis). The average income of mothers at divorce is \$9,360. This figure is much lower than the average income of fathers at divorce, \$20,989.¹⁰ The income of fathers is sufficiently high to indicate that, on average, the fathers in the

sample are financially able to pay child support. The income figures for mothers are sufficiently low to substantiate previous research indicating that women and children suffer a decline in economic well-being following divorce (Duncan and Hoffman 1985; Hoffman and Duncan 1988; Weitzman 1985).¹¹

<u>Strategy</u>

We begin our analysis by focusing on the likelihood that child support is awarded at divorce. Since the dependent variable is a dichotomy, we use logistic regression to examine the effects of the independent variables on the log of the odds that an award will be made. Next, we examine a more detailed categorization of child support awards, since prior research indicates that child support awarded voluntarily is more likely to result in subsequent payment of support (O'Neill 1985; Peterson and Nord 1987; Sonenstein and Calhoun 1988). We conduct this part of the analysis using an NLS question that determines whether the child support agreement was reached voluntarily or by court order.¹² Among women with a child support award, we examine the likelihood that child support was awarded voluntarily (as opposed to court order), using logistic regression. Among women without a child support award, the NLS data allow us to determine whether the lack of an award was the result of mutual consent, which we also analyze using logistic regression.

Finally, we examine the amount of child support that is awarded. Just as the award of child support is negotiable, so is the amount of support. We present two models of the amount of child support awarded. The first model uses OLS regression to determine the impact of the independent variables on the amount of child support awarded. The

second model addresses the same question but adjusts for the possibility of sample selection (Heckman 1979). Since we only observe the amount of support awarded for women with an award, the second model takes into account the possibility that unmeasured characteristics that lead to an award also affect the amount awarded. We use the logistic regression equation estimated for the likelihood of receiving a child support award to develop an adjustment for sample selectivity (see Lee 1983).

RESULTS

The results from estimating a model of the likelihood of being awarded child support at divorce are shown in Table 2. The first column of coefficients indicates the effects of the independent variables on the log of the odds of receiving an award. The second column of coefficients indicates the effect of the independent variables on the probability of receiving an award, evaluated at the mean level of child support observed in the sample (computed as b(P)(1-P), where b is the logistic regression coefficient and P is the average probability in the sample that child support is awarded).

Mother's income at divorce increases the likelihood that a child support award is made. The positive effect of mother's income is congruent with the argument that greater economic resources increase her capacity to negotiate for child support. The observed positive effect does not necessarily mean that economic need has no effect. It may simply be the case that the positive effect of capacity to negotiate is greater than the negative effect of economic need. Unfortunately, with the data at hand we cannot test this possibility directly. The

Table 2

	<u>Model Coefficients</u>		
Variable	<u>B</u>	%	
Socioeconomic Resources:			
Log of mother's earnings at divorce	.055**	1.1	
Mother has some college education	.637**	13.1	
Mother has college education	.339	7.0	
Log of father's earnings at divorce	.070	1.4	
Characteristics of Legal System:			
No lawyer	-1.190**	-24.5	
No-fault divorce state	.053	1.1	
Controls:			
Black	492	-10.1	
Mother's age at divorce	.004	.1	
Number of children	389**	-8.0	
At least one child under 6	. 863**	17.8	
Months married	.013**	. 3	
Constant	493		
Model X ²	58**		
df	14		
Ν	673		
P	.71		

Logistic-Regression Coefficients for the Likelihood of Being Awarded Child Support^a

^aEach model includes the variables shown as well as missing value indicators for mother's earnings at divorce, mother's education, and father's earnings at divorce.

**p < .05.

curvilinear effect of mother's education may also indicate the mixed effects of negotiation skill and economic need. While having education beyond high school may increase a mother's capacity to negotiate, it is possible that fathers perceive less economic need if the mother possesses a college degree, reducing his motivation to provide child support. The lack of effect of father's income may mean that no causal influence is present. However, as is the case for mother's income, the lack of an effect of his income may reflect offsetting effects involving capacity to negotiate and motivation to provide child support. Additional results discussed below lead us to believe that this is the case.

The effect of not retaining a lawyer is substantial. If a mother does not engage a lawyer, she is almost 25 percent less likely to receive a child support award. Given results presented below, however, we are hesitant to interpret this coefficient as indicating that lack of access to the legal system has an impact. We do not find that divorcing in a state with no-fault divorce provisions has a significant effect on award of child support.

The effects of the control variables are mostly in line with our expectations. Age at divorce has no effect, while having fewer children, having a child under age 6, being white, and having been married longer all act to increase the probability of being awarded child support. The lack of significance in the effect of race indicates that the lower likelihood of blacks receiving an award may be attributed to their lower levels of socioeconomic resources, as some authors have suggested (Beller and Graham 1986).¹³ The negative effect of having more children is unexpected, given findings in previous research of a

positive effect on award of child support (Beller and Graham 1986; O'Neill 1985). Prior research has not, however, controlled for the income of parents at the time of divorce.

In Table 3 we present the results of a more disaggregated analysis, in which the award agreement is divided into different outcomes depending on whether an award was made and whether the agreement was reached voluntarily. The coefficients shown in Table 3 exhibit several interesting patterns.¹⁴ Among mothers with an award (the first two columns of Table 3), mother's income has no statistically significant effect on the likelihood of receiving the award voluntarily. This finding further strengthens our belief that negotiating capacity, rather than economic status alone, is the primary force underlying mother's economic resources. If economic need motivated fathers to provide support the result would be a negative impact of mother's income on the likelihood of a voluntary award. Mothers with a college education are more likely than mothers with less education to have support awarded voluntarily. This finding is consistent with the argument that women with more education are more likely to invest resources in their children, increasing the motivation of absent fathers to provide support.

Whereas Table 2 indicated that father's income does not affect the likelihood of having an award, we now see that among mothers with an award, father's income does increase the probability that the decision to provide support was reached voluntarily. We believe this finding suggests that his income reflects both negotiating capacity and motivation in determining award of child support. Among the subset of

Table 3

Logistic-Regression Coefficients for the Likelihood of Alternative Child Support Agreements^a

	Δ.	Alternative Agreement			
	Award			Lack of Award	
		ntary	Voluntary vs.		
		s.			
	Court-0	<u>Court-Ordered</u>		No Agreement	
Variable	В	%	В	%	
Socioeconomic Resources:					
Log of mother's earnings at divorce	.025	.6	.138**	2.8	
Mother has some college education	.321	7.9	.113	2.3	
Mother has college education	.996**	24.7	-1.910	-39.3	
Log of father's earnings at divorce		1.9	.221**	4.6	
Characteristics of Legal System:					
No lawyer	.318	7.9	1.596**	32.9	
No-fault divorce state	116	-2.9	1.392**	28.7	
Controls:					
Black	653**	-16.2	-1.675**	-34.5	
Mother's age at divorce	.054	1.3	.190	3.9	
Number of children	066	-1.6	727	-15.0	
At least one child under 6	137	-3.4	-1.504	-31.0	
Months married	.003	.1	027	6	
Constant	-1.963		5.192		
Model X ²	64	**	48	**	
df	14		14		
N	53		11		
P	5	5	.2	9	

^aModels include the variables shown as well as missing value indicators for mother's earnings at divorce, mother's education, and father's earnings at divorce.

**p < .05.

couples who have made some formal arrangement for child support, higherincome fathers appear more motivated to provide support.

The only other variable significantly related to the likelihood of having a voluntary rather than a court-awarded award is race. Blacks are less likely to have a voluntary award than whites, net of the other variables in the model. Clearly, there is something that our model does not measure that is related to being black and which influences the process of being awarded child support.

Among women without a child support award, there are several predictors of whether this agreement was reached voluntarily. Both mother's and father's incomes increase the likelihood that the absence of an award was the result of mutual consent. The effect of mother's income may reflect the fact that higher-income mothers are better able to avoid the imposition of an award--that is, high-income mothers without an award are more likely to have voluntarily reached the decision to forgo an award. We have no immediate explanation for why father's income should have a positive effect on voluntarily agreeing to no child support. We suspect that higher-income fathers may be providing for their children through other means. For instance, these fathers may be better able to arrange for informal child support payments (which would imply greater motivation to care for their children).

Both divorcing in a no-fault state and not engaging a lawyer increase the likelihood that not having a child support award was decided voluntarily. This is the only juncture at which we find an effect for no-fault divorce laws. We emphasize that the observed effect is simply to increase the likelihood that the decision to forgo a child support

award was reached voluntarily. States without no-fault divorce laws apparently create structural barriers to reaching this decision voluntarily. The positive effect of not having a lawyer suggests that mothers and fathers without legal representation reached a voluntary agreement for no child support. In this case, it is incorrect to assume that mothers do not receive child support because they fail to retain a lawyer. Rather, failure to retain a lawyer is the consequence of a decision not to seek child support (although informal means of child support may have been arranged).

To complete our analysis we examine the impact of the predictor variables on the amount of child support awarded. Coefficients from an OLS model predicting the log of the amount of child support awarded (per month) are shown in the first column of Table 4 (logged values are used to correct for skewness). Coefficients in the second column are adjusted for selectivity under the assumption that the amount of child support awarded is positively correlated with the likelihood of being awarded support. Both sets of coefficients are similar. The only substantive difference lies in the coefficient for number of children, which becomes significant after the adjustment for selectivity.¹⁵

Mother's earnings at divorce have no impact on the amount of child support awarded. The only effect of mother's earnings is its positive effect on having an award. We believe that mother's capacity to negotiate is more important than variation in economic need when determining receipt of an award, but that these two factors offset each other when determining amount of the award (although it remains possible that mother's income has no causal effect on the amount of the award). Congruent with the finding that women with more education are more

Table 4

Unadjusted and Adjusted Regressions for Log of Monthly Amount of Child Support Awarded^a

Variable	Unadjusted	Adjusted ^b
Socioeconomic Resources:		
Log of mother's earnings at divorce Mother has some college education Mother has college education Log of father's earnings at divorce	005 .134** .292** .035**	001 .175 .310** .041**
Characteristics of Legal System:		
No lawyer No-fault divorce state	082 006	176 001
Controls:		
Black Mother's age at divorce Number of children At least one child under 6 Months married	057 039** .192 016 .004**	091 039** .168** .052 .005**
Lambda		. 329
Constant	5.458	5.185**
R ²	.13**	. 13**

^aModels include the variables shown as well as missing value indicators for mother's earnings at divorce, mother's education, and father's earnings at divorce.

 $^{\rm b}\!{\rm Adjusted}$ for selectivity using Heckman's two-stage procedure.

**p < .05

likely to receive a child support award voluntarily, mother's education increases the amount of award received (the effect holds only for college-educated women when the adjustment for selectivity is made). Consistent with our earlier finding that higher-income fathers are more likely to provide support voluntarily, father's income operates to increase the amount of support awarded.

The effects of the control variables are mostly in line with expectations. The number of children, once an adjustment for selectivity is made, is positively related to the amount of child support awarded. Thus, while having more children is negatively related to the likelihood of receiving an award, once an award is made, its dollar value increases with the number of children. Duration of marriage is positively related to both the likelihood of being awarded child support and the amount of award. Age at divorce is negatively related to the amount of an award. Since age in our sample is almost a direct function of year at divorce, we believe that this coefficient reflects the declining real value of child support awards that has been witnessed over the past decade (Robins 1987). Being black, having a child under 6, and characteristics of the legal system do not influence the amount of child support awarded, net of other factors. The effect of the correction factor for selectivity (lambda) is also insignificant (although it is positive, indicating the expected positive correlation between amount of child support awarded and the likelihood of receiving an award).

CONCLUSION

Greater socioeconomic resources of parents at the time of divorce clearly increase both the likelihood that an award of child support is made and the amount of the award, although in a complex fashion. The observed effects suggest that capacity to negotiate and motivation of the father are both at work in determining the likelihood and size of child support awards. Negotiation strength is most clearly indicated by the positive impact of mother's income on the likelihood of being awarded support. Motivation on the part of the father to provide support is indicated by the positive effect of his income and mother's education on the likelihood that support is awarded voluntarily. That elements of negotiation strength and motivation may be offsetting each other is evidenced by the lack of effect of father's income on the likelihood of an award being made and of mother's income on size of the award.

Although parents must determine child support outcomes within the context of the existing legal system, we find little evidence that no-fault divorce laws affect the likelihood of having a child award or the amount awarded. The only effect of divorcing in a no-fault state is to increase the probability that absence of an award was by mutual consent. While we find that being represented by a lawyer increases the likelihood of being awarded child support, it appears that this effect results from the decision of others not to seek a formal award.

With some extrapolation, our findings indicate that children from less privileged homes suffer the most serious economic consequences of divorce. Children whose parents possess fewer socioeconomic resources

are less likely to benefit from child support. The most vulnerable children (e.g., children from the least advantaged families) are least protected economically following divorce, both in terms of having an award and size of award. And, even if child support had been awarded to women without an award, the awards would probably have been smaller than those observed. In results not shown here, we calculate that if child support awards had been made to women lacking them, these awards would be 18 percent smaller than observed for women with an award (based on the less favorable socioeconomic characteristics of women without awards). If a correction for sample selectivity is made, the difference becomes 29 percent.

In the long-term disposition of child support outcomes, the father's motivation appears more important than the mother's capacity to negotiate. We make this assertion on the basis of the fact that mother's income does not affect the probability that child support is awarded voluntarily and does not affect the size of award. The mother's income acts only to increase child support payments by increasing the likelihood that an award is made (and higher-income mothers are by definition less economically needy, although our data indicate that few possess the income to adequately support themselves and their children). Father's income and mother's education, on the other hand, act to increase payment of child support by increasing the likelihood that an award is voluntary and increasing the size of the award. Our argument is buttressed by the observed effects of mother's education and of certain control variables, such as length of marriage.

As family structure continues to change, perhaps with even greater numbers of children living in homes disrupted by divorce, policymakers

seeking to maximize the welfare of children may wish to consider ways in which to influence the decision processes underlying the award of child support (see the discussion in Kahn and Kamerman 1988). On one hand, policy initiatives may take the form of inducements that increase the motivation of noncustodial parents to provide support. On the other hand, policymakers may fashion means other than child support to provide economic security to the children of disrupted families (see Garfinkel and McLanahan 1986). Whatever happens, it is certain that we will continue to see evolution in the nature and functions of family life.

NOTES

¹The U.S. Bureau of the Census defines a family as a householder living with one or more persons related to him or her by birth, marriage, or adoption.

²We assume that both parents are alive. In the past it was more likely that marriage was disrupted by death than by divorce. Programs such as Aid to Families with Dependent Children were originally developed to provide for children in families where the breadwinner died, although these programs have increasingly served children from disrupted families.

³We attempt to couch our discussion in gender-neutral terms (e.g., custodial vs. noncustodial parents), but this is not always possible given the regularity with which custody is awarded to women and their often lower socioeconomic position relative to men. In addition, although this paper focuses on single-parent families created by divorce, we recognize that single parenthood can result from marital separation, widowhood, or out-of-wedlock childbearing.

⁴It is also possible that women with higher incomes may not seek child support in order to reduce the father's power in affecting decisions regarding the children. However, this effect would likely be observed only among women with relatively high incomes, of which there are few in our sample.

⁵Consistent with CPS data, the NLS data reported by men indicate a lower likelihood of being subject to a child support award than is indicated by women's reports (75 percent vs. 82 percent). Men in the

NLS are also more likely than indicated by data from women to report that they pay child support consistently and that they pay more.

⁶None of the black women and only 4 percent of the white women reported that the father obtained custody of the children.

⁷These results are available on request.

⁸We initially distinguished between couples where neither parent retained a lawyer and cases where only the father had a lawyer, but found no difference in results.

⁹In other analyses, we found no difference between states where no-fault is the only ground for divorce and states where there is a mixture of fault and no-fault principles. Other researchers have found no evidence for state-level effects on the likelihood of being awarded child support (Weiss and Willis 1988).

¹⁰We note that the father's income at divorce is reported by the mother and may be subject to more error than reports of her income (income reported by fathers is about 6 percent higher than reported by mothers, although almost all of the difference occurs among blacks).

¹¹Among the variables included in the model, mother's education, mother's income at divorce, and father's income at divorce are subject to considerable missing information. In order to avoid eliminating a large proportion of our sample, we coded missing values for these variables to their respective means and included a set of dummy variables indicating whether the mean had been substituted for a missing value. We do not report the coefficients for the missing-values indicators because they had no consistent pattern of effects across models that would suggest an important substantive meaning. ¹²We note that there may be some confusion on the part of some respondents because all child support awards, whether agreed to voluntarily or not, must be approved by the court. It may be the case then that some respondents who voluntarily agreed upon child support reported that the decision was arrived at by court order. If this is the case, however, our estimates of the impact of the predictor variables should be conservative.

¹³This conclusion must be made contingent upon the nature of our sample. Remember that we have a sample of women with at least a high school degree. The same results concerning race differences may not apply for less educated women.

¹⁴We present transformed coefficients indicating the effect of the predictor variables on the probability of each outcome. However, the resulting values must be interpreted as being conditional on either being awarded or not being awarded child support, respectively.

¹⁵We would expect this shift to significance to occur, since number of children is negatively correlated with the likelihood of being awarded child support and positively correlated with the amount of support awarded.

REFERENCES

- Bellah, Robert, Richard Madsen, Ann Swidler, William Sullivan, and Stephen Tipton. 1985. <u>Habits of the Heart: Individualism and</u> <u>Commitment in American Life</u>. Berkeley: University of California Press.
- Beller, Andrea and John Graham. 1985. "Variations in the economic well-b eing of divorced women and their children." Pp. 471-506 in Martin David and Timothy Smeeding (eds.), <u>Horizontal Equity. Uncertainty.</u> <u>and Economic Well-Being</u>. Studies in Income and Wealth, Vol. 50, National Bureau of Economic Research. Chicago: University of Chicago Press.
- _____. 1986. "Child support awards: Differences and trends by race and marital status." <u>Demography</u> 23:231-246.
- Bumpass, Larry. 1984. "Children and marital disruption: A replication and update." <u>Demography</u> 21:71-82.
- Cherlin, Andrew, Jeanne Griffith, and James McCarthy. 1983. "A note on maritally-disrupted men's reports of child support in the June 1980 Current Population Survey." <u>Demography</u> 20:385-390.
- Council of State Governments. 1970-1986. <u>Book of the States</u>. Lexington, Kentucky: The Council.
- Duncan, Greg and Saul Hoffman. 1985. "A reconsideration of the economic consequences of divorce." <u>Demography</u> 22:485-497.
- Furstenberg, Frank and Graham Spanier. 1984. "The risk of dissolution in remarriage: An examination of Cherlin's hypothesis of incomplete institutionalization." Journal of Family Issues 5:7-26.

- Garfinkel, Irwin and Sara McLanahan. 1986. <u>Single Mothers and Their</u> <u>Children</u>. Washington, D.C.: Urban Institute Press.
- Goode, William. 1963. <u>World Revolution and Family Patterns</u>. New York: Free Press.
- Graham, John and Andrea Beller. 1988. "The effect of child support payments on the labor supply of female headed families: An econometric analysis." Report prepared for the National Institute of Child Health and Human Development under grant No. RO-1-HD-19350, University of Illinois, Champaign, IL.
- Harris, C. C. 1983. <u>The Family and Industrial Society</u>. London: Allen and Unwin.
- Heckman, James. 1979. "Sample selectivity bias as a specification error." <u>Econometrica</u> 47:153-161.
- Hill, Martha. 1984. "PSID analysis of matched pairs of ex-spouses: Relation of economic resources and new family obligations to child support payments." Unpublished manuscript, University of Michigan, Institute for Social Research.
- Hoffman, Saul and Greg Duncan. 1988. "What are the economic consequences of divorce?" <u>Demography</u> 25:641-645.
- Kahn, Alfred and Sheila Kamerman (eds.). 1988. Child Support: From Debt Collection to Social Policy. Newbury Park, CA: Sage.
- Lee, Lung-Fei. 1983. "Generalized econometric models with selectivity." <u>Econometrica</u> 51:507-512.
- Leibowitz, Arleen. 1977. "Parental inputs and children's achievement." Journal of Human Resources 12:245-251.
- Lerman, Robert. 1987. "Child support and dependency." Report prepared for U.S. Department of Health and Human Services under Contract No.

HHS-CS-100-86-0021, Heller School, Brandeis University, Waltham, MA.

- Martin, Teresa and Larry Bumpass. 1989. "Recent trends and differentials in marital disruption." <u>Demography</u> 26:37-51.
- McLanahan, Sara and Larry Bumpass. 1988. "Intergenerational consequences of family disruption." <u>American Journal of Sociology</u> 94:130-152.
- Mnookin, Robert and Lewis Kornhauser. 1979. "Bargaining in the shadow of the law: The case of divorce." <u>Yale Law Review</u> 88:950-997.
- Murnane, Robert, Rebecca Maynard and James Ohls. 1981. "Home resources and children's achievement." <u>Review of Economics and Statistics</u> 63:369-377.
- Office of Child Support Enforcement. 1988. <u>Twelfth Annual Report to</u> <u>Congress for the Period Ending September 30, 1987</u>. Washington, D.C.: U.S. Department of Health and Human Services.
- O'Neill, June. 1985. "Determinants of child support." Report prepared for the National Institute of Child Health and Human Development under grant No. RO-1-HD-16840, Urban Institute, Washington, D.C.
- Parsons, Talcott. 1949. "The kinship system of the contemporary United States." Pp. 177-196 in Talcott Parsons, <u>Essays in Sociological</u> <u>Theory</u>. New York: Free Press.
- Peters, Elizabeth. 1983. "The impact of state divorce laws on the marriage contract: Marriage, divorce and marital property settlements." Unpublished manuscript, Economics Research Center/NORC, University of Chicago.
- Peterson, James and Christine Nord. 1987. "The regular receipt of child support: A multi-step process." Report prepared for the Office of Child Support Enforcement under grant No. 18-20007-3-1.

- Robins, Philip. 1987. "An analysis of trends in child support and AFDC from 1978 to 1983." Discussion Paper no. 842-87, Institute for Research on Poverty, University of Wisconsin-Madison.
- Scanzoni, John. 1983. <u>Is Family Possible? Theory and Policy for the</u> <u>21st Century</u>. Beverly Hills, CA: Sage.
- Sewell, William, Robert Hauser and Wendy Wolf. 1980. "Sex, schooling and occupational status." <u>American Journal of Sociology</u> 86:551-583.
- Sonenstein, Freya and Charles Calhoun. 1988. "The survey of absent parents." Report prepared for the U.S. Department of Health and Human Services under contract No. HHS-100-84-0057.
- Stone, Lawrence. 1979. <u>The Family, Sex and Marriage in England:</u> <u>1500-1800</u>. New York: Harper and Row.
- Tourangeau, Roger, Penny Sebring, Barbara Campbell, Martin Glusberg, Bruce Spencer and Melody Singleton. 1987. <u>The National Longitudinal</u> <u>Study of the High School Class of 1972 (NLS-1972) Fifth Follow-Up</u> <u>(1972) Data File User's Manual</u>. National Opinion Research Center, University of Chicago.
- U.S. Bureau of the Census. 1987a. "Poverty in the United States, 1985." Current Population Reports, Series P-60, No. 158. Washington, D.C.: Government Printing Office.
- ______. 1987b. "Households, Families, Marital Status and Living Arrangements: March 1987." Current Population Reports, Series P-20, No. 417. Washington, D.C.: Government Printing Office.
 - ______. 1988. "Who's Helping Out? Support Networks among American Families." Current Population Reports, Series P-70, No. 13. Washington, D.C.: Government Printing Office.

- Weiss, Yoram and Robert Willis. 1985. "Children as collective goods and divorce settlements." Journal of Labor Economics 3:268-292.
- ______. 1988. "An economic analysis of divorce settlements."
 - Unpublished manuscript, Economics Research Center/NORC, University of Chicago.
- Weitzman, Lenore. 1985. <u>The Divorce Revolution: The Unexpected Social</u> <u>and Economic Consequences for Women and Children in America</u>. New York: Free Press.