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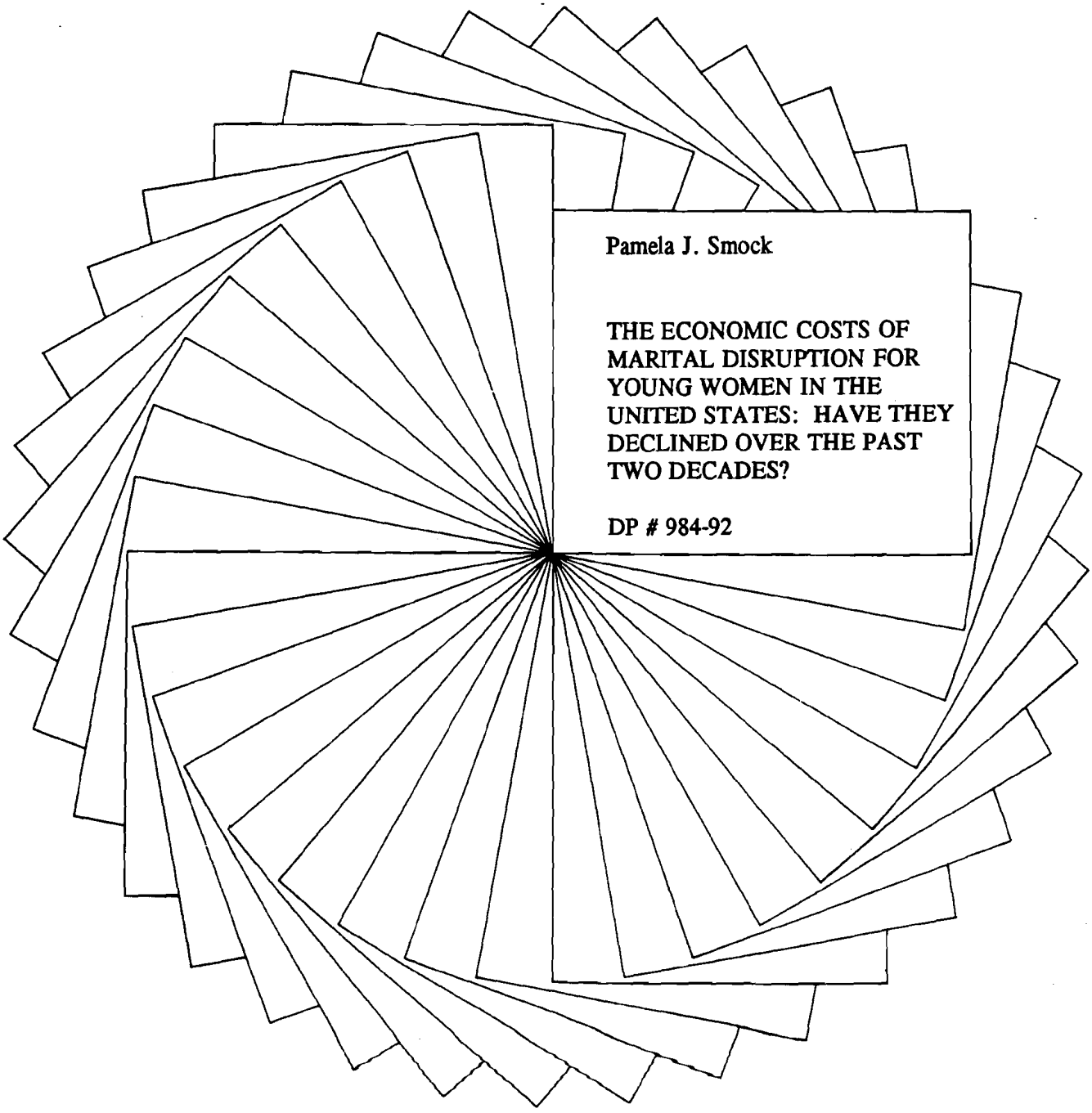

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THE ECONOMIC COSTS OF MARITAL DISRUPTION FOR YOUNG WOMEN IN THE UNITED STATES: HAVE THEY DECLINED OVER THE PAST TWO DECADES?

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The Economic Costs of Marital Disruption for Young Women in the United States: Have They Declined over the Past Two Decades?

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Abstract

This paper examines the economic costs of separation and divorce for young women in the United States from the late 1960s through the late 1980s. Broadened opportunities for women outside of marriage may have alleviated some of the severe economic costs of marital disruption for women. To examine whether trends toward women's increasing economic independence have mitigated the costs of divorce, this paper contrasts the experiences of two cohorts of young women: those who married and separated or divorced in the late 1960s through the mid-1970s and those who experienced these events in the 1980s.

Drawing on panel data from the National Longitudinal Surveys of Youth 1979-88, Young Women 1968-78, and Young Men 1966-78, the results show stability in the economic costs of marital disruption for the two cohorts of young women. Levels of postdisruption economic status and percentage declines from predisruption status are similar. Gender inequality in the costs has also not narrowed appreciably over time. A multivariate analysis examines whether cohort stability in the costs of disruption occurs because young women who separated in the 1980s were more disadvantaged on educational and labor force characteristics compared to those in the earlier cohorts. Rising ages at marriage over the period may have resulted from women with higher socioeconomic prospects delaying marriage and those with lower prospects marrying. The results show that women in the more recent cohort have no worse socioeconomic prospects that those in the earlier cohort. Those in the more recent cohort even have more labor force experience prior to disruption than those in the earlier cohort, but prior work history does not protect women from the severe costs of marital disruption. Young separated and divorced women are also not receiving greater income returns to their schooling or labor force experience over time.

The Economic Costs of Marital Disruption for Young Women in the United States: Have They Declined over the Past Two Decades?

INTRODUCTION AND BACKGROUND

Family patterns have changed dramatically over the past three decades. Trends show a rising age at marriage, increases in nonmarriage, a rise in nonmarital fertility, increases in marital disruption, and, as a result, a growing proportion of mother-only families (Bianchi and Spain 1986; Castro Martin and Bumpass 1989; Espenshade 1979; Farley and Bianchi 1987; Norton and Moorman 1987; Sweet and Bumpass 1987). For the United States population as a whole, mother-only families increased from 9 percent of all family households with children in 1960 to over 20 percent in 1987 (U.S. Bureau of the Census 1988). Nearly 50 percent of all children may expect to live in a mother-only family, and for a substantial proportion this experience lasts until age sixteen (Bumpass and Sweet 1989a).

The prevalence and growing proportion of mother-only families have engaged the attention of policymakers and are key issues for studies of social stratification and inequality (Bane 1986; Ellwood 1988; Garfinkel and McLanahan 1986; Kammerman and Kahn 1988; Ross and Sawhill 1975). A central reason for this concern is that poverty rates among mother-only families are indisputably high. Almost one-half of women and children in these families were living below the poverty line in 1987, dramatically higher than the 8 percent rate of married-couple families with children (U.S. Bureau of the Census 1989).

Although nonmarital births are an increasingly important component in the formation of mother-only families, separation and divorce continue to be responsible for a majority of them (Bianchi and Spain 1986). Beginning in the 1970s, when large, nationally representative longitudinal data sets became available, a body of literature emerged tracking the change in economic well-being experienced by women, and their children, upon marital disruption (Corcoran 1979; Duncan and

Hoffman 1985; Hoffman 1977; Hoffman and Duncan 1988; Morgan 1989; Morgan 1991; Mott and Moore 1978; Nestel, Mercier, and Shaw 1983; Peterson 1989; Stirling 1989; Weiss 1984; Weitzman 1985; see Holden and Smock [1991] for a review of this literature). These studies concur--despite wide variation in samples, analytic design, and estimates--that women experiencing separation or divorce typically undergo marked reductions in family income and in measures of well-being that take into account household or family size. And, unless women enter another marriage, the economic toll of marital disruption is not short-lived (Duncan and Hoffman 1985; Morgan 1991; Stirling 1989; Weiss 1984). Qualitative studies reinforce these findings and suggest that the overall trauma of marital disruption for many women stems from economic insecurity (Arendell 1986).

Unlike women, men who separate or divorce generally experience an increase in economic well-being (Duncan and Hoffman 1985; Hoffman 1977; Weitzman 1985). They undergo less precipitous declines in income than women, and often experience substantial improvement in measures of well-being that take into account that their family size--and thus their economic "needs"--decreases more than their income. This is largely because few divorcing men who are parents ask for, or are awarded, physical custody of their children; in 1987 almost 90 percent of single-parent households with children were headed by women (U.S. Bureau of the Census 1988). Further, as is well known, only a minority of men fully comply with child support awards and, even if they do, payments tend to be meager (U.S. Bureau of the Census 1990).

Past studies documenting the economic consequences of marital disruption for women have focused on separations and divorces occurring in the late 1960s to the mid-1970s, and have used samples encompassing a wide range of ages or only one cohort. No research to date has examined the experiences of women separating or divorcing in more recent years or asked whether the economic costs of marital disruption for women have changed over recent decades. In view of the

manifold and rapid changes in women's work and family lives over recent years, one might speculate that these costs have declined.

Broadly speaking, social commentators and academics often characterize the past two or three decades as a time of women's increasing economic independence, and, relatedly, one of change in the meaning and centrality of marriage. As marriage is being increasingly delayed and divorce rates have risen, women have been devoting more time to market employment. Although trends in marital instability and women's labor force participation are rooted in longer-term historical change, they have escalated since the 1960s. This shifting socioeconomic context may be reducing the economic costs of marital disruption for women.

Consider changes in women's employment. Labor force participation rates among women aged twenty to twenty-four rose from 57 percent in 1970 to 73 percent in 1988. Especially dramatic has been the increase among married women with children under age six, rising from 28 percent to 52 percent over this period (U.S. Bureau of Labor Statistics 1985, 1989). Historically, less economically privileged women worked more in the labor market than middle-class women, but recent changes have occurred throughout the socioeconomic spectrum. The result is that there have been declines in the economic dependency of women within marriage as women are now contributing proportionately more to family income than in the recent past (Sørensen and McLanahan 1987). Related trends include wage gains among younger cohorts of workers, along with some diminishment in the longstanding gender gap in wages, and increasing labor force attachment throughout life (Bianchi and Spain 1986; Blau and Ferber 1986; Levy and Michael 1991; Lloyd and Niemi 1979; Marini 1989; Smith and Ward 1984). Concomitant with increases in women's educational attainment, these kinds of changes suggest some amelioration in the economic toll of separation or divorce. Because maritally disrupted women's economic support stems mostly from their own earnings, higher levels of work experience, schooling, labor force participation, and wages would presumably improve

women's postdisruption economic outcomes and diminish the decline in well-being they experience upon marital disruption.

Trends in fertility also imply some mitigation of the economic costs of marital disruption for women. Marital fertility has been declining (e.g., Mott 1982). This may lead to improved postdisruption economic well-being in measures that explicitly take into account family size, and could also improve women's economic outcomes by freeing up more time for employment during and after marriage.

Finally, in a more abstract sense, there have been continuing shifts in men's and women's attitudes toward more egalitarian gender roles (Cherlin and Walters 1981; Mason, Czajka, and Arber 1976; Mason and Lu 1988; Mott 1982; Thornton and Freedman 1979), and twenty years of high rates of marital dissolution might promote greater preparedness for the possibility of marital disruption. Weitzman (1985), in fact, argues that no-fault divorce rules, articulating and reinforcing social change, make it quite clear that marriage is no longer a lifetime contract, but an optional, time-limited one. The message is that women must not forgo educational and job investments--if they do, they risk severe economic penalties.

At this juncture, it is critical to reexamine the economic costs of marital disruption to women. Taken together, the trends discussed so far lead to the expectation that women today, and particularly younger women, may be relatively less disadvantaged economically, should their marriages end, compared to women even a decade or so ago. In this paper, I evaluate and contrast the economic costs of separation and divorce for two cohorts of women. One is a cohort of young women separating or divorcing in the late 1960s through the mid-1970s. The other consists of young women experiencing these events in the 1980s, a cohort whose economic experiences upon marital disruption have not been examined in prior research. I also draw on analogous cohorts of separating or

divorcing young men to evaluate cohort change in gender inequality in marital disruption's economic effects, as the above trends would imply a narrowing of the disparity.

The next section describes the data and discusses several definitional issues. The analysis itself consists of two main parts. First, I provide descriptive results. Using various measures of economic status, I examine how women in each cohort fare after marital disruption absolutely, relative to their own predisruption economic status, and relative to separating or divorcing young men.

The second part of the analysis takes into account the characteristics of women in each cohort, investigating the influence of an array of work- and family-related characteristics on women's postdisruption income. It clarifies cohort change or stability in the economic disadvantages of marital disruption by decomposing cohort change in mean postdisruption income into what is due to changes in the various characteristics of separated and divorced women over the two cohorts, and what, if any, is due to changes in the effects of characteristics. An important rationale for this analysis stems from the focus here on women marrying and experiencing marital disruption at relatively young ages. The age range may complicate expectations of increases in factors favorable to women's postdisruption outcomes. The last two decades have witnessed striking increases in nonmarriage or delayed marriage. Because women who first marry at older ages tend to receive more years of schooling and gain work experience, *and* age at marriage has been increasing over the period examined here (e.g., Bianchi and Spain 1986), it could well be that young maritally disrupted women in the late cohort have somewhat lower socioeconomic prospects than their counterparts in the early cohort. In other words, those in the more recent cohort could have lower prospects because marriage at young ages may be increasingly selective; as it becomes more and more uncommon to marry early, those who do so may have low economic prospects themselves. Taking into account compositional

changes over the two cohorts may be crucial in interpreting cohort change or stability in the costs of marital disruption.

DATA

I use panel data from the National Longitudinal Surveys of Youth (NLSY) for 1979-88 and of Young Women (NLSYW) for 1968-78. These are nationally representative samples of 12,686 men and women ages fourteen to twenty-one in 1979 and 5,159 women ages fourteen to twenty-four in 1968, respectively. I also use the National Longitudinal Survey of Young Men (NLSYM) for 1966-78, a sample of 5,225 men ages fourteen to twenty-four in 1966. Due to data limitations the analysis is restricted to black and white respondents; all three surveys include oversamples of blacks. The NLSY also includes a supplemental sample of whites from economically disadvantaged geographic areas which is used to increase sample size.

The NLSY has conducted interviews yearly since 1979. NLSYW sample members were interviewed every year between 1968 and 1973, and in 1975, 1977, and 1978. NLSYM respondents were interviewed yearly between 1966 and 1971, and in 1973, 1975, 1976, and 1978. Although the NLSYW and NLSYM continued interviews beyond 1978, this information is not used to avoid temporal overlap for the two cohorts.

These data are the best available for this research. First, as large samples of two cohorts of youth, rather than cross-sections of the population at any age, they record sufficient numbers of marital disruptions at equivalent ages across time to permit temporal comparisons. Inferences about change over time require that comparisons be age-specific (Menard 1991). Second, because the surveys were supervised by the same organization, they provide greater continuity in data collection and information for the two cohorts than is usually available. While there is some variation across the surveys in the level of detail of information obtained, with the NLSY collecting more specific data

in respects pertinent to this analysis, I have attempted to construct comparable measures across the surveys. Finally, these data are the most extensive available for prospective measures of marital status, income, earnings, labor force participation, characteristics of spouses, characteristics of household members, and living arrangements. This permits capturing change in economic well-being and other characteristics concomitant with marital-status change.

Measuring Income

The NLS surveys ascertain several components of income which vary by year and data set. The basic categories asked of respondents in all years are earnings, farm-business income, aid from relatives, unemployment compensation, and a residual category identifying all "other sources," each of these categories asked separately for the respondent and spouse, if present. If the respondent lives with adult family members other than spouse or children, either total family income is ascertained, including the income from other family members (NLSYW and NLSYM), or there is a separate question for the income of other family members (NLSY). Income streams from unrelated household members are generally not ascertained so that measures of economic well-being pertain to family members within a household.[1]

The NLSYW probes for fewer specific "other sources" of income (i.e., non-earnings income) than the NLSY, an example of greater detail available in the more recent survey. The NLSY always probes for unemployment compensation, income from food stamps, educational benefits, disability income, supplemental security income, alimony, and child support. In the NLSYW, these more specific sources of other income are ascertained in only one of the surveys used in the analysis (1978); in all other years the respondent is expected to report these sources in a single residual category.

The result is that the amount of postdisruption non-earnings income is likely to be somewhat understated for the earlier cohort of women. Analyses not presented here support this, and suggest

that this affects black women more than white women.[2] Because separated and divorced women tend to rely more heavily on non-earnings income than married couples or their male counterparts--men seldom receive public assistance in the form of AFDC and only rarely receive child support--this is not likely to be a problem for the young men or for estimates of predisruption economic well-being. The implications are twofold: first, absolute levels of postdisruption economic well-being may be slightly understated for the earlier cohort, and, second, declines from predisruption well-being may be somewhat overstated. I return to this issue at points in the discussion.

Measuring the Economic Costs of Marital Disruption

I focus on the short-term consequences of marital disruption, largely in order to minimize sample attrition and maximize sample size. A short-term framework also minimizes the proportions of women who are remarried, which is beneficial as this analysis is concerned with how women have been faring outside of marriage. Although short-term change in economic well-being may not be an ideal measure of the economic costs of marital disruption, most evidence suggests that short-term change approximates change over the longer-term; women's postdisruption income is relatively stable over several years, unless remarriage occurs (Duncan and Hoffman 1985; Morgan 1991; Stirling 1989; Weiss 1984).

I define marital disruption as either a separation or a legal divorce. The transition from marriage to marital dissolution is measured by examining the marital status of respondents in contiguous survey years. When a respondent reports being married, either spouse present or absent, in one or more survey years, and reports being separated or divorced in a subsequent survey, this is defined as a marital disruption, and the time of disruption is recorded as being the survey year when separation or divorce is first reported.[3] In this study, T-1 always represents the predisruption observation (the last year of marriage) and T+1 the postdisruption observation, where marital disruption is first recorded in year T. I rely on information ascertained at T+1, rather than T, to

measure postdisruption economic well-being because the income reported in the first postdisruption interview may reference only a partial year of separation or divorce. Income questions at each survey refer to either the last calendar year (NLSY) or the past twelve months (NLSYM and NLSYW). Thus, income ascertained at $T+1$ references a full postdisruption year for all respondents.

The first set of results uses three conventional measures of predisruption and postdisruption economic well-being: family income, per capita income, and the income-to-needs ratio. These measures pertain to the income of the respondent and any related adult family members within a household.[4] Correspondingly, the latter two measures take into account the number of coresident family, rather than household, members. I rely on medians rather than means in this section because of the skewness of the income distribution and use the Mann-Whitney test to address whether differences or changes in well-being upon marital disruption are statistically significant between the two cohorts. This test assesses whether two samples are drawn from populations with the same median and does not require that the underlying distributions are normal. The multivariate analysis uses the natural logarithm of postdisruption family income as the dependent variable; the interpretation of coefficients of independent variables is unclear when the dependent variable is a ratio variable like per capita income or income-to-needs.[5] All income amounts are adjusted for inflation using the Consumer Price Index and presented in 1987 dollars.

The Two Cohorts

Table 1 shows subsample sizes by race and cohort. Although sample sizes of maritally disrupted black men and women are relatively small, particularly for the more recent cohort, they generally compare quite favorably to those in past research (e.g., Corcoran 1979; Duncan and Hoffman 1985; Hoffman 1977; Morgan 1989; Morgan 1991; Mott and Moore 1978; Nestel, Mercier, and Shaw 1983; Stirling 1989).

TABLE 1

Number of Observations by Cohort, Race, and Subsample

Subsample	Early Cohort	Late Cohort
Maritally disrupted women:		
White	430	416
Black	226	133
Total	656	549
Maritally disrupted men:		
White	312	270
Black	114	67
Total	426	337

Source: National Longitudinal Surveys of Young Women 1968-78, Young Men 1966-78, and Youth 1979-88.

Note: See text for definitions of the early and late cohort.

The first cohort, referred to here as the "early cohort," consists of young women separating or divorcing in the late 1960s through the mid-1970s. Drawing on the NLSYW, it includes those women who were married in 1968, or who became married by 1975, and who reported being separated or divorced in any subsequent interview through 1977. The second cohort, the "late cohort," includes young women experiencing marital disruption in the 1980s. It consists of those in the NLSY who were married in 1979 or who became married by 1986 and who reported a subsequent separation or divorce in any year between 1980 and 1987. Similar criteria were used to define the subsamples of maritally disrupted men. By requiring that the disruption occur at least one survey prior to the last interview I use, there are $T+1$ observations available for all respondents.

The two cohorts represent the experience of relatively young women; the focus here is on disruptions occurring by roughly age thirty-one. The generalizability of this research is thus limited to marital disruptions at young ages, short marital durations, and early ages at first marriage. At the same time, divorce is most common among those who married young, and disruption rates are highest in the first few years of marriage (Castro Martin and Bumpass 1989). Further, a close examination of the experiences of women undergoing marital disruption at young ages is of interest in its own right. These women are likely to have very young children and may be especially vulnerable economically, and many of the trends in women's lives that might be expected to mitigate the economic costs of marital disruption are most marked among younger women (e.g., wage gains of women workers relative to men). Moreover, the advantage of being able to examine the costs of disruption to women over time outweighs the disadvantage of limits on generalizability.

The Treatment of Remarried or Cohabiting Women

A substantial minority of women are remarried by $T+1$; remarriage is common at young ages and can occur rapidly. At the same time, remarriage rates have been declining since the 1970s, and there has been a rapid rise in nonmarital cohabitation over recent years (Bumpass and Sweet 1989b;

Sweet and Bumpass 1987). The data used here mirror national trends. Among women in the early cohort, roughly 30 percent were remarried at $T+1$, versus just 17 percent of those in the late cohort. And while only a handful of those in the early cohort were living with a cohabiting partner at $T+1$ (N=6), roughly 17 percent of those in the late cohort were doing so (N=89). Note that the figure for the early cohort is probably somewhat understated because the definition of cohabiting partners is more restrictive in the NLSYW than in the NLSY.

The descriptive results consider separately the economic well-being of those who have not entered another union and those who are either cohabiting or remarried at $T+1$.[6] The multivariate analysis uses only those women not remarried or cohabiting at $T+1$. I chose not to "factor in" the economic experiences of women who enter another union because my key motivation is to examine the fortunes of women outside marriage or marriage-like relationships over time. Analyses not reported here indicate no evidence of bias from this restriction (Smock 1992).

RESULTS: THE COSTS OF MARITAL DISRUPTION FOR THE TWO COHORTS

Changes in Well-Being upon Marital Disruption

Family income declines sharply in the wake of marital disruption because the earnings of wives are generally substantially lower than those of their husbands. When marriage dissolves women tend to lose the majority of their predisruption income, despite increases in labor force participation and hours worked. Past studies suggest declines in income in the range of 30 to 55 percent (Corcoran 1979; Duncan and Hoffman 1985; Hoffman 1977; Morgan 1991; Mott and Moore 1978; Nestel, Mercier, and Shaw 1983; Weiss 1984).

Table 2 shows median family income prior to and after marital dissolution, and the median percentage change in income experienced by women between T-1 and $T+1$ for the two cohorts.[7]

TABLE 2

Median Family Income of Women Experiencing Separation or Divorce at Time T, by Race and Cohort

	Median Family Income at T-1 (All Women)	Median Family Income at T+1		Median Percentage Change in Family Income between T-1 and T+1	
		Single Women	Remarried or Cohabiting Women	Single Women	Remarried or Cohabiting Women
Whites:					
Early cohort	$25,381	$14,720	$27,498	-46	+16
(N)	(430)	(284)	(141)		
Late cohort	$24,020	$13,712	$24,801	-43	+10
(N)	(416)	(258)	(158)		
Blacks:					
Early cohort	$18,086	$9,167	$17,121	-51	+4
(N)	(226)	(195)	(30)		
Late cohort	$16,988	$8,971	$28,722	-45	+16
(N)	(133)	(110)	(23)		

Source: National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: See text for definitions of the early and late cohorts. All income amounts are in 1987 dollars and use weighted data. N's are unweighted. Women who are cohabiting in the early cohort are excluded from figures in Columns 3 and 5 (N=6). T represents the survey year of divorce or separation; T-1 represents the survey year before, T+1, the survey year after.

Prior to marital disruption, income levels are quite similar for the two cohorts, although substantially lower for black women than white women. Income levels are greatly reduced after marital disruption among those who have not entered another union, and, contrary to expectations, the economic disadvantages of marital disruption have not diminished at least in terms of absolute income levels. Column 2 shows that median postdisruption income is just $9,000 for both cohorts of black women, and $14,000 to $15,000 for white women in both cohorts.

The figures in Column 4, median percentage changes in income for those still single, also show little evidence of cohort change in the economic costs of marital disruption. Declines in income upon separation or divorce from predisruption levels are quite similar for the two cohorts, and dramatic.[8] Among whites, family income declines approximately 46 percent upon marital disruption for those in the early cohort and 43 percent for those in the late cohort. Among black women, the analogous figures are 51 percent and 45 percent. Although the median declines for the late cohort are a bit less steep, cohort differences are not statistically significant for either black or white women. Recall also that if postdisruption income is slightly understated for the early cohort, this would result in overstated declines in well-being, especially for the early cohort of blacks.

As expected, entering another union is associated with economic recovery. Column 3 indicates that the incomes of women who remarry or cohabit are as high or higher than predisruption levels. Column 5 shows that remarriage or cohabitation typically increases income slightly above predisruption levels, with increases ranging from 4 percent to 16 percent. There are no statistically significant differences between the economic well-being of those who are remarried versus those who are cohabiting. Note that black remarried or cohabiting women in the late cohort are faring far better than their counterparts in the early cohort. Sample sizes are quite small, making any interpretation difficult. But given that declines in marriage rates over the past few decades have been much sharper

for blacks than whites, it is likely that these women, who have not only married, but entered another union rapidly, are a very select subgroup.

Tables 3 and 4 present analogous figures for per capita income and the income-to-needs ratio surrounding the time of separation or divorce. These two sets of results tell essentially the same story, so I summarize the former. Prior to marital disruption, median per capita income is roughly $8,000 to $9,000 for both cohorts of white women, and a much lower $4,000 to $5,000 for black women. Focusing on those who have not entered a subsequent union, there is little indication of change in the economic costs of marital disruption over the two cohorts. Column 2 shows that median postdisruption per capita income is about $6,000 to $6,500 for both cohorts of white women, and a very low $2,000 to $3,000 for black women. Column 4 suggests declines from predisruption levels of slightly over 20 percent for both cohorts of white women, 44 percent for black women in the early cohort, and 35 percent for black women in the late cohort. There is clearly no evidence of modification over time in these declines for white women. For black women, there does appear to be some mitigation, but cohort differences are not statistically significant at conventional levels. And if underestimation of non-earnings income is particularly important for black women in the early cohort, this points towards an interpretation of stability in the costs of marital disruption.

Gender Inequality: Comparisons with Maritally Disrupted Men

It is unknown whether gender inequality in the costs of marital disruption has narrowed over time. Some convergence might be expected as women are increasingly likely to be employed while married, contributing more to family income, and as young men's socioeconomic prospects have worsened. Between 1973 and 1986, for example, the earnings of young men with four years of college just kept pace with inflation, while, for high school graduates, earnings declined 16 percent (Levy and Michael 1991). These trends point toward a more equitable distribution in the costs of

TABLE 3

Median Per Capita Income of Women Experiencing Separation or Divorce at Time T, by Race and Cohort

	Median Per Capita Income at T-1 (All Women)	Median Per Capita Income at T+1		Median Percentage Change in Per Capita Income between T-1 and T+1	
		Single Women	Remarried or Cohabiting Women	Single Women	Remarried or Cohabiting Women
Whites:					
Early cohort	$7,996	$6,498	$8,942	-22	+5
(N)	(430)	(284)	(141)		
Late cohort	$8,753	$6,127	$7,714	-21	+2
(N)	(416)	(258)	(158)		
Blacks:					
Early cohort	$4,040	$2,181	$3,393	-44	+6
(N)	(226)	(195)	(30)		
Late cohort	$4,930	$2,892	$7,180	-35	+37
(N)	(133)	(110)	(23)		

Source: National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: All income amounts are in 1987 dollars and use weighted data. N's are unweighted. Women who are cohabiting in the early cohort are excluded from Columns 3 and 5 (N=6). T represents the survey year of divorce or separation; T-1 represents the survey year before, T+1, the survey year after.

TABLE 4

Median Income-to-Needs Ratio of Women Experiencing Separation or Divorce at Time T, by Race and Cohort

	Median Income-to-Needs Ratio at T-1 (All Women)	Median Income-to-Needs Ratio at T+1		Median Percentage Change in Income-to-Needs Ratio between T-1 and T+1	
		Single Women	Remarried or Cohabiting Women	Single Women	Remarried or Cohabiting Women
Whites:					
Early cohort	2.59	1.74	2.86	-34	+8
(N)	(430)	(284)	(141)		
Late cohort	2.66	1.70	2.51	-35	+3
(N)	(416)	(258)	(158)		
Blacks:					
Early cohort	1.42	0.72	1.18	-46	-4
(N)	(226)	(195)	(30)		
Late cohort	1.68	0.92	2.59	-35	+49
(N)	(133)	(110)	(23)		

Source: National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: See text for definitions of the early and late cohorts. All income amounts are in 1987 dollars and use weighted data. N's are unweighted. Women who are cohabiting in the early cohort are excluded from Columns 3 and 5 (N=6). T represents the survey year of divorce or separation; T-1 represents the survey year before, T+1, the survey year after.

marital disruption; young men may have relatively more to lose economically than in the past and women relatively less.

Table 5 shows the median percentage change between T-1 and T+1 in the three indicators of economic status for maritally disrupted men and women, including only those not remarried or cohabiting at T+1.[9] The results confirm the findings of past research, and suggest little shift over the two cohorts in the differential costs of marital disruption for men and women. Changes in family income for men are generally small, ranging from -8 percent to +7 percent for white men and from -13 percent to -29 percent for black men, in the early and late cohorts respectively. That these changes are more severe for black men reflects the fact that black women tend to contribute more income within marriage than white women (Treas 1987). Although black men in the 1980s appear to be experiencing greater declines in income than their counterparts in the early cohort, sample sizes for black men are quite small, and cohort differences are not statistically significant for either black or white men.

Changes in per capita income show that men realize striking increases of roughly 50 to 90 percent upon marital disruption. Estimates of this magnitude are consistent with past research (Sørensen 1992). Over the two cohorts, there has been some decline in men's improvement in this measure. The reason is that men in the late cohort are experiencing proportionately smaller decreases in household size upon marital disruption, both because their predisruption family size has declined and, among white men at least, they are increasingly likely to coreside after marital disruption with other adult family members (data not shown). Nonetheless, the gender disparity has not narrowed substantially. Men on average continue to experience increases in this measure of at least 50 percent and women declines of at least 20 percent.

Finally, results for the income-to-needs ratio clearly support an interpretation of stability across time in gender differences in marital disruption's effects. Whereas women experience a drop

TABLE 5

Changes in Economic Status Surrounding the Time of Separation or Divorce (between T-1 and T+1), by Gender and Cohort

	Median Percentage Change between T-1 and T+1			
	Early Cohort		Late Cohort	
	Men	Women	Men	Women
Whites:				
Family income	- 8	-46	+ 7	-43
Per capita income	+93	-22	+62	-21
Income-to-needs	+27	-34	+26	-35
(N)	(207)	(284)	(172)	(258)
Blacks:				
Family income	-13	-51	-29	-45
Per capita income	+80	-44	+47	-35
Income-to-needs	+23	-46	+21	-35
(N)	(89)	(195)	(45)	(110)

Source: National Longitudinal Surveys of Young Women 1968-78, Young Men 1966-78, and Youth 1979-88.

Notes: Sample restricted to those not remarried or cohabiting at T+1. See text for definitions of the early and late cohort. Median percentage change figures use constant (1987) dollars and are based on weighted data. N's are unweighted. T-1 represents the survey year before separation or divorce, T+1, the survey year after.

in this measure of at least one-third, men on average experience an increase in income-to-needs of slightly over 20 percent. This is true for both black and white men, and increases are virtually identical for the two cohorts.[10]

RESULTS: DETERMINANTS OF WOMEN'S POSTDISRUPTION ECONOMIC WELFARE

The last section documented rather striking stability in the negative economic consequences of marital disruption for young women. Whether considering absolute levels of postdisruption well-being or percentage declines from predisruption well-being, the costs of separation or divorce appear similar for the two cohorts. This section turns to an examination of variation in women's postdisruption economic welfare and, in so doing, provides a general account of this stability.

The analyses are ordinary least squares regressions of the natural logarithm of separated and divorced women's total family income at $T+1$. I use these analyses to decompose cohort differences in mean levels of postdisruption income into what is due to cohort differences in characteristics and what, if any, is due to differences in the effects of characteristics. The last section showed almost identical *median* levels of income for the two cohorts, but medians cannot be decomposed. Table 6 shows that mean levels of postdisruption well-being are substantially higher than the median for both blacks and whites. The table also indicates some improvement in economic outcomes over the two cohorts, although cohort differences are not statistically significant for any measure of economic status. The decomposition can account for this slight increase in mean income, and is also instructive because it identifies what may be offsetting compositional changes or changes in effects.

Independent Variables

Independent variables include basic work- and family-related variables. This is not a causal model. Rather the intention is to consider a variety of predisruption and postdisruption factors that

TABLE 6

Mean Postdisruption Economic Well-Being among Separated and Divorced Women, by Cohort and Race

Indicator of Economic Well-Being	Economic Status at T+1	
	Early Cohort	Late Cohort
A. Mean income		
Whites	$16,857	$19,949
Blacks	10,996	12,169
B. Mean per capita income		
Whites	$ 8,999	$ 9,125
Blacks	3,629	4,203
C. Mean income-to-needs		
Whites	2.07	2.27
Blacks	1.03	1.21

Source: National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: Sample restricted to those not remarried or cohabiting at T+1, the survey year after separation or divorce. All income amounts are in 1987 dollars and use weighted data. Sample includes 284 white and 195 black women in the early cohort, and 258 white and 110 black women in the late cohort.

may be associated with well-being when marriage dissolves. These variables are, in part, derived from past research (e.g., Peterson 1989), and were also chosen to capture some central circumstances of women's lives near the time of marital disruption.

Predisruption Characteristics. Human capital theory posits that economic rewards from market work are determined by employment-related skills such as labor market experience and educational attainment. The more human capital an individual possesses, the greater the returns from employment (Becker 1975). Schooling and work experience prior to marital disruption are thus each expected to increase women's economic well-being after marital disruption. More highly-educated women and those with greater past labor force involvement will not only be more likely to be employed following marital disruption, but will also tend to command higher wages (Peterson 1989). Educational attainment at *T*-1 is measured as a series of dichotomous variables. The omitted category is less than a high school education; 12 years of schooling, 13-15 years of schooling, and 16 or more are entered as dummy variables. Work experience is coded as total years of market employment, either full-time or part-time, by *T*-1. Note that this measure need not represent years of continuous employment.

Women's predisruption employment status may also have an impact on postdisruption well-being, net of work experience. Women employed at *T*-1 are not only gaining additional labor market experience, but may also be less likely to need to seek work when their marriage dissolves.[11] Predisruption employment status is measured as a dichotomous variable, with a "1" indicating that the respondent is currently employed at the time of the interview.

Also included in the equation is the number of own children in the household. Much empirical research has shown that children are associated with reductions in labor supply among women (Cramer 1980; Haggstrom et al. 1984; McLaughlin 1982; Mott and Shapiro 1978). In the case of separated and divorced women, this could potentially have a profound effect on well-being

because own earnings are such an important source of support. At the same time, children are unlikely to have a net effect because work-related characteristics are also measured. I include this variable nevertheless as a control.

Although women who were well-off during marriage tend to experience the most severe declines in economic well-being, their absolute levels of postdisruption income are high compared to those less well-off during marriage (Duncan and Hoffman 1985; Morgan 1991). This is likely the result of the positive correlation of the earnings potential of husbands and wives; women with strong socioeconomic prospects tend to marry men with such prospects (Treas 1987). I use spouse's earnings at *T*-1 as a proxy for predisruption economic status, and expect this to have a positive impact on separated and divorced women's income. I do not include women's own predisruption earnings either in a total measure of predisruption income or as a separate measure. This is because women's earnings are to a great extent a function of work experience, educational attainment, and labor supply, and these are variables included in the model. Further, predisruption earnings are also positively correlated with postdisruption income and correlated errors may be a problem.

Postdisruption Characteristics. Women's labor supply after marital disruption will be strongly and positively associated with postdisruption well-being. I use two measures of postdisruption market work effort: weeks worked in year *T*, the appropriate referent for income ascertained in year *T*+1, and a dummy variable for full-time employment, coded "1" if the respondent is working thirty-five hours or more per week at the time of the survey.

Living arrangements may also influence separated and divorced women's economic well-being. Many women reside with other adults following marital disruption, and past research highlights the importance of financial difficulties as a catalyst to coresidence (Bumpass and Sweet 1991; Glick and Lin 1986; Hogan, Hao, and Parish 1990). Living with other adults is thus expected to improve postdisruption income levels. Three dichotomous variables are used: one indicating if the

respondent is residing with at least one parent, another indicating if she is living with nonrelatives, and a third indicating if she is living with other adult relatives, excluding parents. Note than when coresidence is with family members, the effect on postdisruption income may be "direct" because income from family members is reported. The presence of unrelated adult in the household may have an indirect positive effect, by facilitating employment through the provision of child care for example.

In addition to the total number of children, I include an indicator variable for the presence of a child under age 6 at $T+1$. Again, because the model controls for postdisruption labor supply, the net effect of this variable may be trivial. Young children may nevertheless result in lower levels of well-being even net of labor supply because many jobs with part-time and/or flexible hours, often the only kind feasible for women with young children, are low paying.

Control Variables. Other characteristics are used solely as control variables. These are (1) age at T-1; (2) age at the time of marriage; (3) age of spouse at T-1; and (4) a dichotomous variable for race, coded "1" if the respondent is black because sample sizes are too small to accommodate race-specific analyses. Separate analyses by race do not affect results or substantive interpretations. I also include a dummy variable coded "1" if the respondent is a member of the white, economically disadvantaged oversample for the late cohort, and a dummy variable for the early cohort indicating if the respondent's postdisruption interview was in 1978 (i.e., the single year the NLSYW probed for specific types of non-earnings income).

Descriptive Statistics

Table 7 displays weighted means and standard deviations of the dependent and independent variables for each cohort. The bottom panel shows the moderate increase in mean levels of postdisruption family income over the two cohorts--from $16,000 to almost $19,000. The improvement over the two cohorts in the dependent variable, the natural logarithm of income, is less

TABLE 7
Means and Standard Deviations for Control, Predisruption, and Postdisruption Characteristics of Women

Variable	Early Cohort	Late Cohort
Control variables:		
Race (1 if black)	.21	.16
	(.41)	(.36)
Age at marriage	18.6	19.5
	(2.69)	(2.45)
Age at T-1	24.3	23.0
	(3.24)	(2.45)
Age of spouse at T-1	26.3	26.4
	(4.82)	(4.45)
Predisruption characteristics:		
Employed (1 if yes)	.53	.66
	(.50)	(.47)
Years of work experience	2.11	3.05
	(2.05)	(2.16)
Educational attainment:		
High school (1 if yes)	.45	.49
	(.49)	(.50)
Some college (1 if yes)	.15	.17
	(.36)	(.38)
College or more (1 if yes)	.09	.07
	(.29)	(.29)
Number of children	1.19	.84
	(1.15)	(.91)
Spouse's annual earnings (thousands of dollars)	16.97	15.41
	(12.0)	(11.96)
Postdisruption characteristics:		
Weeks worked in year T	35.14	34.59
	(21.03)	(20.01)
Working full-time in year T (1 if yes)	.54	.46
	(.49)	(.49)
Child under age 6 (1 if yes)	.53	.51
	(.51)	(.50)
Living arrangements:		
Lives with parent(s) (1 if yes)	.14	.28
	(.34)	(.45)
Lives with other relatives (1 if yes)	.05	.06
	(.21)	(.24)
Lives with nonrelatives (1 if yes)	.04	.14
	(.19)	(.35)
Dependent variable:		
Total family income (dollars)	16,172	18,754
	(12,401)	(17,848)
Natural logarithm of family income	9.435	9.540
	(.882)	(.831)
Unweighted N	479	368

Source: National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.
Notes: Standard deviations are in parentheses. Statistics are weighted. Sample restricted to maritally disrupted women not remarried or cohabiting at T+1, the survey year after divorce or separation. Income variables are coded in constant dollars with 1987 as the base year.

marked because the transformation adjusts for positive skewness in the income distributions. It rose from 9.43 to 9.54.

Turning to the independent variables, several characteristics have indeed changed significantly over the two cohorts. Consider first women's market work attachment while still married. Both indicators increased over time as would be expected from recent trends. Approximately one-half of women in the early cohort are employed at T-1, this percentage rising to two-thirds among those in the late cohort. Mean years of work experience prior to marital disruption also increased significantly, from two to three years. At the same time, spouse's earnings at T-1 declined over the two cohorts from about $17,000 to slightly over $15,000. This corresponds with trends in the real earnings of young men (Levy and Michael 1991).

There is no indication of increased labor force involvement over the two cohorts after marital disruption occurs. Both cohorts work, on average, about thirty-five weeks in the year after marital disruption. Somewhat surprisingly, women in the late cohort are slightly less likely to be working full-time than those in the early cohort (46 percent versus 54 percent). Data not shown indicate that nearly identical proportions of women are working--70 percent--but women in the late cohort are relatively more likely to be working part-time.

Overall fertility did decrease over the two cohorts as expected. Women in the early cohort have slightly over one child prior to marital disruption compared to .84 for women separating or divorcing in the 1980s. The likelihood of having a child under age 6 at T+1 among all women however, is about the same for the two cohorts (53 percent and 51 percent). Women in the late cohort have fewer children, but are just as likely to have a young child.

An important characteristic that remained relatively constant over the two cohorts is years of schooling. Among those in the early cohort, 69 percent attained at least a high school degree, and 24 percent attended at least some college. Among those in the late cohort, a slightly higher 73 percent

graduated from high school and 24 percent attended college. Trends in young women's educational attainment in the United States would suggest sharper increases in schooling, and also higher levels of schooling, for each cohort (e.g., Bianchi and Spain 1986; Mare and Winship 1991). It is likely that the two cohorts have equivalent educational distributions because school enrollment and educational attainment are associated with delayed marriage. Possibly, also, these women have somewhat lower educational attainment than women as whole at equivalent ages because schooling is inversely related to the likelihood of marital disruption (Castro Martin and Bumpass 1989).

The likelihood of postdisruption coresidence increased dramatically over the two cohorts. Approximately 14 percent of those in the early cohort were residing with at least one parent after marital disruption compared to 28 percent of those in the late cohort.[12] Similarly, residing with nonrelatives appears to have become much more common, although living with relatives other than parents remained stable at about 5 percent. These estimates of coresidence for the late cohort are consistent with figures reported by Glick and Lin (1986) based on Census data. They show that roughly 34 percent of separated and divorced women aged twenty to twenty-four were coresiding with relatives in 1984. The cohort change in coresidence is also consistent with reports of recent increases in the likelihood of young adults residing in parental households (e.g., Glick and Lin 1986; Heer, Hodge, and Felson 1985).

Finally, the first panel displays the control variables. The representation of black women declined over the two cohorts as would be expected due to the sharper rise in nonmarriage and delayed marriage among blacks than whites. Age at marriage rose slightly over the two cohorts (from 18.6 to 19.5), age of spouse remained constant at about 26 years old, and age prior to marital disruption declined a bit (from 24.3 to 23). Most of this decline in age at disruption is accounted for by the slightly younger age distribution of the late cohort; the oldest age at separation is thirty-four for the early cohort and thirty for the late cohort.

Multivariate Results: Determinants of Postdisruption Income

Table 8 shows zero-order and Table 9 net effects of these characteristics on women's postdisruption income. The third column in Table 9 indicates whether coefficients differ significantly across the two cohorts. This is determined by whether an interaction between cohort and a variable is at least twice its standard error in a full pooled model.

What are the main sources of variation in women's postdisruption income? In Table 9, of the control variables, only race is significant. Black women do less well than white women, even net of a host of work- and family-related variables. Interactions between race and the independent variables were tested for both cohorts, but the process determining postdisruption economic outcomes is quite similar for black and white women. While the coefficient only remains statistically significant for the late cohort after other variables are introduced, there are no cohort differences in this effect.

Educational attainment is strongly associated with postdisruption outcomes. Higher levels of schooling improve women's postdisruption outcomes considerably for both cohorts. Few other predisruption characteristics have consistent or strong net effects. The net effect of work experience prior to marital disruption is positive and significant for the late cohort, but has no effect for the early cohort.[13] Whether employed prior to disruption has no net effect on income for either cohort. The zero-order coefficients in Table 8 show that predisruption employment is significantly associated with economic outcomes for both cohorts. Its net effect is muted by the inclusion of other work-related variables; there is no additional advantage to working at *T*-1 net of employment after marital disruption. Spouse's earnings have a slight, positive net effect on women's postdisruption economic outcomes, although the coefficient is only statistically significant for the early cohort. Finally, the number of children exerts no net effect on well-being, although the zero-order coefficients suggest that children are significantly and inversely associated with postdisruption income. The effect is

TABLE 8
Zero-Order Effects of Selected Variables on Separated and Divorced Women's Family Income at T+1 (Natural Logarithm)

Independent Variable	Early Cohort	Late Cohort
Control variables:		
Race (1 if black)	-.499*	-.351*
	(.082)	(.092)
Age at marriage	.034	.012
	(.015)	(.015)
Age at T-1	.059*	.000
	(.013)	(.016)
Age of spouse at T-1	.009	-.005
	(.008)	(.009)
Predisruption characteristics:		
Employed (1 if yes)	.464*	.401*
	(.081)	(.084)
Years of work experience	.129*	.099*
	(.020)	(.019)
Educational attainment:		
High school (1 if yes)	.535*	.408*
	(.087)	(.094)
Some college (1 if yes)	.789*	.598*
	(.125)	(.124)
College or more (1 if yes)	1.010*	.839*
	(.157)	(.169)
Number of children	-.133*	-.210*
	(.033)	(.041)
Spouse's annual earnings	.017*	.014*
	(.003)	(.004)
Postdisruption characteristics:		
Weeks worked in year T	.025*	.016*
	(.001)	(.002)
Working full-time in year T (1 if yes)	.757*	.546*
	(.076)	(.082)
Child under age 6 (1 if yes)	-.443*	-.412*
	(.082)	(.083)
Living arrangements:		
Lives with parent(s) (1 if yes)	.519*	.709*
	(.112)	(.092)
Lives with other relatives (1 if yes)	.287*	.449*
	(.070)	(.174)
Lives with nonrelatives (1 if yes)	-.176	.134
	(.205)	(.133)
Number of cases	479	368

Source: Author's calculations based on the National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: Sample restricted to maritally disrupted women not remarried or cohabiting at T+1, the survey year after separation or divorce. Standard errors are in parentheses. Analyses are unweighted.
*The parameter is at least twice its standard error.

TABLE 9
Estimates of Net Effects of Selected Variables on Separated and Divorced Women's Family Income at T+1 (Natural Logarithm)

Independent Variable	Early Cohort	Late Cohort	Test of Difference between Coefficients
Control variables:			
Race (1 if black)	-.118	-.204*	N.S.
	(.070)	(.089)	
Age at marriage	-.004	-.005	N.S.
	(.012)	(.018)	
Age at T-1	.015	-.024	N.S.
	(.016)	(.026)	
Age of spouse at T-1	-.010	-.003	N.S.
	(.007)	(.009)	
Predisruption characteristics:			
Employed (1 if yes)	.012	-.016	N.S.
	(.072)	(.086)	
Years of work experience	-.001	.052*	N.S.
	(.021)	(.025)	
Educational attainment:			
High school (1 if yes)	.093	.229*	N.S.
	(.078)	(.090)	
Some college (1 if yes)	.307*	.289*	N.S.
	(.108)	(.128)	
College or more (1 if yes)	.341*	.529*	N.S.
	(.147)	(.178)	
Number of children	.004	.030	N.S.
	(.032)	(.050)	
Spouse's annual earnings	.006*	.004	N.S.
	(.002)	(.003)	
Postdisruption characteristics:			
Weeks worked in year T	.020*	.006*	*
	(.002)	(.002)	
Working full-time in year T (1 if yes)	.191*	.228*	N.S.
	(.073)	(.094)	
Child under age 6 (1 if yes)	-.056	-.060	N.S.
	(.072)	(.088)	
Living arrangements:			
Lives with parent(s) (1 if yes)	.792*	.681*	N.S.
	(.084)	(.086)	
Lives with other relatives (1 if yes)	.473*	.384*	N.S.
	(.137)	(.157)	
Lives with nonrelatives (1 if yes)	-.137	-.083	N.S.
	(.152)	(.123)	

(table continues)

TABLE 9 (continued)

Independent Variable	Early Cohort	Late Cohort	Test of Difference between Coefficients
Constant	8.200*	9.416*	
	(.334)	(.483)	
R^2	.52	.38	
Number of cases	479	368	

Source: Author's calculations based on the National Longitudinal Surveys of Young Women 1968-78 and Youth 1979-88.

Notes: Sample restricted to maritally disrupted women not remarried or cohabiting at T+1, the survey year after separation or divorce. Income variables are coded in constant dollars with 1987 as the base year. Equations also include controls for the oversample of economically disadvantaged whites in the late cohort and for the single year that more detailed income questions were asked of the early cohort (1978). The criterion for statistical significance in tests of differences across cohorts is an interaction term with a coefficient at least twice its standard error. Standard errors are in parentheses. Analyses are unweighted. N.S.= Not significant.

*The parameter is at least twice its standard error.

obscured in the model because women with children tend to have less work experience and lower levels of postdisruption labor supply than women without children (data not shown).

Postdisruption labor supply and living arrangements are, as expected, important determinants of well-being. Both weeks worked and full-time employment are positively associated with postdisruption income. Living with at least one parent following marital disruption has a strong, positive effect on postdisruption income. This effect is quite strong for women in both cohorts. Living with relatives other than parents also increases income, although coresidence with nonrelatives has no effect. Analyses not reported here show that the earnings of women living with parents or other relatives are similar to those living on their own. This implies that the primary mechanism by which coresidence increases well-being is through the economic resources of coresident kin, as this income is reported, and not by increasing women's own economic resources. Note also that while the net effect of having a child under age 6 is negative for both cohorts, the coefficients are small and statistically insignificant.[14]

Finally, it is conceivable that characteristics such as educatio work experience, or labor supply have become more influential over time. This would be the case if these are imperfect measures of women's investments in employment-related activities, and women are investing more in unmeasured ways as time goes on. This would of course also be the case if the jobs available to young women have improved in terms of opportunities for advancement or wages. The third column in Table 9 provides little support for this notion. First, there are no significant cohort differences in the effects of predisruption human capital characteristics such as schooling. Second, there is a significant cohort difference in the effect of weeks worked in year *T*, but it indicates that the effect has weakened over time. This is counterintuitive and is likely to be a methodological artifact (i.e., due to underestimation of non-earnings income in the early cohort). Specifically, if non-earnings income is underestimated to some extent for those in the early cohort (or measured with greater

error), and not for those in the late cohort, then it is reasonable that labor supply characteristics are stronger for those in the early cohort. This is because labor supply variables predict earnings, and earnings dominate the dependent variable more for the early cohort than the late cohort. Analyses not reported here support this; for example, when earnings are substituted for income as the dependent variable, there is no significant cohort difference in the effect of weeks worked.

Decomposition of the Cohort Difference in Postdisruption Income

Table 10 shows the relative contribution of compositional changes to the minor improvement over time in the natural logarithm of separated and divorced women's income. The decomposition summarizes the results presented above by partitioning observed cohort change in the dependent variable into what is due to changes in the various independent variables. It uses the equation in Table 9 applied to both cohorts, including a dummy variable for cohort, and the cohort-specific means presented in Table 7.[15] The components shown are the differences in the means of the independent variables weighted by their coefficients. For ease of interpretation, I have grouped some of the variables. Note that results using the single significant interaction term are virtually identical to those I present here. When it is included, its effect is completely offset by an increase in the residual term. I choose not to use it because of its probable methodological, rather than substantive, meaning.

The bottom row shows that the total observed change in the dependent variable is just .105 (i.e., late cohort's - early cohort's natural logarithm of income). The second column shows that most sets of variables contribute in offsetting ways to this improvement. For example, women in the late cohort have more work experience; roughly 14 percent of the improvement in income is attributable to these trends. Those in the late cohort also have slightly higher levels of educational attainment. But these are small effects, and more than offset by deterioration in spouse's earnings and by changes in the control variables. Similarly, women in the late cohort are less likely to be working full-time in year *T*, leading to predicted decreases in postdisruption income, but this negative change is

TABLE 10

Decomposition of Cohort Change in the Natural Logarithm of Separated and Divorced Women's Income

Variable	Change in Natural Logarithm of Variable between Early and Late Cohorts	Percentage of the Change in Women's Postdisruption Income Accounted for by Particular Variable
Control variables	-.0223	-21.2
Predisruption factors:		
Employment characteristics	.0151	14.4
Educational attainment	.0040	3.8
Number of children	-.0023	-2.2
Spouse's annual earnings	-.0072	-6.8
Postdisruption factors:		
Labor supply	-.0235	-22.4
Child under age 6	.0012	1.1
Living arrangements	.1042	99.2
Residual	.0358	34.1
Total change (late − early)	.1050	(100%)

Source: National Longitudinal Surveys of Youth 1979-88 and Young Women 1968-78.

Notes: Sample restricted to those not remarried or cohabiting at T+1, the survey year after divorce or separation. Percentages may not sum to 100 due to rounding.

counterbalanced by the residual term, which represents what is unexplained by this model; it is likely that the residual term at least partly reflects the more specific income probes for the late cohort. The single factor that emerges as responsible for the improvement over the two cohorts are changes in postdisruption living arrangements, and this is almost entirely driven by the increase in coresidence with parents. The positive effect of living with parents is so substantial, as is the cohort increase in coresidence, that roughly all of the cohort change in postdisruption well-being is attributable to this factor.

SUMMARY AND CONCLUSION

Oft-noted trends imply that women's economic vulnerability might have declined over recent years, but the results presented here with regard to separating and divorcing women suggest a bleaker picture. They indicate that the economic costs of marital disruption for young women are as severe today as they were in the 1960s and 1970s. The similarity in these consequences for the two cohorts of women is, in fact, quite striking. Both cohorts experience, on average, declines in family income of almost one-half when marital disruption occurs. Declines in measures that take into account family size are less steep but show little evidence of becoming less severe over time. Further, separated and divorced women's absolute levels of well-being have also remained remarkably constant. Both cohorts of white, maritally disrupted women have median postdisruption incomes of about $14,000 and both cohorts of black women just roughly $9,000. Median per capita income is slightly over $6,000 for both cohorts of white women and less than $3,000 for black women, an extremely low level of well-being. Further, the likely direction of differential income measurement error across the two cohorts suggests that the small gains black women have made in measures that take into account family size may even be artifactual.

It could be argued that any cohort differences would be difficult or impossible to detect because the two cohorts are adjacent. I also performed these analyses subdividing each cohort into two separate cohorts by year of disruption. Results are virtually identical to those presented here; there is no evidence of mitigation of the costs of marital disruption for either black or white women even when comparing those separating and divorcing prior to 1973 with those doing so after 1983.

Correspondingly, there has been little change in the gender disparity in the economic costs of marital disruption. It remains wide. Men continue to experience substantial increases in measures of well-being that take into account family size when they separate or divorce, and only modest declines in family income, while women experience substantial decreases in these measures. Analyses not reported here, however, show that young, maritally disrupted men are increasingly having financial difficulties in absolute terms. Among white men, median postdisruption income declined from $26,500 to $22,000 over the two cohorts, and from $17,000 to just $12,500 among blacks. This is consistent with evidence of the deterioration in young men's earnings and employment prospects over recent years, and suggests that an exclusive focus on child support as the solution to women's economic difficulties may be misdirected. Young minority men and even many white men are increasingly in no position to provide substantial support.

Multivariate analyses reinforce and broaden the basic descriptive findings. First, while *mean* levels of postdisruption income for women rose moderately from $16,000 to almost $19,000, this improvement does not stem from increases in their own income. It is attributable to a rise in the likelihood of "doubling up" after marital disruption, suggesting the continuation of some form of economic dependency, albeit on parents and not on a spouse. Analyses not reported here but clearly implied by the descriptive results show that remarriage or cohabitation also have strong positive effects on women's postdisruption income. Some researchers suggest that increasing remarriage rates is an important way to mitigate women's economic vulnerability to marital disruption. However, if

remarriage and cohabitation, along with coresidence with parents, remain the central routes to economic recovery, this merely underscores the persistence of women's economic vulnerability over recent decades.

Why hasn't separated and divorced women's well-being improved over recent decades? The results suggest that the relative stability is unlikely to be a consequences of changes in the characteristics of maritally disrupted women. Conceivably, the marked increase in delayed marriage over the period examined here might have affected the composition of young, maritally disrupted women, making the late cohort a less-advantaged group than the early cohort and thereby "explaining" the lack of improvement over time. On the contrary, those in the late cohort have no worse socioeconomic prospects in measured ways than those in the early cohort. In fact, as might be expected from recent trends, women in the more recent cohort are more likely to be employed while still married, have fewer children, and have accumulated more work experience than their counterparts in the earlier cohort.

Unfortunately, these factors in and of themselves afford little protection upon marital disruption. Net of other variables for example, market work effort while married has little, if any, effect on economic well-being after marriage. Much more important for separated and divorced women is schooling, which only increased trivially. Hours and weeks worked after marital disruption, also central to women's postdisruption well-being, did not increase at all.

Regarding schooling, if levels of educational attainment had increased more for young separated and divorced women over time, as they did for young women as a whole, the economic disadvantages of marital disruption would probably have diminished to some extent. But not everyone is in a position to pursue advanced educations, and since most women who marry at young ages do not attain high levels of schooling, they often cannot avoid incurring high economic costs of disruption.

As far as postdisruption labor supply is concerned, women who are able to work full-time and year-round tend to achieve some measure of well-being. Other analyses show that median earnings among this subgroup are about $15,000 for both cohorts. Those with young children--even one young child--often cannot work full-time or year-round. They fare particularly poorly economically and this difficulty has not eased over time (data not shown). While women in the late cohort indeed have fewer children, the two cohorts are about equally likely to have a young child. The economic costs to well-being for women appear to stem from being a parent of young children, and not from the number of children, and this operates through labor supply after marital disruption.

Finally, young separated and divorced women are not realizing greater income returns to their market work attachment or to their schooling over time. The process influencing postdisruption outcomes has remained relatively constant. Relatedly, it is important to emphasize that women's average earnings are quite low in both cohorts, roughly $9,000 to $11,000 per year (Smock 1992). It is likely that without (1) marked change in the wages available to most women, (2) public policies that support childrearing activities, and (3) affordable child care, economic prospects outside of marriage for many women will remain poor. However "prepared" women may increasingly be for marital disruption, it is not in ways sufficient to cushion its economic costs.

Endnotes

[1] The value of assets is not included here. While available in the NLSY, assets are measured in only some of the survey years in the NLSYW making it impossible to establish comparability. It is unlikely that inclusion of assets would substantially affect results. For one, 20 percent of ever-divorced women ages eighteen to twenty-nine in 1988 report having received any property settlement (U.S. Bureau of the Census 1990). Additionally, most property settlements are of low monetary value (Seltzer and Garfinkel 1990).

[2] Mean reported postdisruption non-earnings income is about $3,500 for women in the more recent cohort (NLSY), compared to $2,000 for those in the earlier cohort. This appears to be due to differences in the percentages of women reporting any income from other sources. More direct evidence of underestimation comes from an internal analysis of the earlier cohort, comparing the single year that more specific sources of non-earnings income were ascertained (1978) to all other years. For 1978, among those women who divorced or separated in 1977, reported mean income from other sources is $3,200. This is quite similar to the amount reported by women in the NLSY, and much higher than the overall $2,000 reported for the earlier cohort in all survey years. Analyses subdivided by race also suggest that this underestimation is likely to affect black women more than white women. Black women are less well-off than white women both prior to and after marital disruption, and are thus more likely to be receiving public assistance payments, a very important source of non-earnings income among those who receive it.

[3] There are very few cases of spouse absence in the interview prior to marital disruption. They comprise 8 percent and 4 percent of the subsamples of maritally disrupted women in the two cohorts.

[4] Both per capita income and the income-to-needs ratio are derived using family income combined with yearly information on coresident family members. Per capita income simply divides total family income by the number of family members in the household. The income-to-needs ratio also uses

family income as the numerator, but the denominator is a "needs" standard based on the official poverty threshold that takes into account economies of scale associated with family size. A value of less than 1.0 on this measure indicates that the family is living below the official poverty threshold.

[5] When a ratio variable is the dependent variable, this implies an interaction term between the denominator of the ratio and each of the independent variables which is difficult to interpret.

[6] Unfortunately, only the surveys for the late cohort obtain the income of cohabiting partners, another instance of the greater level of detail available in the NLSY. Because very few women appear to be cohabiting in the early cohort, compared to a substantial fraction in the late cohort, I decided to include the income of cohabiting partners for those in the late cohort, in effect redefining family income and family size to include cohabiting partners. Since very few cases are "lost" in the early cohort (N=6), and because cohabiting unions are increasingly common, it is important to make use of this information for the late cohort. I simply discarded the six cases of cohabitation in the early cohort from analyses of postdisruption well-being.

[7] Due to the inclusion of the disadvantaged white youth in the NLSY, weights are used to establish comparable samples of whites across cohorts.

[8] These estimates of change fall on the high end of the range of previous estimates. Duncan and Hoffman (1985), in perhaps the most cited study in this literature, report an overall decline in income among women of 30 percent, using the Panel Study of Income Dynamics (PSID). For black women separately their data show a decline of 46 percent, quite similar to my estimates. Beyond the fact that different data sets are used, with the PSID better at ascertaining other sources of income than the NLSYW, there are at least two possible sources of the discrepancy between my estimates and Duncan and Hoffman's estimates for white women. First, Duncan and Hoffman's sample consists of women aged twenty-five to fifty-four, while the women in this analysis are considerably younger on average. The women in this study are thus likely to have very young children and to be especially

economically vulnerable. Second, Duncan and Hoffman report mean, rather than median, declines. In this analysis, mean declines for both cohorts of women are also less severe because mean changes are influenced quite strongly by a few cases of substantial improvement in income upon marital disruption. For example, thirty-one women in the early cohort and thirty-nine in the late cohort at least doubled their income upon marital disruption; ten women in the early cohort and fourteen in the late cohort experienced at least a fourfold improvement.

[9] The men's data for the early cohort (NLSYM) do not ascertain amounts of alimony or child support paid, so I made no adjustment for the late cohort. Analyses not shown suggest little change in overall conclusions when these amounts are deducted from men's postdisruption income in the late cohort. This is because, first, only a minority of men report payments (23 percent). Second, mean and median payments are low (less than $2,000). Third, the men who report these payments tend to have above-average postdisruption incomes. Moreover, any small remaining bias is likely to be more than offset because women's income is not adjusted for child care expenses.

[10] The reason why median percentage increases in per capita income declined over the two cohorts, but changes in income-to-needs are quite stable, is that per capita income is highly sensitive to changes in family size between T-1 and T+1. The income-to-needs ratio weights decreasing family size much less, because it assumes diseconomies of scale associated with smaller household size.

[11] There is evidence that women may work in anticipation of separation or divorce (Morgan 1991). Because this analysis is primarily descriptive, the endogeneity issue is not examined here.

[12] The increase in coresidence with parents is probably slightly overestimated. One criterion for inclusion in the analyses is a non-missing response for the income of coresident family members. If NLSY sample members live with a parent, the parent reports total income. In the NLSYW, this income is reported by the respondent, leading to slightly more cases of missing data. Including cases

with missing income data, the proportion living with parents is 15 percent in the early cohort and 22 percent in the late cohort, still a substantial increase.

[13] I tested a nonlinearity for work experience by including its squared term, but it was not statistically significant.

[14] I experimented with various other specifications to examine the effect of children. For example, I included a single variable specifying if a woman has any children, rather than both the number of children and a child under age 6. Again, the net effect was insignificant.

[15] I decided to exclude from the equation the cohort-specific variable for whether the early cohort's postdisruption observation was 1978. This is because, in effect, this variable would take on a value of "1" for all those in the late cohort (who were consistently asked about specific types of non-earnings income), and the correlation between cohort and this variable would thus be quite high (.76). Substantive conclusions are not much affected. The control for the oversample of whites remains in the equation for the decomposition.

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