



## Transcript for “Roles and resources in complex families”

Featuring Lawrence Berger

Hosted by David Chancellor

**In this podcast, IRP Director Lawrence Berger discusses the challenges that families with multipartner fertility or complexity encounter when it comes to determining roles and dividing resources like time, money, and public benefits across multiple households or family groups.**

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**[Chancellor]** Hello, you’re listening to an October 2014 podcast from the Institute for Research on Poverty at the University of Wisconsin–Madison. I’m Dave Chancellor.

For this podcast, we’re going to talk to Lawrence Berger, Director of IRP and also a professor of social work at the University of Wisconsin, about the challenges complex families can face when it comes to splitting up resources across more than one household. Over the last 50 years or so in the United States, we’ve seen a big increase in the divorce rate and the proportion of children born outside marriage, and these are factors that have helped to contribute to a situation in which families--married or not--are less stable and more likely to split up. And when we think about families splitting resources between households, Berger explains that it’s important to understand that we’re also seeing two pronounced paths that couples are taking when it comes to having kids.

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**[Berger]** If you look at family formation trends, so union formation in terms of marriage, and also, fertility patterns, what you see is this divergence such that higher income families--or really more educated young men and women are postponing marriage longer, they’re having births at older ages, and they’re still primarily having births within marriage. If you look at less-educated men and women, what you see is that they’re much more likely to have births outside of marriage, the majority of them are within cohabitation, but outside of marriage, and they’re having births much younger. So, you’re set on two different trajectories. One of which, you’ve had time to get your career started to get your education, then you’re getting married, you’re having a child. The other of which, you’re much earlier, you haven’t gone as far in education -- you might not anyway. You’re younger, you’re primarily not married, you’re living together in more than half the cases. But, it’s a very different trajectory, you’re starting in your early 20s, compared to around 30.

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**[Chancellor]** From a social standpoint, couples living together or cohabiting before or instead of marriage have become much more common across most Western nations but it doesn’t look the same everywhere.

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**[Berger]** In the U.S., cohabitation does not look at all like marriage. In Europe, cohabitations are often much more stable, people will have their children within cohabitation, have a lifelong relationship within cohabitation. That's just not the case in the United States. So what we end up seeing is people who have a birth within cohabitation are highly likely to break up within the first three to five years of the child's life. This means that these children are, by definition--going to go through one family structure transition. And when people break up, they tend to date again and repartner again. And from a child's perspective, the likelihood that they're going to experience different caregivers, experience a stepparent or a social parent, is much higher.

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**[Chancellor]** And so, these transitions create particular challenges for both adults and children to navigate and we can think about a lot of those challenges in terms of how resources are divvied up.

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**[Berger]** So first of all, we're talking about less educated families so the implication is that they're going to have less money, fewer resources. They're also more likely to break up so we're now thinking about these nonmarital births, in the context of cohabitation. So now you're talking about establishing two households, but still needing to contribute time and money from, ideally, both parents, to the children. And I think it becomes a much more difficult situation all the way around. So, financially, establishing two households is harder than having one household. And in terms of time, there are higher costs, it's more difficult to arrange time between the parents, between the child, you know, there are transaction costs, you don't come home to the same place, all three of you, or however many of you every night so it becomes a much more difficult situation to arrange, and as parents date, different partners come into play, it might get even more complicated.

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**[Chancellor]** What we see here is that as more people are added to the picture, it means their resources and responsibilities get stretched across households and, usually, that's not a good thing. But sometimes there's a positive side to these changes because it can mean more caretakers and more providers for kids.

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**[Berger]** If you think about the availability of time and money for children, if you have three caregivers, there's a higher likelihood that you can have access to more time and more money. And in some research I've done with Marcy Carlson, we do find indeed that kids who have a social father get more activity engagement with parents all the way around. And so, by social father, I mean a cohabiting partner of the child's mom or a stepfather so a married partner of the mom. And what you see is that if you add up the amount of activities that the mother, the biological father, and the social father do with the child in the week, that ends up being a greater quantity of activities engaged with the child than if you look at a biological mom and dad family. At the same time, what we see there is that's primarily driven by the effect that -- at least in the data we look at, which is relatively disadvantaged families -- is that the social fathers are as engaged with the child and in many measures more so than the biological fathers. We also

see that in families where either parent repartners or has new children what we see is nonresident biological fathers spend much less time with children and make fewer financial transfers by way of child support.

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**[Chancellor]** According to Berger, the decrease in time is much larger than the decrease in child support. Berger says this kind of makes sense, because although we have a strong child support enforcement system, there's not really a parallel set of tools to guarantee visitation. And Professor Berger says issues like these reflect the complicated public policy picture when it comes to addressing the needs of these families.

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**[Berger]** When many of these policies were first crafted, what we had in mind was two parents and a child. Or two parents and more than one child, but they were all full siblings. And families have gotten more complicated, so multipartner fertility is much more common. And so it becomes a lot more difficult to think about how to divide resources across households when not only are there different parents involved but children are spending more time in multiple households now. So, kids spend more time with nonresident fathers than they used to so we've seen large increases in joint custody following divorce or breakup and so policies to some extent haven't kept up. And it's worth saying that it's not easy. So in some sense we can think about child support. If you have two biological parents and a child or more than one child, you take into account both of their incomes and you take into account how much time the child is spending with each parent perhaps and you try to come up with something that's fair to everybody.

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**[Chancellor]** This becomes much more difficult in other situations. And what looked like a fair policy on paper now creates a lot of new challenges.

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**[Berger]** So if a mom has two children by different fathers, should each of those children get a very different child support amount? Should the mom's total amount --let's say both men have the exact same income--should the mom's total amount be much more than it would be if she had both of those children with the same father? From the father's perspective, should he be paying -- if he has two children with one mother different mothers versus two children with different mothers, should he be paying much different amounts? So for the most part now, he would pay much more if he had children with two different moms than with the first mom. But if he doesn't, does the second child get penalized for being the second child. So does the second child get less? Which is for the most part what we tend to do, or do we say to the first child, do we reduce your child support now to make it more even with this new child even though your father deciding to have a new child had nothing to do with you.

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**[Chancellor]** As complicated as this child support picture is, Professor Berger says it's perhaps an easier hurdle to overcome than changing the policies around tax credits, for example. In lower-income families,

most kids spend a majority of their time with their biological mothers, and only one parent can claim a child on taxes. This has big implications for the resource picture available to these families, because it's usually the mom that gets the majority of the tax benefit associated with having a child.

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**[Berger]** She's getting an Earned Income Tax Credit, she may be claiming part of a refundable child dependent tax credit from the child and from the dad's perspective, he's really not able to claim the child for any of these things. And at the same time we expect dads to transfer child support and what he may see is 'I'm contributing money, I'm contributing my child support' and child support is essentially tax neutral so in other words, it's not acknowledged by the tax system. And so what he may see is 'I'm paying child support for my child, but I can't claim him on my taxes if the mom is. So, from a public policy perspective, one thing that we could try to do is take into account how much time children spend in each household and let more than one parent claim these benefits, either in a prorated sense, or there has also been some talk of not counting children for fathers but letting them claim the EITC if they pay child support and things like that.

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**[Chancellor]** Besides public benefits, Berger says that when we think about families with multipartner fertility or complexity it's important to consider some of the compounded difficulties they face in negotiating roles within and across households.

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**[Berger]** So in the case where there's a married or cohabiting stable mom, dad, and kid, it's much easier to sort of agree on what your role is within the family. It's much easier to come to an equilibrium for lack of a better word, where everyone sort of has the same sense of contributions. And I should say that it's hard enough even within that kind of family. But now let's think about a case where a father has two partners and two children and he lives with one and not the other, well it becomes much more difficult for he and his ex to see his role as far as time, as far as money, as far as contributions, as far as what it means to be a good father the same way.

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**[Chancellor]** With all of these complications, there's still a lot that researchers don't know about how these factors play out in terms of child outcomes.

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**[Berger]** We know that children who grow up in other-than-married biological two parent family do worse on a range of outcomes than other children. I think it's worth noting that these effect sizes are relatively small, but they do do worse. It's also important to think about what the right comparison group is, so we may want to think about single parents compared to married parents. But what about when they start out single, so they were never married to begin with. Then the choice might be to get married, or it might be to keep cohabiting, or to break up.

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**[Chancellor]** But Berger says that, for many single mothers, getting back together with the nonresident father of their child and then getting married may not be a realistic option from their viewpoint. Instead, it's more likely that the choice is between staying single or finding a new partner. And as we think about public policy options, Professor Berger says that it's within that context that we may have the best opportunity help these families meet their resource needs.

Thanks to Lawrence Berger for talking about these issues with us. You've been listening to a podcast from the Institute for Research on Poverty.