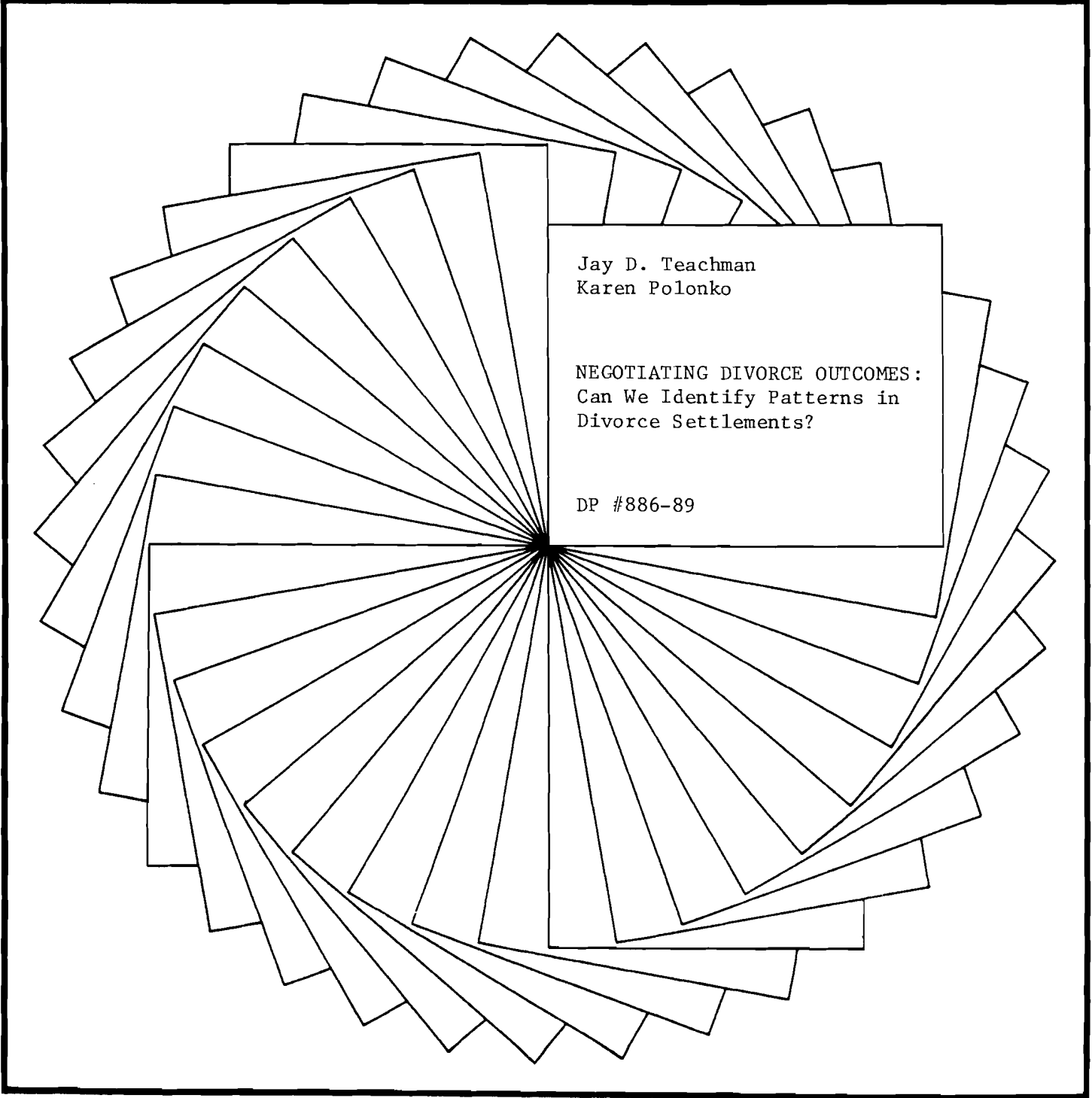


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# IRP Discussion Papers

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NEGOTIATING DIVORCE OUTCOMES:  
Can We Identify Patterns in  
Divorce Settlements?

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NEGOTIATING DIVORCE OUTCOMES:  
CAN WE IDENTIFY PATTERNS IN DIVORCE SETTLEMENTS?

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## Abstract

As nuclear families have become increasingly less stable over the past quarter century, married couples have been faced with the difficult task of negotiating the terms by which marriage is ended. For parents, divorce involves questions revolving around the care and sustenance of children. In this paper we investigate whether observed divorce settlements indicate that parents make trade-offs in several areas concerning their children, including custody, visitation, child support, and marital property division. Using data from the National Longitudinal Study of the High School Class of 1972, we find evidence that parents make trade-offs of this nature. We also suggest a framework within which these results can be interpreted.

## Negotiating Divorce Outcomes: Can We Identify Patterns in Divorce Settlements

An increasing proportion of all households are headed by a single parent. A significant proportion of the increase in these households can be attributed to increases in marital dissolution. Estimates indicate that as many as 50 percent of marriages recently contracted will eventually end in divorce (Weed, 1980). The determinants of marital dissolution and the socioeconomic consequences for women and children have received considerable research attention (e.g., Duncan and Hoffman, 1985; Garfinkel and McLanahan, 1986; Wallerstein and Kelley, 1980; Weitzman, 1985). Yet the patterns of negotiation surrounding divorce, which set the context for subsequent life-course outcomes, have received much less attention. Little is known about the interrelationships between various outcomes that constitute the basis of a divorce settlement. In this paper, we consider observed divorce outcomes to be indicators of the process of negotiation by which marriages are ended.

### NEGOTIATING DIVORCE

When a marriage ends, couples must negotiate the terms by which they will separate. For couples without children, the reorganization of family and personal life may be relatively uncomplicated. For couples with children, however, the redefinition of economic and personal relationships and the nature of continuing obligations to their children are likely to be complex. Investments in property are likely to be greater, and there are serious questions to be resolved about the care

and sustenance of children. In addition to considerations about marital property, parents must negotiate child support, custody, and visitation.

Prior research on divorce settlements has tended to focus on separate outcomes (e.g., the award of child support). However, decisions regarding the multidimensional reorganization of household tasks are made more or less at the same time. Given that the legal system usually ratifies decisions reached outside the courtroom (Mnookin and Kornhauser, 1979), parents enjoy considerable latitude in mutually relating outcomes according to their preferences. Accordingly, we argue that decisions regarding various divorce outcomes are not independent of each other. The popular conception of the modal outcome of such negotiations is that the mother retains custody of the children, the father has visitation rights, the father is obligated to pay child support, and marital property is divided (as opposed to one parent receiving all or the majority of the property). Yet observed outcomes can be quite different. For example, we know that about one in five ever-married women with custody of their children do not have a child support award (U.S. Bureau of the Census, 1988).<sup>1</sup> Parents are also free to negotiate divergent arrangements about marital property, child custody, and the amount of visitation on the part of the noncustodial parent.

We hypothesize that parents structure divorce outcomes in order to maximize their preferences within constraints imposed by the preferences of the other parent and each parent's ability to negotiate. Below, we describe a conceptual framework within which we believe divorce negotiations occur and which leads us to anticipate particular patterns of divorce outcomes. We also outline a set of expectations concerning

the impact of important predictor variables on the structure of divorce settlements.

#### **A CONCEPTUAL OUTLINE**

We first assume that both parents value the welfare of their children and each therefore benefits from the other's actions to increase their children's welfare (see Weiss and Willis, 1985). In a two-parent family, propinquity acts to maximize the investment of both parents in their children so that neither parent can enjoy increments to a child's welfare made by the other parent without also contributing 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 between the private consumption of the custodial parent and the children according to their wishes. In addition, noncustodial parents receive diminished emotional utility from their children owing to distance. Thus, the fact that children customarily live with one parent reduces the motivation of the absent parent to contribute to the child's well-being and increases the likelihood that the absent parent will negotiate a settlement that maximizes his or her own preferences rather than those of the children or the custodial parent.

The same logic applies to custodial parents in the extent to which they wish to reduce the influence of the noncustodial parent. That is, custodial parents may also negotiate to maximize their own preferences. For example, although it may be in the best interests of the child to have extensive contact with the absent parent (Furstenberg, Morgan, and

Allison, 1987; Wallerstein and Kelly, 1980), if the custodial parent wishes to break completely with the absent parent, she or he may attempt to reduce visitation in order to decrease intrusions made possible by regular visitation.

Patterns of divorce settlements are formed as parents seek to maximize their preferences. In some cases, but not all, preferences are maximized by making trades between particular outcomes. We present a set of hypotheses concerning expected patterns of divorce outcomes and discuss how the characteristics of parents should influence these patterns.

### Expected Patterns

We hypothesize that visitation rights are positively related to the likelihood that child support is awarded.<sup>2</sup> We assume that most parents anticipate the continuation of joint parenting following divorce. Consequently, both child support and visitation rights, as critical contributions of the absent parent to childrearing, will be awarded. However, if parents do not anticipate the continuation of joint parenting following divorce (e.g., if they desire to break completely from each other), then neither child support nor visitation rights will be awarded. Because both child support and visitation are jointly determined by the motivation for joint parenting, it is not likely that either will be awarded without the other. As indirect support for this argument, we note that following divorce, absent parents who visit their children regularly are the most likely to make regular child support payments (Furstenberg, Morgan, and Allison, 1987).

We do not expect particular patterns involving marital property and visitation rights. We do not believe that property settlements and visitation rights are jointly determined and see no basis for assuming the potential for engaging in trade-offs. Property settlements are likely to involve items such as a house or an automobile, the use of which is not likely to be influenced by visitation on the part of the absent parent. In addition, most custodial parents are likely to make decisions concerning the disposition of cash settlements shortly following divorce. Therefore, noncustodial parents will not be motivated to trade property for increased visitation rights.

We do hypothesize, however, that marital property and child support awards are negatively related. While we do not feel that they are jointly determined, we believe that they do form the basis for making trades. Custodial parents may be willing to give up child support in return for a larger property settlement. Similarly, noncustodial parents may be more willing to agree to a child support award in return for a smaller property settlement. The position of both parents is based on the uncertainty of future child support payments. Given the high rate of default on child support obligations (Office of Child Support Enforcement, 1988), custodial parents may trade uncertain child support receipts for the certainty of a larger property settlement (see also Seltzer, Garfinkel, and Orbuch, 1987). Similarly, given the laxity with which child support obligations are enforced, noncustodial parents may trade a child support award for a smaller property settlement .

We do not expect particular patterns involving custody and other divorce outcomes. There still is a deep-rooted cultural bias toward awarding custody to mothers. In large part this bias is expressed in



the desires of mothers and fathers for custody--few fathers desire custody of their children.<sup>3</sup> Thus, we do not expect that custody is jointly determined with other outcomes and doubt that fathers trade other aspects of divorce outcomes for custody of their children.

We do note the unique situation associated with joint physical custody (although over the period covered by this paper joint physical custody is a relatively rare occurrence). Generally, when joint physical custody occurs, both parents have explicitly agreed to share custody, probably as the result of a desire to continue joint parenting. However, by its nature joint custody does not imply that either parent should receive child support, and visitation rights become a moot point.

#### Predictors of Expected Patterns

We expect that divorce outcomes will vary according to the characteristics of parents. We focus on the effects of the socioeconomic resources of parents on the outcome of divorce negotiations, under the assumption that such resources affect ability to influence outcomes and reflect variation in preferences and motivations concerning outcomes. We hypothesize that parents with greater socioeconomic resources will be more likely to conform to the modal pattern of divorce outcomes described above. We have several reasons for making this hypothesis--all based on the preferences of parents with greater resources and how these preferences are realized.

First, custodial parents (who are mostly women) with more resources have more power to obtain both a child support award and a larger property settlement without making a trade-off. Second, custodial parents of higher status (as indicated by greater socioeconomic

resources) are more likely to desire greater investments in their children (Leibowitz, 1977; Murnane, Maynard, and Ohls, 1981) and are therefore more likely to value the absent parent's inputs, increasing the likelihood that both child support and visitation rights will be awarded. Third, noncustodial parents (who are mostly men) of higher socioeconomic status are also more likely to desire greater investments in their children, increasing the likelihood of both child support and visitation rights.

### Strategy

Our analysis proceeds in two steps. Our first goal is to describe observed patterns in divorce outcomes. We assume that these patterns reflect the nature of negotiations in which parents engage. To delineate patterns, we adopt a latent class approach (see Clogg and Goodman, 1984; McCutcheon, 1987). The basic premise of this approach is that the measured covariation among observed outcomes (as derived from a cross-tabulation of child support, custody, visitation, and marital property) is due to each observed variable's relationship to a common latent variable. The categories of this latent variable indicate a typology of divorce outcomes as negotiated by the marital partners. The basic model has the following form:

$$q_{ij\dots mt}^{AB\dots EX} = q_{it}^{AX} \times q_{jt}^{BX} \times \dots \times q_{mt}^{EX} \times q_t^X$$

where  $q_{ij\dots mt}^{AB\dots EX}$  is the probability that a randomly selected case will be located in the  $i,j,\dots,m,t$  cell,  $q_{it}^{AX}$  is the conditional

probability that a case in class  $t$  of latent variable  $X$  will

be located at level  $i$  of the variable  $A$ ,  $q_{jt}^{BX}$  is the conditional

probability that a case in class  $t$  of the latent variable will

be at level  $j$  of variable  $B$ , ... and  $q_t^X$  is the probability that

a randomly selected case will be at level  $t$  of the latent variable  $X$ .

Thus, the observed cell frequencies are assumed to be a product of a set of conditional probabilities and the probability associated with being in a particular class of the latent variable.

The number of latent categories  $T$  in the latent variable  $X$  represents the number of classes defined for the observed cross-tabulation. For our purposes, the value of  $T$  determines the number of objectively identifiable classes of divorce outcomes. The relative sizes of the latent classes indicates whether the population is more or less evenly spread across the classes. In a table of the size we analyze here ( $2 \times 3 \times 3 \times 3$  (see below for a discussion of how we construct this cross-tabulation), the maximum number of identifiable classes is seven.<sup>4</sup>

The conditional probabilities represent the probability that an individual in class  $t$  of the latent variable will be at a particular level of the observed variables. In other words, the conditional probabilities are comparable to factor loadings in a factor analysis applied to continuous-level data. The conditional probabilities therefore allow us to define the character of the latent classes and the nature of the latent variable.

In the absence of strong theoretical direction concerning the nature and number of classes, we adopt an exploratory approach in estimating the latent class models. We first seek to identify a latent class model with the fewest possible latent classes that fits the data adequately. We then use the conditional probabilities to identify the classes of divorce outcomes, noting whether they are consistent with our expected patterns.

Since individuals with identical scores on the observed variables are considered to be in the same latent class, we also use our selected latent class model to assign respondents to their appropriate latent class (see McCutcheon, 1987). In other words, we create a variable with T categories corresponding to classes of divorce outcomes and then assign each respondent to one of these classes. In order to determine variation in latent class placement, we use a logistic regression procedure to determine the impact of measured covariates on the likelihood of being in a particular class of the latent variable.

## 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 et al., 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 that, as well as increasing the sample size of relevant individuals (e.g., respondents who have ever experienced marital disruption), provides detailed information concerning divorce outcomes of first marriages for all ever-divorced respondents.<sup>5</sup> The NLS also contains information about the socioeconomic resources of both mothers and fathers at the time of divorce.

The NLS misses individuals who were not in school the spring of their senior year in high school. Variation in divorce outcomes according to education is thus truncated, as well as variation on other variables related to education.<sup>6</sup> 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. Although the NLS data contain information on divorce outcomes gathered from both men and women (the respondents are not a sample of spouses), we use only responses provided by women, as they are more likely than men to provide accurate information concerning divorce (Cherlin, Griffith, and McCarthy, 1983). 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 assumption upon which the calculation of standard errors is based. Our results are not substantively different, however, if weighted data are considered.

The questions used to obtain information pertaining to child support, custody, visitation, and property settlement are shown in Table 1. Since the first step in our procedure is to conduct a latent class analysis on a table created by cross-tabulating each of these variables,

Table 1

Questions Used in Construction of Cross-Tabular Data for Latent  
Class Analysis

Question	Response
<u>Child Support:</u>	
At the time of divorce, what was the agreement on child support payment between you and your spouse?	1 = I agreed to pay spouse 2 = Former spouse agreed to pay me 3 = We agreed that neither of us would pay the other 4 = There was no agreement
Recode:	1-2 = Child Support (82%) 3-4 = No Child Support (18%)
<u>Custody:</u>	
What was the nature of the agreement concerning physical custody of the children?	1 = I obtained sole physical custody 2 = Spouse obtained sole physical 3 = Spouses share physical custody 4 = Split custody 5 = Neither spouse has custody 6 = There was no agreement
Recode:	1 = Mother custody (88%) 2 = Father custody (3%) 3-4 = Joint custody (7%) 5-6 = Excluded from analysis
<u>Visitation:</u>	
What was the nature of your more agreement concerning visitation by the noncustodial parent?	1 = Sees children once a week or 2 = Sees children twice a month 3 = Sees children once a month 4 = Sees children during vacations 5 = No specific times 6 = No visitation allowed
Recode:	1-4 = Specific times (49%) 5 = Nonspecific times (43%) 6 = No visitation (8%)

Table Continued

Table 1, Continued

Question	Response
<u>Property Settlement</u> (1985 dollars):	
What was the total net value of all property (house or other real estate, cash, cars, furniture, etc.) you received as a result of the settlement? That is, what is the amount that you would have owned or received if you had sold the property and paid any mortgage or debts?	1 = Less than \$5,000 2 = \$5,000-\$9,999 3 = \$10,000-\$19,999 4 = \$20,000-\$29,999 5 = \$30,000-\$39,999 6 = \$40,000-\$49,999 7 = \$50,000-\$74,999 8 = \$75,000 or more 9 = Don't know
Recode:	1 = <\$5,000 (52%) 2-8 = >\$5,000 (34%) 9 = Unknown (14%)

parsimony requires that we reduce the number of categories, as shown in Table 1. The resulting table analyzed is 2 x 3 x 3 x 3 (54 cells). Although the table is detailed for the sample size available (about 45 percent of the cells are empty), an analysis of a 2 x 2 x 2 x 3 cross-classification (24 cells, 2 cells empty) provides virtually the same substantive picture.<sup>7</sup> Moreover, we would expect a priori that a large number of the cells would be empty.

The child support variable simply measures whether a support award was made at divorce (82 percent of the cases). In essence, the variable measures whether the father is obligated to pay child support, since only five women had agreed to pay support (thus our decision not to distinguish between which spouse is obligated to pay support). The small number of women obligated to pay child support is largely a function of decisions concerning custody. The vast majority of mothers are awarded sole custody of their children (88 percent); only a small fraction of fathers have custody (3 percent). Visitation reflects broader variation in outcomes than is true for custody. The values for marital property indicate that few married couples have substantial equity. The majority of all custodial parents received less than \$5,000 in property at the time of divorce (52 percent).<sup>8</sup>

The variables we use in the multivariate analysis are presented in Table 2. The mother's education and income at divorce and the father's income at divorce measure socioeconomic resources of the parents. Education of the father is not included in order to reduce collinearity in the model.<sup>9</sup>

A number of control variables are also included. Number of children is included to measure variation in economic need on the part of the



Table 2

Means and Standard Deviations of Variables Used in the  
Multivariate Analysis of Divorce Outcomes

Variable	Mean	Standard Deviation
<u>Socioeconomic Resources</u>		
Log of mother's earnings at divorce	6.87 <sup>a</sup>	4.13
Mother has some college education	.33	.47
Mother has college education	.07	.25
Log of father's earnings at divorce	9.13 <sup>b</sup>	2.66
<u>Controls</u>		
Characteristics of the legal system:		
No lawyer	.11	.31
No-fault divorce state	.71	.45
Others:		
Black	.14	.35
Mother's age at divorce	25.66	3.46
Number of children	1.48	.68
At least one child < 6	.78	.41
Months married	69.65	37.19

<sup>a</sup>\$9,360 per mother in 1985 dollars.

<sup>b</sup>\$20,989 per father in 1985 dollars.

custodial parents with the same level of resources. Whether there is at least one child under age 6 is included to measure constraints on the custodial parent's labor force participation (largely through increased costs of child care), and thus an increase in economic need. All else being equal, we believe that greater economic need on the part of the custodial parent will increase the likelihood of having a child support award and thus the likelihood of visitation being granted. The mother's age is included in order to tap unmeasured characteristics related to life-course position that may influence divorce outcomes (although age is virtually isomorphic with year of divorce and thus may tap period effects on divorce outcomes). Race is included as a control because prior research has consistently found that divorce outcomes vary according to race (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 couples make in their marriage, and thus the degree of mutual trust and altruism that may increase anticipation of joint parenting and decrease the likelihood that trade-offs between child support and marital property are made.

Two measures of the legal context surrounding divorce are included in our model. Weitzman (1985) argues that changes in the nature of divorce laws, specifically the advent of no-fault divorce, have influenced divorce outcomes, decreasing the likelihood that women receive a child support award. Other researchers (Beller and Graham, 1986) postulate that differences in access to legal counsel affect divorce outcomes. The first measure indicates whether the mother retained a lawyer.<sup>10</sup> The second measure indicates whether the divorce took place in a state where irreconcilable differences (or a similar form of no-fault divorce) are

grounds for divorce. This measure is constructed from information contained in various issues of the Book of the States (Council of State Governments, 1970-1986). A state is coded 0 until the year following the passage of a no-fault divorce statute, and then it is coded 1.

## RESULTS

The results of estimating several latent class models on the data for divorce outcomes are presented in Table 3. The first row in the table presents the chi-square value for a model of independence. Clearly, this model does not fit the data well. The second row in the table presents the chi-square value for a model with two latent classes. This model better fits the data, as indicated by the value of the model chi-square. The third row of the table presents the chi-square value for a model with three latent classes. While the difference in model chi-square values between the model with two categories and the model with three categories ( $120.8 - 111.3 = 9.5$  with  $df = 3$ ) is significant at the .05 level, the ratio of the overall chi-square value to the degrees of freedom ( $19.8/32$ ) indicates that we are overfitting the data. On the grounds of parsimony, therefore, the two-class model is to be preferred.<sup>11</sup> Given the possible range of variability in divorce outcomes, the fact that two classes can adequately describe the data indicates a surprising degree of homogeneity in observed divorce outcomes.

In Table 4 we show both the conditional probabilities and the latent class probabilities associated with each divorce type for the two-class model. Slightly more than three-quarters of the sample falls into Class

Table 3

## Exploratory Latent Class Models of Types of Divorce Outcomes

Model	Chi-Square Value	Degrees of Freedom <sup>a</sup>	Chi-Square Value	Degrees of Freedom
Independence	140.6	53	--	--
Two latent classes	29.3	46	111.3	7
Three latent classes	19.8	32	120.8	4

<sup>a</sup>Degrees of freedom include a "recapture" of conditional probabilities estimated to be zero.

Table 4

Conditional Probabilities and Latent Class Probabilities for  
the Two-Class Model of Divorce Outcomes

Observed Variable	<u>Conditional Probabilities for Divorce Class</u>	
	Class I	Class II
<u>Child Support Awarded</u>		
No	.00	.68
Yes	1.00	.32
<u>Custody Decision</u>		
Mother	.99	.76
Father	.00	.16
Joint	.01	.08
<u>Visitation Decision</u>		
Specific times	.55	.27
Nonspecific times	.43	.40
No visitation	.02	.33
<u>Value of Property Awarded to Mother</u>		
< \$5,000	.51	.60
≥ \$5,000	.38	.21
Unknown	.11	.19
Latent Class Probabilities	.78	.22

I. The latent class probabilities indicate that Class I corresponds to the modal pattern of divorce outcomes discussed above--e.g., a child support award is made, the mother retains sole custody of the children, and the father has at least some visitation rights. Class II indicates a substantially different pattern of divorce outcomes. The likelihood of a child support award being made is much lower, the mother is less likely to have sole custody of the children, and visitation rights are less likely to be granted.

In comparing Class I and Class II there does not appear to be evidence supporting our hypothesis that parents trade property for concessions on child support. Indeed, if there is a relationship, smaller property settlements are associated with a lower likelihood of child support being awarded. In our sample, most parents may not engage in trade-offs between child support and marital property because the amount of property involved is so small. The latent class probabilities are consistent, however, with our hypothesis of a positive relationship between child support and visitation. When child support is awarded, visitation rights are likely to be granted. Conversely, when there is no child support award, visitation rights are more likely to be lacking.

We also note that divorce outcomes described by Class II include a greater proportion of cases where the mother is not awarded sole custody. This pattern suggests that when mothers do not have sole custody of the children, they are seldom obligated to pay child support and often lack visitation rights.<sup>12</sup> This outcome suggests that men are more likely to obtain custody of their children when the mother cannot provide appropriate care.

We next consider the predictors of being in one class vs. the other. Since there are only two classes, we use a logistic regression procedure for a dichotomous dependent variable. The model shown in Table 5 indicates the effect of each predictor variable on the likelihood of being in Class I rather than Class II. Our hypotheses concerning the impact of parental socioeconomic resources on divorce outcomes are only weakly supported. As expected, Class I divorce outcomes are more likely to occur when the father's income is higher. The lack of effect for both mother's education and mother's income is unexpected, though. Moreover, in results not shown here, we found that specifying relative income as a predictor variable also yielded nonsignificant results. In a previous analysis (Teachman and Polonko, 1989), we found mother's income and education to be significant and positive predictors of having a child support award. This contrast suggests that mother's income and education have offsetting effects with respect to different divorce outcomes. For example, while increasing the likelihood of having a child support award (a greater likelihood of being in Class I), mother's income and education may also increase the likelihood that a joint custody arrangement is arranged (a greater likelihood of being in Class II), assuming that joint custody is one way in which higher-status women balance the demands of children and career. And, as we note below, the lack of more clearly defined effects for the predictor variables may be due to heterogeneity in Class II outcomes.

While no-fault divorce laws have no effect on class of divorce outcomes, not having a lawyer decreases the likelihood of being in Class I. One could interpret this finding as indicating that lack of access to the legal system decreases the likelihood of being able to arrange a

Table 5

## Logistic Regression Model for Type of Divorce Outcomes

Variable	<u>Class I vs. Class II</u>	
	Coefficient	Standard Error
<u>Socioeconomic Resources</u>		
Log of mother's earnings at divorce	.038	.030
Mother has some college education	.480	.274
Mother has college education	.457	.575
Log of father's earnings at divorce	.087**	.040
<u>Controls</u>		
Characteristics of legal system:		
No lawyer	-1.511**	.328
Divorce in a no-fault state	-.069	.270
Others:		
Black	.366	.319
Age at divorce	-.068	.057
Number of children at divorce	-.359	.574
At least one child < 6	.903**	.364
Months married	.024**	.006
Intercept	.345	1.380
Model chi-square	63.53**	
Degrees of freedom	28	

\*\*Indicates statistical significance at  $p < .05$ .



"standard" or modal set of divorce outcomes. However, in a prior analysis (Teachman and Polonko, 1989), we found that not having a lawyer is positively related to reaching agreement on child support voluntarily (whether an award was made or not). We believe this indicates that the divorce outcomes contained in Class II are the product of a negotiation process that leads mothers to feel that having a lawyer is unnecessary.

The remaining control variables indicate that the likelihood of being in Class I does not vary according to race, number of children, or age at divorce (this also suggests that there are no secular trends in class of divorce outcomes). As expected, though, the presence of at least one child younger than six and having been married longer increases the likelihood of being in Class I.

#### **SUMMARY AND CAUTIONARY COMMENTS**

We have argued that divorce settlements are the result of a negotiation process in which parents make decisions concerning child support, custody, visitation, and marital property. As they seek to maximize their preferences in making the transition to separate households, we expect to observe particular patterns of divorce outcomes. Using a latent-class approach on data taken from the National Longitudinal Survey of the High School Class of 1972, we derive empirical estimates of classes of divorce outcomes that are consistent with our expectations of the negotiation process.

We note, however, that with our approach we cannot reject the influence of additional factors, such as judicial practices and divorce law, on divorce outcomes. Clearly, our data pertain to outcomes and not

to the actual process of negotiation. We encourage the use of alternative approaches that focus explicitly on the negotiation process. While we are not aware of any large-scale effort to analyze divorce negotiations, Peters, Ben-David, and Schulze (1989) present preliminary evidence from an experimental approach that substantiates our claim that particular patterns of divorce outcomes can be expected from processes of negotiation between parents. And we recall that Mnookin and Kornhauser (1979:951) found that "the overwhelming majority of divorcing couples resolve distributional questions concerning marital property, alimony, child support, and custody without bringing any contested issue to court for adjudication."

A model with only two classes fits the data well. The first class of outcomes corresponds to what one might call the modal or "standard" divorce package--e.g., the mother has custody of the children and is awarded child support, while the father has visitation rights. The second class of divorce settlements is very different--child support is much less likely to be awarded, the mother is less likely to have custody, and visitation rights are less likely to be awarded.

While the pattern of outcomes implied by a Class II divorce settlement are largely in line with our expectations, we are surprised to find only one alternative to the "standard" package. We believe that small sample size is responsible for the fact that only two classes of divorce outcomes are discernible. Larger samples should allow us to distinguish more clearly between alternative classes of settlements, all of which are contained in Class II. For example, in a large sample, joint custody may appear as a separate divorce class. Similarly, with a larger data set, those cases where the father has custody may form a

separate category. However, we have established the fact that there are discernible patterns in divorce outcomes and that these patterns are not likely to be random.

We have also outlined a set of factors expected to influence the class of divorce settlement. Our empirical results give only weak support for our argument that couples with more socioeconomic resources will be more likely to be in Class I. The lack of effects for mother's income and education are unexpected, but may be due to offsetting effects that can be better separated once more sharply defined classes of divorce outcomes are established. That is, Class II outcomes, as we are currently able to define them, are too heterogeneous to allow a clear contrast with Class I. As one reader has noted, Class II appears to be a combination of cases in which fathers are either very involved (father custody) or totally uninvolved (father has no visitation rights). This heterogeneity argues for the necessity of replicating our study using a much larger sample.

## Notes

<sup>1</sup>We emphasize that we are investigating the award of child support. Many fewer women receive child support payments than have an award, yet the single most important predictor of receiving child support is having an award.

<sup>2</sup>These comments do not apply in the case of joint physical custody, where child support and visitation agreements are less applicable.

<sup>3</sup>As one reader has noted, among the small proportion of fathers who sue for custody, about one half are successful. However, we believe that the fathers who file for custody are a select group, and that the success rate would be much lower if a significantly greater number of fathers (thus more representative of all fathers) sought custody of their children. Fathers may threaten to sue for custody in order to obtain a settlement more in their favor (see Weitzman, 1985); but since few men seek custody from the court, threats of a custody battle are not likely to be observed as a trade-off between custody and other outcomes.

<sup>4</sup>The maximum number of discernible classes is determined by the largest number that yields a positive value for the degrees of freedom (see McCutcheon, 1987).

<sup>5</sup>It is difficult to assess the likelihood that panel attrition biases the generalization of results found using the NLS. The sample frame is very complex and has changed over time (e.g., the fifth follow-up was a subsample of individuals who had participated in any of the prior four follow-ups). However, compared to many long-term longitudinal studies, the NLS has been successful in following individuals. The completion rate for the fifth follow-up was about 89 percent, which is quite good

considering the fact that 14 years had elapsed since the beginning of the study. And, while we report results based on unweighted data, the use of weights to correct for differential attrition on selected characteristics does not change the results (although we cannot ignore the possibility that selection occurs according to heterogeneity not captured by the weights).

<sup>6</sup>We note, however, that the effect of truncation bias is less serious in a sample of ever-married women, since a greater proportion of never-married women with children lack a high school degree. In other words, ever-married women are more likely to be in the NLS sample frame.

<sup>7</sup>These results are available on request, as are any others discussed in the text but not presented.

<sup>8</sup>We do not use the ratio of property received by the two spouses, because we believe that it is the absolute amount received that influences divorce negotiations (e.g., 50 percent of a small settlement is not likely to have the same effect as 50 percent of a very large settlement). We use the amount of property awarded to the mother, because most mothers are the custodial parent. We also believe that her reports of the amount of property she received will be more accurate than her reports of the amount of property her spouse received. If, however, relative amount of property is used in the latent class analysis, the results are very similar. A two-class model is still the preferred model and the following conditional probabilities are observed:

	Class I	Class II
Child Support		
No	.00	.62
Yes	1.00	.38
Custody Decision		
Mother	.99	.66
Father	.00	.21
Joint	.01	.13
Visitation Decision		
Specific times	.57	.30
Nonspecific times	.41	.39
No visitation	.02	.30
Relative Value of Property		
Mother less	.16	.22
Equal	.69	.62
Mother more	.15	.15

<sup>9</sup>Father's education is more closely linked with his income than is mother's income with her education (a correlation of about .74). In addition, given assortive mating, there is a fairly strong correlation between mother's and father's education.

<sup>10</sup>We originally experimented with different codings for this variable (e.g., father did not have a lawyer, mother did not have a lawyer, neither had a lawyer, and so on). It became clear, however, that the major division was between mothers who retained a lawyer and mothers who did not.

<sup>11</sup>As it turns out, the three-class model is a simple elaboration on the two-class model that is of little substantive interest.

<sup>12</sup>This observation does not hold for those couples who share joint physical custody of the children.

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