

The dynamics of dependency: Family background, family structure, and poverty

Debate during the 1960s and 1970s over whether a culture of poverty exists and persists prompted research into the dynamics of poverty. That work resulted in a series of studies which revealed considerable variation in the length of time that individuals and different groups tend to remain poor.¹ Now a related question has gained prominence: Is a permanent “underclass” developing in America?

According to one view, government welfare programs of the last two decades (principally Aid to Families with Dependent Children, AFDC) have succeeded in aiding some groups but have left a residue of persons destined to perennial dependence on public support. Made up for the most part of the adult children of “welfare mothers,” this subgroup has sometimes been portrayed as deficient not only in earned income but also in moral character and social behavior. They purportedly do not share society’s accepted values, are often disruptive and violent, and are beyond the help of either private or public efforts to rehabilitate them.²

Concern over the drain on public resources resulting from the existence of a hard-core subclass has focused the attention of researchers on single parenthood, welfare receipt, and their effects in perpetuating economic dependence. Aided by the availability of across-time data sets such as the Michigan Panel Study of Income Dynamics (PSID), social scientists have now begun to investigate the dynamics of dependency. Among them is Institute affiliate Sara McLanahan, whose chief interest is the influence of family structure, especially single-parent families, on the transmission of poverty. At Harvard, Mary Jo Bane and David Ellwood have analyzed the length of time individuals remain in poverty and on the welfare rolls and the ways in which they escape poverty or welfare. A team headed by Martha Hill, at the University of Michigan, has reported on motivation and economic mobility within and across generations of poor people.

Family structure and the reproduction of poverty

“The key question,” McLanahan writes, “has been and continues to be whether long-term inequality is due to family

structure per se (i.e., the absence of a parent) or to some other factor such as social class and/or ethnicity which is correlated with both family structure and adult attainment.”³ Previous research left basic questions unanswered, primarily because most of the sources that were used to examine adult attainment did not provide information on past family income or the cause and extent of parental absence. The Michigan PSID contains data on the family experiences of a group of offspring who have been followed in the Panel since they left their families of origin.

For her analysis McLanahan used eleven years of information (1968–78) from respondents who ranged in age from 17 to 27 in the year 1978 and who were dependent children in Panel families at the age of 17. The sample contained 3300 individuals, of whom somewhat under half were black. The analyses were conducted separately for blacks and whites.⁴

Because the failure to graduate from high school has been shown to be a strong predictor of subsequent welfare reciprocity and continuing poverty,⁵ McLanahan examined the likelihood that offspring from various types of families would complete high school. She found that regardless of place of residence, parents’ education, or race, those who lived with single mothers were significantly more likely to have dropped out of high school than those living in two-parent households.

Having determined that there is a schooling difference among youth in single-parent versus two-parent families, McLanahan examined three possible explanations for that variation: economic deprivation, the absence of a male role model, and family stress associated with marital disruption.

Economic deprivation

The economic-deprivation thesis attributes differences in children’s attainment to income differences that exist between one- and two-parent families. McLanahan found support for that argument. There was a strong relationship between family income and schooling probabilities: the lower the income, the less likely that either a black or a white teenager would be in school, and income explained over 50 percent of the schooling difference between white offspring in single- versus two-parent families.

To take a closer look at income-related factors, McLanahan analyzed other characteristics associated with family income and single parenthood, including whether the mother worked, whether the youth worked, and whether the family received welfare (AFDC). Each of these factors has been suggested as contributing to undisciplined, anti-social behavior among offspring and, ultimately, to the growth of an underclass.

Among whites, neither mother's working nor offspring's working seemed to affect school attendance. Among blacks, working teenagers were *more* likely to remain in school, but the fact that the mother worked did not appear to influence schooling. The welfare coefficient told a different story. White offspring in families receiving AFDC were much less likely to complete school than were offspring in single-parent, nonwelfare homes. Among black families the welfare effect was mixed. In the initial analysis, welfare had no significant effect on schooling, whereas in a subsequent analysis that was based on a subset of respondents aged 23 to 27, welfare had a *positive* effect.

Absence of the father

The "father-absence" thesis argues that the lack of a male role model decreases motivation among children, interferes with psychosexual development, and results in premature termination of schooling. According to this view, negative effects should appear in all types of households from which the father is absent, should be more pronounced among boys, and should gain intensity the longer the father has been gone.

Among whites, McLanahan found very little evidence to support the thesis. There was considerable variation across the different types of families headed by single mothers. White teenagers living with mothers who were separated from their husbands were much less likely to be in school, while those living with divorced, widowed, or never-married mothers did not differ very much in terms of schooling from youth in two-parent families. In addition, there were no sex differences and no indication that effects were more negative for offspring whose fathers had been gone a long time.

Among blacks the thesis received more support. The probability of attending school was lower for offspring in all types of single-parent families except those headed by never-married mothers. No differences showed up, however, between male and female offspring.

Suspecting that the variation in these findings pointed to factors other than simply the absence of the father, McLanahan next examined the thesis concerning stress.

Family stress

The family-stress argument states that the negative consequences associated with single-parent families are due to the

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recency and timing of parents' marital disruption. The more recent the breakup, the more negative the effect, probably owing to tensions within the household. In addition, when the split occurs during the children's adolescence, the offspring are doubly vulnerable—because of the stress and because of its coincidence with critical life-course decisions, such as school continuation. If the family-stress thesis is accurate, we would expect to find that recently disrupted households account for most of the negative association between family structure and schooling.

McLanahan examined the relationship between schooling attendance and time since marital disruption among the various types of single-parent families. She found that for whites, recency of disruption was indeed positively related to dropping out of school, but this was not true of black youth. While the results for blacks therefore did not support the family-stress thesis, neither were they entirely consistent with the father-absence argument, because there was no negative effect on schooling among black offspring living with never-married mothers, and these teenagers probably have had the least amount of contact with their fathers.

Policy lessons

The major finding of McLanahan's research is that offspring who live in female-headed families are less likely to complete high school than those living with two parents. On the one hand, her results lend support to the "underclass" argument that economic deprivation in one generation leads to deprivation in future generations. On the other hand, this research does not reinforce the idea that long-term absence of a father is the major factor underlying family structure effects. The study thus contradicts at least one part of the underclass thesis: that any deviation from the nuclear-family pattern has negative effects on children. Because of the strong effect of income, the author concludes that policies directed toward raising the incomes of one-parent families may succeed in removing some of the intergenerational disadvantages currently attributed to family structure and single mothers.

Spells of poverty and welfare receipt

The study of poverty "spells"—the length of time spent in that state—conducted by Bane and Ellwood is in part an

extension of the research on poverty dynamics, mentioned at the beginning of this article and summarized in the previous issue of *Focus*.⁶ Using ten years of data from the PSID, their analysis showed that most people who become poor at some time in their lives remain so for a relatively short period of only one to two years. But Bane and Ellwood found, in contrast to previous research, that there is a substantial subgroup of people who are mired in poverty over a period of many years. Indeed, about 60 percent of those identified as poor in a cross-section analysis, a “snapshot” taken at a given time, are in the midst of a poverty spell which will last eight or more years. It is these long-term poor who are a major source of concern, because over the years they absorb a very large part of the public resources directed toward aiding the poor. In their study of “welfare spells,” Bane and Ellwood reached conclusions similar to those they found in studying poverty spells.

Movements on and off welfare

Subtitled “The Routes to Self-Sufficiency,” this study was commissioned by the U.S. Department of Health and Human Services to gain answers to three questions: How long do AFDC mothers tend to stay on the rolls? What are the characteristics of long-term welfare (AFDC) recipients? How do women escape welfare?⁷

Analysis of the characteristics of recipients showed that certain types were much more likely to depend on welfare for long periods. They included high school dropouts (recall McLanahan’s study), nonwhites, unwed mothers, mothers with many children, and women who had not earned any income before they began to receive AFDC.

Women were able to leave the rolls by several different routes. One-third left because their earnings went up, another third because they married or reconciled with their husbands. But among both of these groups, together constituting two-thirds of those who left, almost 40 percent once again returned to welfare. Others ceased receiving AFDC because their children grew up or left home (14 percent), because the earnings of other household members rose (7 percent), because family size decreased (3 percent), and the rest because they moved, gained income from the earnings of others, or for reasons not explained in the data.

Those who left the program because their earnings went up were likely to do so after short AFDC spells—one or two years. This group does not seem to impose a serious burden on public resources, since they manage to find their own way off the rolls in a relatively short time. As one would have expected, the earners were more likely to be white, to have graduated from high school, and to have fewer children. The surprise, however, was that women with preschool children were just as likely to leave after an earnings change and just as likely to have had previous earnings records as women with children of school age.

The discouraging side of the report involves those left behind. The groups identified as being at high risk of long-

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term dependency were nonwhites, unmarried mothers, and high school dropouts. Bane and Ellwood stress the need to target more assistance to them for the purpose of making them self-sufficient. “For those who are identified as having a large likelihood of long-term dependence, the benefits of substantially increasing movement to independence are sizable. Expensive policies might be justified fiscally if they are in fact effective in sharply reducing long-term dependence.”⁸ Among the efforts that the authors recommend are unemployment programs to help mothers work, and programs to reduce the number of new pregnancies among AFDC recipients.

Motivation and economic mobility across generations

According to theories on the existence of a culture of poverty or an underclass, “poverty and welfare dependence are seen as persisting from one generation to the next because they foster the development of deviant values in parents, who in turn pass the deviant values on to their children, preparing them only for a similar life of welfare dependency.”⁹ Martha Hill and colleagues at the University of Michigan have empirically tested theories concerning attitudes and motivation.

The data set was again the PSID, which contains several indicators of personal attitudes: motivation is measured positively by respondents’ expression of the desire to achieve, negatively by indication of fear of failure; positive expectations are indicated by a sense of sureness that life will work out as expected and by the carrying out of plans; and orientation toward the future is indicated by the intent to plan ahead and save—qualities which the underclass is said to lack. The study examined both intragenerational and intergenerational effects of attitudes and motivation on subsequent change in economic well-being. We focus here on the second aspect, change across generations.

The sample for the intergenerational analysis consisted of children who had left Panel families to set up their own households in the period since 1968. Information was available on the parents and on the children as young adults. The

analysis first sought to determine whether, in the parents' households, lower attitude scores correlated with poverty status. As expected, the answer was yes. Heads of families with incomes below the poverty threshold scored lower on motivation, expectations, and future orientation. Those attitudinal factors were then compared with the later economic status of the offspring to get an idea of the effects of parental motivation.

Many of the children from poor families were, as young adults, better off than their parents, and the degree of their success did not seem closely related to the parents' psychological characteristics. Attitudes of parents had some effects on children's attainment, but the effects were not consistent or strong enough to point clearly to them as constituting a major barrier to intergenerational economic mobility. A positive finding in the research concerned education, confirming what has been demonstrated elsewhere: parents' education contributes to increased levels of children's education, thus thwarting transmission of poverty.

Motivation and welfare

To examine the transmission of welfare dependency, the team first examined probabilities of welfare receipt in the second generation—the children of welfare recipients—then the intensity of welfare dependence. (In this research, welfare included, in addition to AFDC, Supplemental Security Income, food stamps, and other public assistance.)

The results of the first analysis showed that young white adults were in fact considerably more likely to become recipients if they grew up in welfare households than were offspring of nonwelfare, but still poor, families. Young black women were somewhat more likely to receive welfare if their parents' households had done so; young black men from such families showed no difference from those in nonwelfare poor households. Parental attitudes seemed to play little role. Only among young white women was there a significant effect: positive attitudes of low-income parents lowered the probability of welfare receipt by a few percentage points.

The next step was to look at the extent of welfare dependency, measured by the portion of total individual income made up of public assistance transfers. Several degrees of intensity of dependence were tested. The results generally did not point to a link between the first generation and the next. With the exception of the finding that when parents were in the most heavily dependent category, the likelihood of subsequent dependency among white offspring was increased, no definite intergenerational pattern emerged. Among blacks, those from families that had depended heavily on welfare were no more likely to become similarly dependent than were blacks who were like them in all other respects except that they grew up in families that had never received welfare.

What this study tells us about the dynamics of dependency is that the likelihood of welfare receipt, but not the level of

dependence, is to some extent a pattern carried forward from parents to children. Parental attitudes, however, do not seem to be a significant factor in contributing to either receipt of, or dependence upon, welfare.

Families in poverty: What have we learned?

The studies described above have drawn conclusions from a valuable set of longitudinal data. This type of research promises to illuminate socioeconomic patterns that we have not been able to see clearly before, owing to a lack of firm information on social changes over time. Longitudinal research is nevertheless in its early stages. The PSID is a large and nationally representative sample, yet it does not adequately cover some of the particular subgroups that we need to learn more about. Data bases of this nature need to be sustained and, when possible, enlarged.

The potential is nonetheless there: McLanahan, Bane and Ellwood, and Hill and her colleagues have been able to elicit information which has up to now been unavailable. McLanahan has revealed the negative effects that stem from the lower income of single mothers. Bane and Ellwood have identified the existence and characteristics of the long-term poor, and Hill's research has told us that welfare dependence threatens to be passed on from parents to their children. These studies are opening the path to a better understanding of the interrelations of family background, family structure, and their effects on the condition of future generations. ■

¹See "The Dynamics of Poverty," *Focus* 5:1 (Summer 1981).

²This viewpoint is illustrated by a series of *New Yorker* articles by Ken Auletta ("The Underclass," November 16, 23, 30, 1981), which later appeared in book form under the same title.

³Sara McLanahan, "Family Structure and the Reproduction of Poverty," IRP Discussion Paper no. 720A-83, p. 2. (Forthcoming in *American Journal of Sociology*.)

⁴Respondents were either from two-parent families or families headed by women. Families headed by single men were not used because there were so few of them.

⁵Mary Jo Bane and David Ellwood, "The Dynamics of Dependence: The Routes to Self-Sufficiency," final report prepared for the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services (Harvard University, 1983, mimeo.), p. 6.

⁶Bane and Ellwood, "Slipping Into and Out of Poverty: The Dynamics of Spells" (Harvard University, 1983, mimeo.); revised and reissued as Working Paper no. 1199, National Bureau of Economic Research, Cambridge, Mass., September 1983.

⁷Bane and Ellwood, "Dynamics of Dependence."

⁸*Ibid.*, p. 6.

⁹Martha S. Hill et al., "Final Report of the Project: 'Motivation and Economic Mobility of the Poor;' Part 1: Intergenerational and Short-Run Dynamic Analyses" (Survey Research Center, Institute for Social Research, University of Michigan, Ann Arbor, Mich., August 3, 1983), p. 6.