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# Financial Impact of Divorce on Children and Their Families

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## Abstract

This article reviews the evidence pertaining to the financial impact of divorce on children and their families. While there is some variance as to the degree of change, the preponderance of evidence suggests that women and children experience substantial financial declines upon divorce while divorced men's relative income remains stable or even increases. Given this decline in women and children's economic status, the impact of public assistance programs is next considered followed by a discussion of child support and property settlements. The authors then present a discussion of roadblocks to economic recovery and recommend policies to improve the financial status of divorced mothers with children.

**T**he preponderance of evidence suggests that, following divorce, custodial parents—almost always mothers—suffer considerable decline in economic well-being. Why is this so? To some degree, the economic distress suffered by mothers and children is structural. That is, given the nature of fixed costs (for example, housing and transportation), it is cheaper to live in one household than in two. Because two households are formed when a couple divorces, the same resources must now cover greater fixed costs. Moreover, costs attendant to marital disruption, such as legal fees and relocation costs, can drain either partner's financial reserves.<sup>1</sup>

The situation for mothers and children is made more precarious by pre-existing differences in earning power. In general, fathers earn more than mothers partly because of greater human capital development and greater returns to this capital. When a man and woman live together, his earnings are shared more or less equally. After divorce, however, fathers are much less likely to share their earnings as equally, dramatically reducing the resources available to mothers and children, even if the mother works.

In this article, we review evidence pertaining to the financial impact of divorce on children and their families. We find that mothers and children often experience a substantial decline in income following a divorce. Fathers are much less likely to experience such a decline and often experience an increase in income, especially if one considers income relative to basic needs based on family size. Indeed, the fact that fathers are substantially less likely to experience a drop in economic well-being following divorce leads

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Table 1

Select Characteristics of Divorced/Separated Women	
Divorced or separated women with children under 18 years: 1991	4,815,000
Living below poverty level	39.4%
Divorced or separated women with children under 6 years: 1991	1,616,000
Living below poverty level	54.7%
Divorced or separated women supposed to receive child support: 1989	4,335,000
Divorced women receiving child support	75.4%
Mean child support received: 1989	\$3,143
Child support as percentage of total income	18.5%

Sources: U.S. Bureau of the Census. *Poverty in the United States: 1991*. Current Population Reports, Series P-60, No. 181. Washington, DC: U.S. Government Printing Office, 1992, and U.S. Bureau of the Census. *Child support and alimony: 1989*. Current Population Reports, Series P-60, No. 173. Washington, DC: U.S. Government Printing Office, 1991.

us to focus our attention almost exclusively on mothers. First, we consider evidence on the economic circumstances of families both before and after divorce. Next, we turn our attention to the relationship between divorce and use of public assistance programs, followed by a discussion of child support and property settlements. Finally, we conclude with a discussion of the mechanisms generating differences in outcomes associated with divorce and the roadblocks to economic recovery within a policy framework.

## The Economic Consequences of Divorce

A growing body of literature has developed around the economic consequences of divorce.<sup>2</sup> While this literature is diverse in terms of data, definitions employed, and analytic strategies, a number of conclusions can be reached. First, women and children experience a significant decline in income following divorce. Second, men are much less likely to experience a decline in income following divorce. Third, the event most associated with a rebound in economic well-being following divorce for women and children is remarriage.

Beyond these simple points, though, it is difficult to draw firm conclusions about the magnitude and duration of the economic consequences of divorce, the diversity of economic outcomes, and the reasons for these outcomes. Below we attempt to provide as clear a portrait as

possible, while recognizing the need for additional research to provide more complete answers. We do so while discussing some of the most recent data on the economic consequences of divorce for women and children.

One reason we know so little about the economic consequences of divorce is that the data needed to answer our questions are not available. What is needed are longitudinal data on a large number of men, women, and children (families) that are representative of the United States population—data that contain information on the marital transitions experienced by these families, as well as precise information about the economic situation of spouses and children for relatively fine intervals of time. Moreover, these data should span a broad period of time so that both the short-term and the long-term consequences of divorce can be considered.

Unfortunately, such data do not exist. Consequently, all research on the economic consequences of divorce involves tradeoffs concerning data content. For example, the Census Bureau's Current Population Survey (CPS) provides the most current, nationally representative data on divorced female-headed families. Table 1 presents an overview of their economic situation. CPS data indicate that divorced women with children have a high likelihood of living in poverty: 39% of all divorced women with children and 55% of those with children under six were poor in 1991. (Poverty thresholds by size

Table 2

Poverty Thresholds (Dollars of Family Income) by Size of Family and Number of Related Children Under 18 Years of Age, in 1989									
Size of Family	Related Children Under 18 Years of Age								
	None	One	Two	Three	Four	Five	Six	Seven	Eight or more
One person	6,451								
Two persons	8,303	8,547							
Three persons	9,699	9,981	9,990						
Four persons	12,790	12,999	12,575	12,619					
Five persons	15,424	15,648	15,169	14,798	14,572				
Six persons	17,740	17,811	17,444	17,692	16,569	16,259			
Seven persons	20,412	20,540	20,101	19,794	19,224	18,558	17,828		
Eight persons	22,830	23,031	22,617	22,253	21,738	21,084	20,403	20,230	
Nine or more	27,463	27,596	27,229	26,921	26,415	25,719	25,089	24,933	23,973

Source: U.S. Bureau of the Census. *Poverty in the United States: 1988 and 1989*. Current Population Reports, Series P-60, No. 171. Washington, DC: U.S. Government Printing Office, 1991.

of family and number of children are provided in Table 2.) From Table 1 it is also evident that, although the average amount of child support received is only \$3,143, child support payments comprise almost one-fifth of the total income of divorced mothers with children. Unfortunately, no detailed data are available for father-headed families. However, in 1991, only about 4% of single-parent families were headed by fathers.<sup>3</sup>

Although CPS data are informative, they provide only a snapshot or cross-sectional picture of divorced families. To better understand the economic dynamics of divorce, longitudinal data are needed. Most of the results we choose to report come from the U.S. Census Bureau's published reports based on the 1984 Survey of Income and Program Participation (SIPP).

The 1984 SIPP is a sample of over 20,000 households first interviewed in October of 1983 and interviewed every four months thereafter for a period of two and one-half years.<sup>4</sup> Thus, a large number of households are followed for up to eight panels (four-month periods), or 32 months. While the SIPP cannot provide information on the long-term consequences of divorce, detailed monthly information on sources of income and marital status make it one of the best available sources of longitudinal information on the short-term consequences of marital disruption.<sup>5</sup>

Table 3 presents four measures of economic well-being based on data from the 1984 SIPP; mean family income, mean per capita family income, mean ratio of family income to the poverty level, and percent of families with incomes below the poverty level.<sup>6</sup> The first measure is simply the average monthly income available to a family. The second measure adjusts for the fact that a given income must be shared by a variable number of family members. The third measure relates family income to the poverty level.

Different poverty thresholds are calculated for families of different size and composition. These thresholds rise gradually with increasing family size, reflecting the fact that it is not necessary to increase income proportionately to increases in family size to maintain a family's standard of living as family size increases. Hence, measures three and four implement control for family size but less dramatically than measure two. A ratio of 1.0 indicates that a family is at the poverty line. Ratios above and below 1.0 indicate the degree to which family income is above or below the poverty line. The fourth measure indicates the proportion of families living in poverty. We use four different measures of economic well-being because, although they are all interrelated, they each provide a slightly different perspective on the magnitude of income loss following divorce. This varied perspective is impor-

Table 3

<b>Change in Family Economic Circumstances Between First and Eighth Interviews of 1984 SIPP<sup>a</sup> According to Living Arrangements</b>				
	<b>Mean Family Income<sup>b</sup></b>	<b>Mean Per Capita Family Income</b>	<b>Mean Ratio of Family Income to Poverty Level<sup>c</sup></b>	<b>Percentage of Families with Income Below Poverty Level</b>
<b>All children<sup>d</sup></b> (n=51,862,000)				
Time 1	\$2,453	\$575	2.51	21.4
Time 8	\$2,622	\$610	2.67	18.8
Percent change	6.9	6.1	6.5	-12.3
<b>Continuously married</b> (n=36,867,000)				
Time 1	\$2,834	\$649	2.87	12.1
Time 8	\$3,060	\$689	3.06	9.7
Percent change	8.0	6.2	6.6	-19.8
<b>Father leaves</b> (n=2,884,000)				
Time 1	\$2,346	\$530	2.35	21.3
Time 8	\$1,815	\$485	2.05	31.0
Percent change	-22.6	-8.4	-12.6	45.6
<b>Mother only</b> (n=8,390,000)				
Time 1	\$1,132	\$305	1.22	56.2
Time 8	\$1,176	\$328	1.3	53.3
Percent change	3.8	7.5	5.9	-4.9
<b>Father enters</b> (n=1,402,000)				
Time 1	\$1,164	\$395	1.39	47.9
Time 8	\$2,506	\$591	2.63	18.2
Percent change	115.4	49.7	89.8	-62.0
<p><sup>a</sup> SIPP = Survey of Income and Program Participation</p> <p><sup>b</sup> All income values are per month and are in constant 1986 dollars.</p> <p><sup>c</sup> Mean ratio of family income to poverty level relates family income to the poverty threshold for the size and age composition of a child's family in a given month. A ratio of 1.0 indicates that the family in which the child resides is at the poverty line. A ratio less than 1.0 indicates that the family in which the child resides is below the poverty line. A ratio greater than 1.0 indicates that the family in which the child resides is above the poverty line.</p> <p><sup>d</sup> Children under the age of 15 at the time of the first interview for whom 32 months of data on household income and family composition exist.</p>				

Source: Bianchi, S., and McArthur, E. U.S. Bureau of the Census. *Family disruption and economic hardship: The short-run picture for children*. Current Population Reports, Series P-70, No. 23. Washington, DC: U.S. Government Printing Office, 1991, Table B.

tant when there is no commonly accepted cutoff for determining what constitutes a significant change in income.<sup>7</sup>

The data from SIPP indicate that, on average, children were better off economically at the end of the SIPP sample period (1986) than they were at the initial interviews in 1983-84 (see Table 3). Mean monthly family income increased by about 6.9%, mean per capita family income increased 6.1%, mean ratio of family income to the poverty level increased 6.5%, and the percent of families with incomes below the poverty line decreased 12.3%. For children whose fathers leave, however, the picture is much different. Family income dropped by about 23% (a figure that is consistent with many of the estimates reported in prior literature).<sup>8</sup> Per capita family income fell, but only by about 8%. The ratio of family income to the poverty level also dropped (about 13%), but the average family remained above the poverty line (approximately 69% had income-to-needs ratios above the poverty level). Note, however, that the percent of families below the poverty line increased by nearly 10 percentage points (about a 46% increase in the total number of families).

It might seem odd that the ratio of family income to the poverty level drops relatively little yet there is such a substantial increase in the percent of families with incomes below the poverty line (a point that illustrates the need to view the data in various ways). This seeming discrepancy is generated by variation in economic well-being preceding father absence. As indicated in prior studies, women and children who are in higher-income families prior to disruption subsequently suffer the most substantial decline in income.<sup>9</sup> Yet, the reduction in income experienced in these families often is not sufficient to leave them below the poverty line following divorce.

The substantial increase in the percentage of families below the poverty line following disruption results from the large fraction of families close to the poverty line prior to disruption. Compared to children in continuously married families, children who lived in families that experienced marital disruption were economically disadvantaged even before their fathers left. Mean monthly family income was 17% lower (\$2,346 versus \$2,834), and the percent of families below the poverty line was 1.75 times greater (21.3% versus 12.1%). This difference is consistent with an ex-

tensive body of research which indicates that economic stress and deprivation are positively associated with subsequent marital dissolution.<sup>10</sup>

The economic vulnerability of families without fathers present is further indicated by the desperate financial circumstances of children who lived the entire length of the 1984 SIPP in mother-only families. While these families did not experience any decrease in their financial well-being over the period covered, they remained the group least well-off. More than 50% of the mother-only families were in poverty, and the mean ratio of family income to the poverty level was only slightly greater than 1.0.

The last panel of data in Table 3 indicates the role a father's income can play in reducing economic distress associated with mother-only families. Family income increased 115% for families into which a father entered, and the increase remains substantial when considering both income

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*As indicated in prior studies, women and children who are in higher-income families prior to disruption subsequently suffer the most substantial decline in income.*

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per capita (about 50%) and the mean ratio of family income to the poverty level (about 90%). As might be expected, the notable increase in family income associated with gaining a father substantially reduces the incidence of poverty (62%).

When data are considered separately by race, both blacks and whites experience a significant decline in income following marital disruption. Using data from the Panel Study of Income Dynamics (PSID), Corcoran reported that black mothers and white mothers experience a similar decline in the percent change in family income from disruption (comparing the year prior to marital disruption with the year following marital disruption).<sup>11</sup> However, because intact black families generally have lower income levels, a greater proportion of black women fall below the poverty line following marital disruption. Also using the PSID, Duncan and Hoffman found that black women who had been relatively well-off during marriage experienced larger percentage declines in

income following divorce than comparable white women.<sup>12</sup>

Not surprisingly, the composition of all families is not equal to the composition of families living in poverty. For example, female-headed families with children comprised 48% of families living in poverty in 1990, but constituted only 12% of all families.<sup>13</sup> Conversely, married couples with children comprised only 28% of poor fam-

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ilies, while they made up 38% of all families. Over the past 30 years, these two types of families have exchanged places as the predominant type of poor family. As the percentage of two-parent families has declined with respect to female-headed families, female-headed families have increased as a percentage of all poor families.

Eggebeen and Lichter examined shifts in family structure from 1960 to 1988 with respect to changes in child poverty.<sup>14</sup> They found that, had the proportions of children in married-couple, female-headed, and male-headed households remained the same as in 1960, the child poverty rate in 1988 would be one-third less than the child poverty rate actually observed. Analyses conducted by race indicate that changes in black family structure during the 1980s were responsible for 65% of the increase in poverty of black children, while changing family structure among whites accounted for 37% of the rise in official child poverty.

In addition to being more likely to be living in poverty at a given point in time, divorced women with children are likely to remain poor longer. Bane and Elwood<sup>15</sup> found that, during the late 1970s, female-headed families (both ever and never married) experienced an average poverty spell of seven years, in contrast to a less-than-two-year spell experienced by others in poverty.<sup>16</sup> Thus, poverty among families headed by divorced women is not only more prevalent than for two-parent families, it is also more likely to be chronic.

While the data in Table 3 are informative, they are limited by the fact that

fathers can leave during any of the eight panels. Thus, one cannot interpret the income levels at time 1 and time 8 in a longitudinal framework for this important group—that is, one cannot obtain a firm, unambiguous idea about how income might change across time following a father's departure. Table 4 presents a longitudinal representation of the data for families experiencing marital disruption. For children who lived with both parents at the beginning of the 1984 SIPP, the four measures of economic well-being used in Table 3 are shown for five points in time: the panel immediately prior to the father's leaving and the four panels immediately following the father's departure (or up to about 12 months after departure).<sup>17</sup> Two different groups are considered. The first group consists of the families of all children who experienced a marital disruption, and the second consists of the families of children who experienced a marital disruption and whose mothers did not remarry or reconcile.

The data in Table 4 show a decline in the income available to families after a father departs, a decline that appears immediately after marital disruption. In particular, note that the percent of families in poverty nearly doubled from the panel immediately prior to marital disruption to the panel immediately following dissolution. If one compares the two sets of figures (for all children and children whose mother did not remarry/reconcile), it is evident that, for the first year following marital disruption, there is no improvement in the economic well-being of families unless the mother remarries or reconciles.<sup>18</sup> Income at time 4 is no higher than at time 1 for women who have not remarried or reconciled, and the proportion of families below the poverty line remains at about 35%.

The data in Table 4 show that the economic consequences of marital disruption are not limited to the immediate turmoil surrounding a divorce and that, without remarriage or reconciliation, there is no clear trend toward improvement in economic well-being for at least the first two to three years after divorce. While these data cannot be construed to provide information on the long-term economic consequences of marital disruption, other research suggests that economic deprivation may be long-term, up to five years or more.<sup>19</sup> In large part, however, the sample sizes in these stud-

Table 4

<b>Change in Family Economic Circumstances Among Children Who Lived with Both Parents at the Beginning of the 1984 SIPP<sup>a</sup> and Whose Father Subsequently Left</b>					
	<b>Mean Family Income<sup>b</sup></b>	<b>Mean Per Capita Family Income</b>	<b>Mean Ratio of Family Income to Poverty Level<sup>c</sup></b>	<b>Percentage of Families with Incomes Below Poverty Level</b>	<b>Number (1,000s)</b>
<b>All children<sup>d</sup></b>					
Prior to father absence	\$2,435	\$549	2.43	18.8	2,884
Time 1	1,543	436	1.79	35.5	2,522
Time 2	1,548	447	1.77	30.9	2,194
Time 3	1,739	468	1.94	29.3	1,804
Time 4	1,711	456	1.96	30.7	1,454
<b>Children whose mother does not remarry/reconcile</b>					
Prior to father absence	\$2,416	\$540	2.39	18.5	2,225
Time 1	1,452	424	1.73	37.6	1,863
Time 2	1,364	409	1.6	32.9	1,589
Time 3	1,424	409	1.67	35.6	1,301
Time 4	1,432	399	1.71	35.5	1,036

<sup>a</sup> SIPP = Survey of Income and Program Participation  
<sup>b</sup> All income values are per month and are in constant 1986 dollars.  
<sup>c</sup> The mean ratio of family income to the poverty level relates family income to the poverty threshold for the size and age composition of a child's family in a given month. A ratio of 1.0 indicates that the family in which the child resides is at the poverty line. A ratio less than 1.0 indicates that the family in which the child resides is below the poverty line. A ratio greater than 1.0 indicates that the family in which the child resides is above the poverty line.  
<sup>d</sup> Children under the age of 15 at the time of the first interview for whom 32 months of data on household income and family composition exist.

Source: Bianchi, S., and McArthur, E. U.S. Bureau of the Census. *Family disruption and economic hardship: The short-run picture for children*. Current Population Reports, Series P-70, No. 23. Washington, DC: U.S. Government Printing Office, 1991.

ies tend to be quite small, making it difficult to draw firm conclusions.

As indicated above, remarriage or reconciliation is the most immediate mechanism alleviating economic deprivation associated with marital disruption. Over the past decade, though, rates of remarriage have declined (from a high of 166 remarriages per 1,000 divorced or widowed women age 15 to 54 in 1966-1968 to 109 remarriages per 1,000 similar women in 1987-1989).<sup>20</sup> Lower remarriage rates would generally result in longer periods between marriage and thus longer periods of poverty. However, the recent rise in the cohabitation rate of single-parent families and the income sharing this may imply may bring about some economic relief.<sup>21</sup>

The substantial difference in economic well-being between disrupted

families according to whether the mother remarries suggests that the employment of divorced mothers is not a particularly effective buffer against economic deprivation. Evidence to that effect is given in Table 5, again using data from the 1984 SIPP.

The difference is probably partly attributable to the facts that most fathers have had prior continuous work experience, whereas at least some proportion of mothers have not, and that most mothers have lower-status jobs and are victims of wage discrimination.<sup>22</sup>

Following the presentation in Table 4, employment and income figures are given for the panel immediately prior to marital disruption and for the four panels immediately subsequent to the father's departure (covering approximately two years).

Table 5

<b>Change in Mother's Labor Force Activity and Earnings After Departure of Father from the Household</b>					
	<b>Prior to Father Absence</b>	<b>Time 1</b>	<b>Time 2</b>	<b>Time 3</b>	<b>Time 4</b>
<b>All children<sup>a</sup></b>					
Percentage with earnings	58.6	72.1	62.4	65.3	62.1
Average monthly earnings <sup>b</sup>	\$930	\$900	\$985	\$982	\$989
<b>Children whose mother does not remarry/reconcile</b>					
Percentage with earnings	56.4	73.5	63.2	67.4	62.0
Average monthly earnings	\$934	\$884	\$994	\$1,015	\$1,025
Number (in 1,000s)	2,884	2,552	2,194	1,804	1,454

<sup>a</sup> Children under the age of 15 at the time of the first interview for whom 32 months of data on household income and family composition exist.

<sup>b</sup> All income values are per month and are in constant 1986 dollars.

Source: Bianchi, S., and McArthur, E. U.S. Bureau of the Census. *Family disruption and economic hardship: The short-run picture for children*. Current Population Reports, Series P-70, No. 23. Washington, DC: U.S. Government Printing Office, 1991.

Two sets of figures are given: one for all children and one for children whose mothers did not remarry or reconcile.

Prior to marital disruption, about 56% to 58% of children had mothers who were in the labor force and who earned about \$930 per month, or about 37% of family income (using family income values reported in Table 4). In the first panel after marital disruption, more than 70% of mothers were working. A first response of many newly divorced mothers to economic stress, therefore, appears to be entry into the labor force. Note, however, that the average amount earned declined from immediately before to immediately after disruption, although the amount earned constituted about 60% of postdisruption family income. This decline occurred because the jobs available to many new entrants into the labor force are often less than full-time employment and/or pay wages below those earned by mothers already in the labor force.

Over time, the proportion of children whose mothers were in the labor force declined to a point only slightly higher than observed just prior to marital disruption. In addition, average income increased as the proportion of mothers working declined. While part of the increase in earnings may be attributed to

annual pay increases (in real dollars), it is likely that most of the increment is associated with the fact that many women earning low wages elect to leave the labor force. Thus, while the initial response to economic uncertainty following marital disruption may be to find employment, for many women this shift is short-lived. In the long run, only those women who are successful in the labor market are likely to remain employed.

Because many women are new labor force entrants or are returning to work after being absent for some time, it is difficult for them to find jobs that pay enough to support a family. Many of these women must take shift work to find employment or to be home with their children at least part of the time. Presser reports that unmarried mothers are nearly twice as likely as married mothers to work nonday shifts, often in jobs that are unpleasant and pay the minimum wage.<sup>23</sup> When combined with the costs and constraints of child care and discrimination against single parents in the workplace, low-paying, dead-end jobs force many working single mothers out of the labor market.<sup>24</sup> The availability of welfare benefits, especially those that erode with earned income, acts to reduce the likelihood that divorced mothers will remain active in the labor force.<sup>25</sup>

## Marital Disruption and Public Assistance

Given the meager economic resources possessed by women and children in disrupted families compared with married-couple families, it is natural to ask about their participation in public assistance programs. Table 6 shows results from the 1984 SIPP with respect to receipt of Aid to Families with Dependent Children (AFDC) and food stamps, the two largest public assistance programs.<sup>26</sup> Rates of participation and average amounts received are again shown for the panel immediately prior to marital disruption and for the four panels immediately following dissolution. Values are shown for all children and for children whose mothers did not remarry or reconcile.

About 9% of children who experienced marital disruption lived in families receiving public assistance prior to father absence. These figures increased to about 27% for food stamps and 18% for AFDC immediately following marital disruption. Generally, the proportion of children in disrupted families participating in public assistance programs grew slightly over time, probably because more families learned about their eligibility, were processed through the system, and overcame initial misgivings that they may have had about the stigma of receiving welfare. Some of the increase in participation is also due to the fact that mothers leave the labor

force because of low wages or because fathers fail to make child support payments. The amounts received for parent(s) and children both range from about \$240 to \$300 per month for AFDC to \$180 to \$195 per month for food stamps.

Prior to divorce, AFDC and food stamps constituted about 18% of average family income. Following divorce, these public assistance programs made up about 25% to 30% of average family income (slightly more for children whose mothers did not remarry or reconcile). As one might expect, mothers and children who lived in higher-income families prior to divorce were less likely to receive public assistance following marital disruption. As noted above, the families most likely to fall below the poverty line are those that were relatively less well-off prior to divorce. Using data from the PSID, Weiss reported that, in the first year following a marital disruption, mothers with predisruption incomes that put them in the bottom third of the income distribution were nearly 18 times more likely to receive AFDC payments or food stamps than were mothers with predisruption incomes that put them in the top third of the income distribution.

The overall impact of public assistance on the economic well-being of disrupted families is substantial. If it were not for government cash transfers such as AFDC, the percentage of all female-headed families in poverty (including never-married mothers) would rise from approximately 50 to 57.<sup>27</sup> By race, the percentage of poor,

Table 6

<b>Change in Mother's Receipt of Public Assistance After Departure of Father from the Household</b>					
	<b>Prior to Father Absence</b>	<b>Time 1</b>	<b>Time 2</b>	<b>Time 3</b>	<b>Time 4</b>
<b>All children<sup>a</sup></b>					
Percentage who receive AFDC <sup>b</sup>	9.0	18.2	21.3	22.0	21.9
Average monthly receipt <sup>c</sup>	\$268	\$255	\$285	\$272	\$286
Percentage who receive food stamps	9.5	26.6	26.5	24.8	25.5
Average monthly receipt	\$170	\$188	\$181	\$185	\$183
Number (in 1,000s)	2,884	2,522	2,194	1,804	1,451
<b>Children whose mother does not remarry/reconcile</b>					
Percentage who receive AFDC	11.7	19.4	23.6	24.4	25.8
Average monthly receipt	\$268	\$243	\$279	\$273	\$298
Percentage who receive food stamps	10.3	28.2	29.0	28.7	31.7
Average monthly receipt	\$187	\$187	\$177	\$194	\$186
Number (in 1,000s)	2,225	1,863	1,589	1,301	1,036
<sup>a</sup> Children under the age of 15 at the time of the first interview for whom 32 months of data on household income and family composition exist. <sup>b</sup> Aid to Families with Dependent Children <sup>c</sup> All income values are per month and are in constant 1986 dollars.					

Source: Bianchi, S., and McArthur, E. U.S. Bureau of the Census. *Family disruption and economic hardship: The short-run picture for children*. Current Population Reports, Series P-70, No. 23. Washington, DC: U.S. Government Printing Office, 1991, Table L.

white, female-headed families would rise from 42 to more than 49, while for blacks it would rise from 63 to 69.

The effect of government programs on poor female-headed families can be further realized by adding the estimated value of noncash transfers, such as food stamps, Medicaid, and housing subsidies, to recipients' income. Such noncash transfers are not included when calculating official measures of poverty. Using the Census Bureau's income definition 14—which adds to money income and cash transfers net of income taxes, earned income tax credits and the estimated cash value of Medicare, Medicaid, and other transfers noncash—the percentage of all female-headed families living in poverty declines to about 38.<sup>28</sup> Under this definition, only 33% of white female-headed families live in poverty, while the percentage of black female-headed families declines to 47.<sup>27</sup>

Although both cash and noncash government transfers serve to lessen poverty, their main intent is assistance in the short term, not long-range support for raising children. Moreover, this assistance is aimed at lessening the impact of poverty, not at eliminating it. This fact is reflected in the large percentage of families headed by women that remain in poverty after noncash public transfers are taken into account.

The societal assumption is that financial, as well as social, responsibility for children should rest with parents. Thus, we turn our attention to child support as a means to better the economic well-being of divorced mothers and their children. As we shall see, many mother-headed divorced families receive little or no support from nonresident fathers. Child support is important not only because of its impact on these families but

Table 7

<b>Child Support Awarded and Received for Ever-Married Women, 1989<sup>a</sup></b>	
	Percentage or Mean
Awarded child support	72
Due child support	62
Received support among those due support	75
Received support among all women	48
Mean child support received <sup>b</sup>	\$3,138
Mean total income	\$16,964
Child support received as percentage of total income	18.5

<sup>a</sup> Includes currently divorced, separated, and remarried women.  
<sup>b</sup> In constant 1989 dollars.

Source: Based on calculations from U.S. Bureau of the Census. *Child support and alimony: 1989*. Current Population Reports, Series P-60, No. 173. U.S. Government Printing Office, 1991.

also because of its potential impact on welfare costs. Based on data from Wisconsin, Garfinkel estimates that a child support program which would assure collection would pay for itself.<sup>29</sup>

## Divorce and Child Support

Historically, child support, in the form of a cash transfer from fathers to mothers, has evolved as the primary mechanism whereby nonresident fathers are legally required to support their children.<sup>30</sup> Unfortunately, child support awards are generally small, and often payments arrive irregularly if at all.<sup>31</sup> However, because single mothers have relatively low incomes, the receipt of child support payments can make a difference in their economic well-being. Data from the 1989 CPS indicate that child support payments comprised about 17% of the total income of divorced mothers who received support in 1989. For women below the poverty level, payments made up a much larger proportion, 38% of their total income.<sup>32</sup>

Table 7 shows the percent of ever-married mothers who were awarded and received child support in 1989. Slightly less than three-fourths of divorced mothers had ever been awarded child support. Of these mothers, 62% were due pay-

ments. Three-fourths of women due support actually received payments, or less than half of all divorced mothers. The mean amount of child support received among divorced mothers in 1989 was \$3,138 per year, and the average number of children per family was a bit over 1.5 children.<sup>32</sup>

The data in Table 7 are striking because they indicate that a large proportion of divorced mothers do not have a child support award. Many of the mothers who do have an award do not receive payment, and if a payment is received, the amount is low. The average annual amount paid in child support is much less than the cost of raising a child.<sup>33</sup>

Because the average annual amount paid in child support is so low, some researchers have sought to determine how much child support absent fathers can afford to pay. Most estimates of this nature assume that all or almost all divorced mothers will receive an award, most or almost all absent fathers will pay child support, and the amount paid will follow some set of guidelines. The guidelines most commonly used are those in place in Colorado, Delaware, or Wisconsin.<sup>34</sup> Virtually all estimates of the amount of child support that could be collected are substantially greater

than the current amount being collected. For example, by estimating the incomes of noncustodial fathers and then matching these incomes to a simulation of normative standards for how much these parents should contribute, Garfinkel and Oellerich estimated that absent fathers (both divorced and never married) can afford to pay between three and four times the amount of child support that they are currently paying (or about two and one-half to three times more than they are currently obligated to pay).<sup>35</sup> In other words, annual collections of child support would increase from about \$6.8 billion nationally to somewhere between \$23.8 billion and \$30.1 billion annually.

It is interesting to note, though, that increased collection of child support will not necessarily lead to substantial decrements in the proportion of divorced mothers with incomes below the poverty line<sup>36</sup> because an increase in collection will not be distributed equally among divorced mothers. Women who are economically better-off are more likely to receive a greater proportion of the increased child support because they were married to men with greater economic resources.

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***The factors that determine award of support are not necessarily those that determine receipt of support.***

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Although increased child support collections may not enable a substantial number of mothers to leave welfare, there is some evidence that child support may help prevent those who exit AFDC from reentry.<sup>37</sup> Because divorced mothers who are below the poverty line were married to the least economically secure men, the modest amount of additional child support due these women is not large relative to AFDC payments received. There is also some evidence indicating that full collection of child support under the Wisconsin system would increase the risk of poverty for the new families of absent fathers. The risk of experiencing poverty in new families could be substantially due to the often low earning power of absent fathers. That is, child support payments under the Wisconsin guidelines are sufficiently high that, if these payments were

subtracted from the incomes of absent fathers who have remarried, it would place their new families below the poverty line. This point indicates the nature of the tradeoffs that often must be considered and made when implementing policy.<sup>38</sup>

This is not to say, however, that additional income would not be beneficial to mothers and children. It is true that the more substantial amount of child support accruing to women above the poverty line would materially increase the well-being of their children. It may also be true that increased child support would act to increase the absent father's involvement in the life of his children.

To obtain a better idea about shifts in receipt of child support following marital disruption, we again present data from the 1984 SIPP. The results are shown in Table 8. Just prior to marital disruption, about 16% of children lived in families receiving child support (average amount, \$284 to \$294 per month). This figure reflects the fact that a number of families undergoing disruption constitute second or higher-order marriages. Immediately following disruption, the fraction of children whose mothers received child support increased to about 45% (average amount, \$334 to \$351 per month). For all children, the proportion receiving child support declined over time, probably reflecting the fact that some of the mothers remarried or reconciled. Consistent with this impression, children whose mothers did not remarry or reconcile showed a slower rate of decline in the proportion receiving child support. In both instances, the average amount received increases. This increase is probably the result of a selection process whereby fathers who pay the least are less likely to pay anything as time passes.

In any event, the SIPP data are consistent with other sources in showing that the majority of divorced mothers do not receive child support payments from the absent father. Although the time frame examined is relatively short, it is also evident that the proportion of mothers receiving support declines over time. Interestingly though, more recent studies suggest a possible reversal of this trend with fathers maintaining greater contact with their children.<sup>39</sup>

While it may appear intuitive that the factors influencing awards would affect receipt, the two are only imperfectly correlated. That is, the factors that determine

Table 8

<b>Change in Mother's Receipt of Child Support After Departure of Father from the Household</b>					
	<b>Prior to Father Absence</b>	<b>Time 1</b>	<b>Time 2</b>	<b>Time 3</b>	<b>Time 4</b>
<b>All children<sup>a</sup></b>					
Percentage who receive child support	15.7	43.5	40.9	39.8	36.7
Average monthly receipt <sup>b</sup>	\$284	\$351	\$338	\$360	\$378
Number (in 1,000s)	2,884	2,522	2,194	1,804	1,451
<b>Children whose mother does not remarry/reconcile</b>					
Percentage who receive child support	14.3	46.3	44.1	40.9	42.5
Average monthly receipt	\$294	\$334	\$368	\$401	\$410
Number (in 1,000s)	2,225	1,863	1,589	1,301	1,036
<sup>a</sup> Children under the age of 15 at the time of the first interview for whom 32 months of data on household income and family composition exist. <sup>b</sup> All income values are per month and are in constant 1986 dollars.					

Source: Bianchi, S. and McArthur, E. U.S. Bureau of the Census. *Family disruption and economic hardship: The short-run picture for children*. Current Population Reports, Series P-70, No. 23. Washington, DC: U.S. Government Printing Office, 1991.

award of support are not necessarily those that determine *receipt* of support. The most important determinant of whether a mother receives child support from a nonresident father is the presence of a court-ordered award.<sup>31</sup> Only 72% of divorced mothers receive an award of child support.

It is important to note, however, that this proportion varies widely according to the socioeconomic characteristics of both parents, the nature of their relationship, and the characteristics of the legal system.<sup>40</sup>

Perhaps the most important factor in determining whether an award is made is maternal marital status. While 72% of ever-married mothers have received a child support award, only 24% of never-married mothers have been awarded child support.<sup>32</sup>

A number of other background characteristics are also important in determining the award of child support. Beller and Graham found that black mothers are less than half as likely as white mothers to be awarded child support.<sup>40</sup> This is primarily because black mothers are less likely to be

married and, even if married, they are more likely to be separated rather than divorced.

Educational attainment, age, place of residence, and number of children are also related to award of child support. Composition differences in these variables help to explain some but not all of the lower rate of awards for black women. Women who are older and have more education are more likely to receive an award. Also, awards are positively associated with having younger children and having been married longer. Teachman reported similar findings but, contrary to Beller and Graham, found that the effect of race becomes insignificant when socioeconomic resources are controlled.<sup>41</sup>

While the award of child support depends on a wide variety of factors including characteristics of parents, children, and the marriage, the determinants of the receipt of support are more select. A few studies have found the receipt of child support to be most affected by characteristics of mothers and children.

Robins and Dickinson, using data from the 1979 Current Population Survey,

found that receipt of child support was positively related to the age and education of the mother and negatively related to having young children and to the time since divorce.<sup>42</sup> Robins and Dickinson included only one characteristic of fathers, income, which they found to be positively correlated with receipt of child support.

Peterson and Nord, using data from the Survey of Income and Program Participation (SIPP), found that having a voluntary child support agreement and the amount of the award positively affected the likelihood of receiving support.<sup>31</sup> However, after controlling for these factors, they found characteristics of the mother (for example, race, education, marital status, and number of children) to have no effect. Father characteristics were not available in this data set. More recently, using data containing information

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*Although child support payments are the predominant means of contribution, fathers may also help support their children in other less formal ways.*

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about both fathers and mothers, as well as child support arrangements (the National Longitudinal Study of the High School Class of 1972), Teachman found that the receipt of child support was primarily dependent on the circumstances of fathers.<sup>43</sup> When father characteristics were controlled, the characteristics of mothers and children had no direct impact on receipt of support.

Somewhat unexpectedly, Teachman found that fathers who remarried were more likely to pay child support than other fathers. This finding is consistent with those reported earlier by Hill, who suggested that remarried fathers are more "family-oriented" and so are more motivated to pay support.<sup>44</sup> A closer physical proximity and visits with children are both positively related to the receipt of child support, probably reflecting fathers' overall involvement with children.

Seltzer also found the receipt of child support to be associated with father characteristics but examined their indirect effects through child custody.<sup>45</sup> Using data from Wisconsin divorce cases, she found that fathers with higher incomes are more

likely to acquire joint custody of their children. As such, families with joint custody tend to have higher-than-average amounts awarded because of the higher incomes of fathers. Surprisingly, however, despite higher awards, families with joint legal custody and those with sole custody did not differ in the level of support received. However, it is likely that children in joint custody arrangements probably benefit informally from these arrangements because they have more contact with fathers than children in mother-custody families.

It appears that fathers' motivation and ability to pay child support are the most important determinants of the receipt of child support. Unlike the award of support, which is decided in a more public environment subject to normative and legal constraints in favor of providing child support, the decision to send child support is less public and rests primarily with the father. Hence, the attributes of the mother have little effect on the actual receipt of support.

Because child support is the primary mechanism by which nonresident parents make contributions to the well-being of their children, most research has focused on the determinants of support awards and the receipt of payments. However, although child support payments are the predominant means of contribution, fathers may also help support their children in other, less formal ways. There has been some speculation that noncustodial fathers may substitute other means of support for more formal child support in order to have more control over the way in which the contribution is utilized.<sup>46</sup>

Working alone, and with Paasch, Teachman has examined other means by which noncustodial fathers may contribute to their children.<sup>43,47</sup> Both examined whether and with what regularity single mothers receive from noncustodial fathers contributions such as payment for children's clothes, presents, vacations, dental care, and medical insurance; help with homework; and attendance at school events. Teachman, using the 1986 follow-up data from the National Longitudinal Study of the High School Class of 1972, found that the majority of noncustodial fathers seldom or never made contributions to their children. Among fathers who contributed, the most frequent ways were through child support, medical insurance, and dental care. Fathers were more likely

to provide contributions requiring outlays of money rather than time. Very few fathers performed time-intensive activities, such as helping their children with homework or attending school events, which may be influenced by custody arrangements.

In addition, the evidence did not suggest that fathers substituted other forms of assistance for cash payments of child support. That is, a negative correlation between paying child support and providing other forms of assistance did not occur. However, fathers who provided at least one type of assistance were more likely to provide other types of assistance. This pattern indicates the presence of a small group of fathers dedicated to the overall well-being of their children.

## Divorce and Property Settlements

One might also consider property settlements as a means by which mothers and children are compensated for losses associated with marital disruption. That is, fathers may use property settlements in lieu of child support or other contributions to ensure the economic well-being of their children; however, the evidence suggests that they do not. Because marital disruption is concentrated among couples with few economic resources, there is often very little in the way of tangible assets to divide when parents part. The concentration of divorces among couples with fewer economic resources is compounded by the fact that most divorces occur relatively soon after marriage, reducing the amount of time for significant accumulation of assets. Seltzer and Garfinkel reported that, in a sample of 1,800 divorce cases in Wisconsin occurring between 1980 and 1984, the median value of tangible assets at disruption was only \$7,800, with mothers receiving a little over 50% of these assets.<sup>48</sup>

Thus, even if mothers received 100% of assets at the time of divorce, the amount in question would be too small to significantly affect the material well-being of either mothers or fathers (although Seltzer and Garfinkel note that the average property settlement is equivalent to one- to two-thirds of the average annual child support award, which speaks more to the low value of child support awards). Other evidence is consistent with these findings.<sup>49</sup> Accumulated tangible property is not an answer to alleviating the

economic stress associated with marital disruption.

## Policy Implications

The economic consequences of divorce are of sufficient magnitude that we may ask ourselves about possible ameliorative measures. What can our society do to lessen the economic burden placed on women and children by the disruption of a household? What hurdles do they face in their attempts to regain economic security? Below we outline some of the roadblocks to economic recovery faced by women and children and some possible policy alternatives to assist them. A first policy prescription would appear to center on the transfer of economic resources from absent fathers to their children. Our society presumes that the care and support of children rests with their parents. Accordingly, a major thrust of domestic policy over the past two decades has been to strengthen child support programs. And, as shown by several researchers, the amount of money that absent fathers could provide appears to be three to four times the current amount. For a portion of divorced mothers, increased child sup-

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port payments offer the opportunity for a substantially better standard of living. However, these are the mothers who have greater economic resources in the first place. It is much less likely that increased child support collections will significantly change the economic well-being of mothers at the bottom of the income scale for at least two reasons.

First, AFDC mothers are allowed to keep only the first \$50 of any child support collected; any additional money reverts to the state. A possible reform in this area would be to allow mothers to keep all or a substantially greater proportion of child support received. Second, at the time of divorce, fathers of children of AFDC mothers often have very low incomes and

may be required to pay little or no child support. Interestingly, recent analysis of Wisconsin data indicates that divorced low-income fathers nearly double their predivorce income seven years later.<sup>50</sup> Future policy could take advantage of this rise in income, perhaps by reevaluating child support awards at regular intervals following the initial award.

However, on deeper reflection, it is not yet clear how easy it will be to increase child support collections substantially. Some evidence suggests that the Wisconsin system, with strong guidelines for awarding child support and wage withholding, can increase the flow of income to noncustodial parents.<sup>29</sup> Secondary evidence pertaining to the Family Support Act of 1988 indicates that the new guidelines may increase child support collections by as much as 50%.<sup>51</sup> But a 50% increase in collections is far short of a three- to four-fold increase, and we believe that the evidence that even the lower increment will occur is weak. Additional data are therefore needed concerning appropriate mechanisms for collecting additional child support.

The overall impact of efforts to increase child support payments is also not clear. There is virtually no evidence pertaining to the effect of child support payments on the social and economic behavior of custodial and noncustodial parents. Most researchers have simply assumed that all else will remain the same as

support? The answers to these questions may change the calculus by which one measures the value of efforts to increase collection of child support, especially if done in isolation from other policy efforts.

Another avenue for providing support to divorced mothers with children is through public assistance. However, the amount of assistance provided has never been sufficient to bring most families above the poverty line. The structure of the current system also provides disincentives to working because of heavy implicit taxes on earned income (that is, through the loss of benefits). In addition, there is little public sentiment in favor of providing public assistance on a long-term basis, and evidence indicates that welfare stigmatizes and creates emotional stress among recipients.<sup>52</sup> What is needed, therefore, is a system of public assistance that is structured for the short-term and does not stimulate dependence. Current proposals by the Clinton Administration, such as work training, appear to be based on a similar conclusion. Other alternatives might consist of a slower phaseout of non-cash benefits, especially Medicaid, as women move off public assistance. In this vein, other Clinton proposals, such as a national health care program, would likely impact public assistance programs.

Irwin Garfinkel has proposed an assistance program that combines elements of child support and more traditional welfare programs.<sup>25</sup> Such child support assurance programs would guarantee a minimum benefit level for custodial parents and their children. If the absent parent contributes less than the minimum benefit, the state would pay the difference. Garfinkel argues that a child support assurance program could be implemented with little cost to the state if child support was ordered and collected more rigorously. While not sufficient to eliminate poverty, a child support assurance program combined with other forms of short-term public assistance or programs such as earned income tax credit could help to alleviate the economic stress associated with divorce.

A third alternative for increasing the economic well-being of divorced mothers and children is to increase the mother's earning capability in the labor market. As noted above, a first response on the part of divorced mothers to the economic deprivation that often follows divorce is to increase labor market activity. However, as

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***Secondary evidence pertaining to the Family Support Act of 1988 indicates that the new guidelines may increase child support collections by as much as 50%.***

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efforts to increase child support are put into place. But how will shifts in child support payment and receipt affect migration, marriage, remarriage, and labor force decisions of both parents? Will mothers be more likely to enter the labor force if child support is available to pay for child care? Conversely, will they be less likely to remarry if they fear loss of child support payments? Will fathers be less likely to seek additional income if they must pay more child support? Will they be less likely to remarry if they pay child

also noted, many women are unable to sustain employment. The most likely reason for being unable to do so is the high cost of child care, combined with low wages and the threat of losing benefits associated with public assistance. Thus, a national child care program<sup>53</sup> combined with workplace reforms such as flexible work schedules could act to reduce the stress single parents experience when trying to combine work and parenting. Welfare reform should also ensure that important benefits associated with public assistance, such as health care, are not lost until an adequate replacement is found. Again, proposals currently under review by the Clinton Administration may serve this function if adopted.

Perhaps more difficult to achieve but equally important is equality in earnings between men and women. Currently, women earn about 70% of what men make.<sup>54</sup> This difference is reduced when the incomes of men and women with similar jobs are compared, but nevertheless, women earn less. Rectifying this inequality would probably increase female labor force participation and subsequent economic returns. It is also important to recognize that many mothers who enter the labor force after a divorce have not worked for a period of time, have worked part-time, or have worked in areas not related to their training or background. It is therefore likely that programs designed to increase their labor market skills, flexible work schedules, and available and affordable child care would go a long way toward equalizing women's position in the labor market following marital disruption. Such programs would also have to recognize the particularly disadvantaged positions held by black women. As noted earlier, black women are especially susceptible to the negative economic consequences of divorce.

Fourth, the evidence suggests that stable marital unions are beneficial to the economic well-being of children. Obviously, this benefit accrues primarily because of the economic benefits associated with pooling the economic resources of two parents and returns to scale when purchasing housing and other significant consumer items. A variety of evidence also

suggests that stable unions reduce potentially negative intergenerational consequences of marital disruption.<sup>55</sup> Given evolution in the meaning and structure of marriage, however, it is not clear how policy could be constructed that would stabilize marriage without penalizing single parents.<sup>56</sup> Alternatively, programs that support single parents may do so at the expense of married parents. As with all policy positions, trade-offs are inevitable.

Finally, it is likely that a program emphasizing one of these alternatives without considering the others would fail or have only a negligible effect. For example, as discussed above, there is little evidence about the consequences of increasing child support on other behaviors such as mothers' labor force participation and fathers' marital transitions. Positive direct effects associated with increasing child support may be offset, at least in part, by negative indirect effects operating through other behaviors. We already have evidence strongly suggesting that public assistance by itself is not sufficient to eliminate the economic suffering associated with marital disruption.

Public policy must therefore be conducted cautiously, with an eye toward unintended consequences. Consideration must also be given to the diversity of family experiences. The economic constraints and opportunities facing whites and blacks are much different, meaning that a single policy may not be equally successful for each group. A proving ground for particular policies may be found in the variety of options offered by different states. Indeed, state policies may provide the experimental proving ground for developing national family policies of the future. Policy conclusions must also await more recent data that cover periods of substantial policy change. Most important, we note that the SIPP data we utilize predate the implementation of the 1988 Family Support Act. More recent SIPP data, which should become available in 1994, may provide us with some idea about the effect of the Family Support Act and whether the economic well-being of divorced women has changed appreciably.

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1. This argument assumes that income is distributed equally within two-parent families. If income is not distributed equally, total household income before and after divorce may not be an accurate representation of change in children's economic well-being.

2. See for example, Burkhauser, R., Duncan, G., Hauser, R., and Berntsen, R. Wife or frau, women do worse: A comparison of men and women in the United States and Germany following marital dissolution. *Demography* (1991) 28:353-60; Burkhauser, R., and Duncan, G. Economic risks of gender roles: Income loss and life events over the life course. *Social-Science Quarterly* (1989) 70:3-23; Corcoran, M. The economic consequences of marital dissolution for women in the middle years. *Sex Roles* (1979) 5:343-53; Duncan, G., and Hoffman, S. Economic consequences of marital instability. In *Horizontal equity: Uncertainty and economic well-being*. M. David and T. Smeeding, eds. Chicago: University of Chicago Press, 1985, pp. 427-67; Espenshade, T. The economic consequences of divorce. *Journal of Marriage and the Family* (1979) 41:615-25; Hoffman, S., and Duncan, G. What are the economic consequences of divorce? *Demography* (1988) 25:641-45; Holden, K., and Smock, P. The disproportionate cost? *Annual Review of Sociology* (1991) 17:51-78; McLindon, J. Separate but unequal: The economic disaster of divorce for women and children. *Family Law Quarterly* (1987) 21:351-409; Morgan, L. Economic well-being following marital termination. *Journal of Family Issues* (1989) 10:86-101; Mott, F., and Moore, S. The causes and consequences of marital breakdown. In *Women, work, and the family*. F. Mott, ed. Lexington, MA: Lexington Books, 1978, pp. 113-35; Nestel, G., Mercier, J., and Shaw, L. Economic consequences of midlife change in marital status. In *Unplanned careers: The working lives of middle-aged women*. L. Shaw, ed. Lexington, MA: Lexington Books, 1983, pp. 109-25; Stirling, K. Women who remain divorced: Long-term consequences. *Social Science Quarterly* (1989) 93:549-61; Weiss, R. The impact of marital dissolution on income and consumption in single parent households. *Journal of Marriage and the Family* (1984) 46:115-27; Weitzman, L.J. *The divorce revolution: The unexpected social and economic consequences for women and children in America*. New York: Free Press, 1985.
3. U.S. Bureau of the Census. *Poverty in the United States: 1991*. Current Population Reports, Series P-60, No. 181. Washington, DC: U.S. Government Printing Office, 1992.
4. Actually, the SIPP sample consists of four rotations. That is, one-fourth of the sample was interviewed in October of 1983, one-fourth in November of 1983, one-fourth in December of 1983, and one-fourth in January of 1984. Each rotation is then followed up in four-month panels.
5. Unfortunately, there simply are no good data for examining the long-term effects of divorce. The longest duration we are able to study is approximately five years after divorce. Although the Panel Study of Income Dynamics (PSID) contains the sort of detailed information necessary to study longer durations, small sample sizes prohibit its use for the study of long-term consequences. Additionally, even if such long-term information was available, it would be of questionable value. After about five years, say, it would be difficult to justify any economic outcomes because the accumulation of other life course events would muddy causal links.
6. Income includes earnings from employment and assets, as well as income from other sources such as Social Security, Aid to Families with Dependent Children (AFDC), child support, and alimony.
7. Values for each measure of economic well-being are shown for five groups of children in the 1984 SIPP: all children, children who lived with both parents continuously for all eight panels, children in families in which the father left during one of the eight panels, children who lived with only their mother for all eight panels, and children who lived in families into which a "father" (either biological, step, or adoptive) entered during one of the eight panels. Fathers can leave either through separation or divorce and can enter either through reconciliation or remarriage. Note that we do not consider cases in which the mother left the household. There are not enough cases where the father retains custody of the children in the SIPP sample to provide a statistical profile at the present time, although alternatives such as father custody and joint legal custody are becoming more prevalent (Bianchi, S. The changing demographic and socioeconomic character of single-parent families. Forthcoming in *Marriage and Family Review*; Ghosh, S., Easterlin, R., and Macunovich, D. How badly have single parents done? Trends in economic status of single parents since 1964. Presented at the Population Association Meetings in Cincinnati, Ohio, 1993), mothers continue to retain physical custody of children in the majority of cases (Seltzer, J. Legal custody arrangements and children's economic welfare. *American Journal of Sociology* [1991] 96:895-929).
8. See note no. 2, Burkhauser, Duncan, Hauser, and Berntsen; and Hoffman and Duncan.
9. See note no. 2, Mott and Moore; Nestel, Mercier, and Shaw; Weiss; and Weitzman.
10. These data indicate that marital disruption is a significant factor associated with falling into poverty for women and children. A variety of other research supports this point. For example, Burkhauser and Duncan, using data from the Panel Study of Income Dynamics, found that one-quarter of married women ages 26 to 35 who divorce or separate experi-

ence a decrease in their income-to-needs ratio of at least 50% and fall to a ratio of 1.5 or less. Moreover, for women, marital disruption is the most common reason for experiencing a large drop in the income-to-needs ratio that places them within 1.5 times the poverty level. For men, job-related circumstances are by far the most common events leading to subsequent poverty. (See also Conger, R., Elder, G., Lorenz, F., et al. Linking economic hardship to marital quality and instability. *Journal of Marriage and the Family* [1990] 52:643-56; Hernandez, D. *When households continue, discontinue and form*. Current Population Reports, Series P-23, No. 179. Washington, DC: U.S. Government Printing Office, 1992.) However, it is also true that the majority of new spells of poverty are not associated with marital transitions, even for women and children (Bane, M.J. Household composition and poverty. In *Fighting poverty: What works and what doesn't*. S. Danziger and D. Weinberg, eds. Cambridge, MA: Harvard University Press, 1986, pp. 209-31). Two-parent families comprise the majority of new entrants into poverty, usually because of loss of a job by either spouse or a reduction in income.

11. See note no. 2, Corcoran.
12. Duncan, G., and Hoffman, S. A reconsideration of the economic consequences of marital dissolution. *Demography* (1985) 22:485-97.
13. See note no. 3, U.S. Bureau of the Census. Note also that the 48% figure is somewhat higher than the poverty rate indicated in Table 1 because never-married women are included in the category of female-headed households. These families face even worse economic deprivation than ever-married families headed by women.
14. Eggebeen, D., and Lichter, D. Race, family structure, and changing poverty among American children. *American Sociological Review* (1991) 56:801-17.
15. Bane, M.J., and Elwood, D. Slipping into and out of poverty: The dynamics of spells. *Journal of Human Resources* (1986) 21:1-23.
16. Duncan, G., Coe, R., and Hill, M. The dynamics of poverty. In *Years of poverty, years of plenty*. G. Duncan, ed. Ann Arbor: University of Michigan Press, 1984, pp. 33-70.
17. While data in Tables 4, 5, and 6 are presented for the period immediately preceding divorce, a causal link is not necessarily established because families may implement change prior to divorce in anticipation that disruption will occur.
18. These figures may, in fact, be viewed as worse-case scenarios in that some women who neither reconciled nor remarried may be cohabiting or living in extended families where there is likely to be some income sharing not reflected in these figures. Ghosh and colleagues estimate that approximately one-third of all single parents are cohabiting in some way. (See note no. 7, Ghosh, Easterlin, and Macunovich.)
19. See note no. 2, Corcoran; Duncan and Hoffman; Mott and Moore; Stirling; and Weiss. See also Hoffman, S. Marital instability and the economic status of women. *Demography* (1977) 14:67-76.
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- holds to purchase food. Virtually all low-income households are eligible to receive food stamps regardless of household composition, making this the largest income support program. In 1990, 47% of single mothers received food stamps. Other forms of public assistance that may supplement single mothers' income are Medicaid (received by 51.4%), public or subsidized housing (received by 23%), and school lunches (9.5% of single mothers receive school lunches for their children). See note no. 3, U.S. Bureau of the Census.
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