

Public Interest, 5/87

## **Not all female-headed families are created equal**

DOUGLAS J. BESHAROV & ALISON J. QUIN

**F**

OR SOME TIME NOW, we have been hearing about “the feminization of poverty,” a process brought on by the deterioration of families, which leaves single women and mothers destitute. And indeed, there is substantial evidence that women are more often the victims of poverty: Almost half of all female-headed families with children under eighteen are below the poverty line and three-quarters of those families who begin receiving AFDC (Aid to Families with Dependent Children) do so because they have become female-headed families.

But not all female-headed families are created equal. The feminization of poverty is both not as bad as, and much worse than, these statistics suggest. Families headed by divorced mothers are doing much better, generally, than is commonly supposed, and families headed by never-married mothers are doing much worse.

Compared with divorced mothers, never-married mothers experience more severe poverty, for longer periods. They work less, receive less child support, and are less likely to marry and stay married to someone able to support them and their children. As a result, they go on welfare in large proportion—and stay there. While divorced mothers on welfare typically use it as a temporary crutch until they get back on their feet, never-married mothers tend to

become trapped in long-term dependency. Indeed, the evidence is mounting that never-married mothers compose the majority of long-term welfare dependents—a permanent underclass.

Lumping all female-headed families together and then trying to meliorate their poverty problems, as is so often done, obscures the real issues and distorts policy responses. To assist female-headed families in becoming financially self-sufficient, social welfare policies must distinguish between these two types of families and the problems they face.

### **The “feminization” of poverty**

Income statistics for female-headed families with children under eighteen do indeed paint a gloomy picture. The median income of female-headed families is about 26 percent of that of intact families. In 1984, the median family income for children living with both parents was \$29,730, and for children living with their father only it was \$20,024. But for children living with their mother only, median family income was \$7,608.

Whether one looks at the total number of people or of families living below the official poverty line, female-headed families account for a disproportionate share of the poverty in this country. In 1985, of the 33,064,000 Americans living below the poverty line, half were from female-headed families (16,365,000). This figure includes members of unrelated subfamilies living with female-headed families. When only related family members are counted, there are 11,600,000 poor persons in female-headed families—about a third of all poor persons in the country. Similarly, of the 7.2 million families that fell below the official poverty line in 1985, about half were female-headed families (3,474,000). Ninety percent of these families (3,131,000) include children.

In 1985, female-headed families with children under eighteen were almost three times as likely to be poor as other families with children. For all families with children, the poverty rate was 16.6 percent. For female-headed families with children, it was 45.4 percent. While female-headed families accounted for only about 21 percent of all families with children in 1985, they made up 56 percent of all such families that fell below the poverty line. As Irwin Garfinkel and Sara McLanahan have stated: “Families headed by single women with children are the poorest of all major demographic groups regardless of how poverty is measured. Their economic position relative to that of other groups, such as the aged and disabled, has actually declined during the past two decades.” The relative poverty

of female-headed families should not be surprising. As a report of the House Ways and Means Committee has pointed out: "Family composition . . . serves as a very rough proxy for the social, economic, and personal resources which the family as a whole can amass to meet its needs."

The poverty caused by family breakdown extracts a high price of suffering from the mothers and children involved. But society also pays a high cost. In 1984, about 60 percent of female-headed families were receiving AFDC or another means-tested benefit. In 1983, fully 84 percent of the children on AFDC were eligible because their mothers were unwed, divorced, or separated.

### Family breakdown and poverty

Family breakdown—whether caused by divorce, separation, or illegitimacy—is now a major cause of financial instability and poverty in this country. This is a new form of poverty—not caused directly by racial discrimination, and not caused by structural deficiencies in the economy, but rather by a major—and troubling—change in the behavior of American parents. Blanche Bernstein has commented:

What is undeniable is that the causes of such poverty are different from what we have known and dealt with successfully in the past. It is no longer almost exclusively either high unemployment, though the current rate (7.2 percent in June 1986) is too high, or low farm prices, although farmers are now having a difficult time and some are going bankrupt. Nor is it, to anything like the same extent as in the past, old age, widowhood, illness, or disability. Rather, the new poverty, to a considerable degree, reflects patterns of social behavior that seriously constrict the family's or individual's potential for achieving even modest success.

Over the past twenty-five years, the number of female-headed families has tripled. The Working Seminar on the Family and American Welfare Policy found that "Census Bureau data show that if the nation had had the same proportion of female-headed households in 1985 as in 1959, there would have been about 5.2 million fewer persons in poverty. A special analysis by the Census Bureau showed that the poverty rate for black families would have been 20 percent in 1980, rather than its actual 29 percent, if black family composition had remained as it was in 1970." After analyzing inequalities in wealth, John Weicher and Susan Wachter have concluded that "what appears to be an economic problem is probably better described as an economic manifestation of a social problem."

There are two separate components of this "social problem": divorce and illegitimacy.

*Post-divorce poverty:* During most of the past century, the divorce rate increased slowly but steadily. Then, about twenty-five years ago, it accelerated rapidly. Between 1960 and 1980, the annual number of divorces almost tripled, from nearly 400,000 to nearly 1.2 million. The annual divorce rate is twice that of twenty years ago. (After reaching an historic high in 1979, the divorce rate leveled off in 1980-1981, dropped slightly in 1983, and has now begun to rise again.) At present, one in eight marriages ends in divorce. But if the current divorce rate continues, nearly half of all marriages established today will end in divorce.

The third-party participants in this high divorce rate are the children. Since 1972, a million children a year have experienced a divorce in their family. By the 1990s, some estimate that one-third to one-half of all children will have experienced parental divorce before they turn eighteen.

Divorce can be a positive step in many families—for example, by ending a violent or hostile home atmosphere. But it can also have a devastating financial impact. Married women who became divorced or separated between 1971 and 1978 suffered an average drop in real family income of over \$10,000. Gregory Duncan and Saul Hoffman have reported that in "the first year following a change in marital status, the family income of women who do not remarry is 70 percent of its previous figure; five years after a divorce or separation, the ratio for those still unmarried is 71 percent. Especially hard hit by divorce are black women, whose incomes fell to 54 percent of their predivorce level." Garfinkel and McLanahan have explained that "because two separate households are more expensive to maintain than one, we would expect both parties to experience a drop in living standards after a divorce, but the drop for divorced mothers is much greater than the drop for divorced fathers." In fact, Lenore Weitzman's study of the economic consequences of divorce, based on California court records, found that divorced women and their children experienced a 73 percent decrease in living standards while the fathers enjoyed a 42 percent increase.

*Out-of-wedlock poverty:* If anything demonstrates the breakdown of the traditional family, it is the startling rise in out-of-wedlock births. The incidence of out-of-wedlock births is at the highest level ever observed since national statistics were first collected on the subject in 1940. The number of births to unwed mothers rose from 141,600 in 1950 to 770,355 in 1984, an increase of 444 percent. The number of live births to unmarried women per thousand unmarried women of childbearing age has more than doubled

since 1950, from 14.1 births per thousand unmarried women to 31.0. The fraction of children born out of wedlock rose from one in twenty-five in 1950 to one in five in 1984.

Never-married mothers are much poorer than their divorced counterparts. In 1985, the mean family income for never-married mothers with children under the age of eighteen was \$6,225, less than half the average income of divorced women with children, \$13,281. The median was \$4,623, compared with \$11,149 for divorced mothers. In 1983, fully 69 percent of never-married women with children were below the poverty level, compared with 44 percent for divorced or separated mothers.

### Never-married vs. divorced mothers

What accounts for the fact that never-married mothers are so much poorer than their divorced counterparts? Seventy percent of all out-of-wedlock births occur to young women between the ages of fifteen and twenty-four. Never-married mothers are, on average, ten years younger than divorced mothers. The average age range of never-married mothers is twenty to twenty-nine; for divorced mothers, it is thirty to thirty-nine. (The age spread for this second group is lowered by the fact that many divorced mothers are formerly unwed mothers who are subsequently married, but for a short time.) Never-married mothers are also, on average, much less educated. Only 53 percent of never-married mothers have a high school diploma, as compared with 77 percent of divorced mothers. Thus, inexperience and lack of education combine to give these women much poorer job prospects.

Labor force participation is the most telling difference between divorced and unwed mothers. While 63 percent of all divorced mothers work full-time, only 29 percent of never-married mothers do so. (An additional 11 percent of divorced mothers work part-time compared with 8 percent of never-married mothers.) Thus, never-married mothers work 54 percent less than divorced mothers. Since work is the primary source of income for female-headed families, the low rate of labor-force participation among never-married mothers helps explain why their income is so low.

Child support is another difference. Never-married women are much less likely to receive child support from absent fathers than are divorced women. In 1983, 76 percent of divorced women had child-support awards, compared with only 18 percent of unwed mothers. Furthermore, the average award to never-married mothers was only \$1,241 per year, while the average for divorced moth-

ers was \$2,641. (The average amounts actually received were \$860 and \$1,901, respectively.) This difference in awards and payments is largely explained by the fact that unwed fathers, like unwed mothers, are on average younger, less educated, and poorer than their divorced counterparts. In addition, the legal system systematically protects the unwed father's ability to start a new family at the expense of his first family—after all, there is always welfare to fill the gap.

Marriage is an important solution to the financial problems of single mothers. But here again, never-married women fare worse than divorced women. Never-married mothers do have a higher marriage rate than divorced mothers. (The House Ways and Means Committee has reported that "within two years after a first birth out of wedlock, more than 50 percent of women have married. But it is only after five years that nearly the same proportion of divorced or separated women have remarried.") Divorced mothers, however, have much more stable second marriages. As of 1985, only 16 percent of the divorced women who had remarried were divorced again, according to Arthur Norton and Jeanne Moorman, in comparison with 27 percent of the women who had married after an out-of-wedlock birth. Furthermore, although never-married women in general are more likely than divorced women to marry, for women on welfare the situation is reversed. According to Mary Jo Bane and David Ellwood, "women who enter AFDC after being wives are far more likely to exit by becoming a wife again than are unmarried women who enter when they have a child." And marriage is the principal means of getting off welfare. According to Ellwood, marriage accounts for 34.6 percent of all exits from welfare, while earnings increases account for only 21.3 percent.

### Welfare dependency

These social and economic differences between divorced and unwed mothers translate into different rates of AFDC use. A much higher proportion of unwed mothers go on welfare than do divorced mothers. Nick Eberstadt has calculated that in 1982 almost three-fifths of all out-of-wedlock children in the United States were on AFDC, compared with just under a third of children of divorced mothers. Children of never-married mothers are three times more likely to be on welfare than are children of divorced mothers.

It has been clear for some time that there are two distinct categories of welfare recipients: those who use it as a stopgap, and those who become long-term dependents. According to a recent study by

David Ellwood, about half the new entrants to AFDC will be off welfare within four years, most within two years. The other half are on for longer—on average, almost seven years. Moreover, nearly 25 percent of AFDC recipients stay on for ten or more years.

In an effort to understand the problem of long-term welfare dependency and reduce AFDC program costs, a number of researchers have sought to identify the characteristics of long-term recipients. Charles Murray's 1986 study for the Working Seminar on the Family and American Welfare Policy examined the impact of age on poverty and welfare dependency rates. Using the University of Michigan's Panel Study of Income Dynamics data, he found "persistent signs that women who came onto AFDC as single women and those who came onto AFDC after a marital breakdown respond to AFDC in quite different ways." Murray's data set was not large enough to reach a definitive conclusion, but a calculation based on the data available to him indicated that never-married mothers spend an average of two and a half years longer on welfare than do mothers who had been married at some point. (Many of the latter, of course, were unwed mothers who subsequently married, for however brief a time.)

Murray's findings are borne out by a 1986 study by Ellwood, which looked at the impact of different variables associated with long welfare spells. Ellwood found that "the single most powerful predictor of durations, when all else is not held constant, is marital status. Almost 40 percent of the women who have never been married when they begin to receive AFDC will have total welfare time of ten or more years, while less than 15 percent of the divorced women have such long welfare times." Ellwood has also estimated that never-married women who go on AFDC stay on for an average of 9.3 years, while divorced women stay on for an average of 4.9.

A recent study of welfare dynamics among teenage mothers by Gina Adams of the Congressional Budget Office confirmed these findings. According to Adams, "Of the three characteristics examined [age, race, marital status at birth of first child], being unmarried at the time of the first birth is most consistently associated with both an increased likelihood of entering the welfare system within a few years of giving birth, and a decreased probability of leaving it within the first few years of welfare receipt. . . . Half of the young mothers who were not married when their first child was born started receiving welfare within 12 months after they gave birth, compared to 7 percent of those who were married. These proportions rise to 73 percent and 22 percent, respectively, by the end of the fourth year after birth."

Thus, of poor female-headed families, it is those that begin with an out-of-wedlock birth that result in the deepest poverty—and the bulk of long-term welfare dependency. Many of these families move out of poverty; most do not. The plight of the children in these families is deeply distressing.

### Different problems, different solutions

Of all children born in 1980, most predictions are that if present trends continue, 60 percent will spend part of their childhood in a family headed by a mother who is divorced, separated, unwed, or widowed. Some social scientists predict that things will be even worse in the next generation, with half of all children born out of wedlock, and half of all children born to married parents experiencing divorce before they are eighteen.

Divorce and out-of-wedlock births already impoverish hundreds of thousands of female-headed families. They are the root causes of the "feminization" of poverty, a serious national problem that requires sustained attention. There are, however, marked differences in the depth and duration of female-headed family poverty. These differences correspond to the different reasons for the creation of the female-headed family. Divorced mothers and their children suffer less severe poverty for shorter periods than do never-married mothers and their children.

Which is not to say that post-divorce poverty is not a serious problem; it is. But much more than a divorce, an out-of-wedlock birth to a young mother is a direct path to long-term poverty and welfare dependency.

Whatever the moral implications of our high illegitimacy rate, its economic consequences are a matter of urgent concern. It is one thing when a movie star has a baby without a husband to help support it. It is quite another when a teenager or a young mother on welfare does. The difference, to put it sharply, is money.

To be successful in reducing dependency, welfare policies must distinguish between these two types of female-headed families and the problems they face. As Charles Murray has explained:

A woman who comes onto AFDC for the first time in her forties is in a profoundly different situation from that facing a woman who comes onto AFDC in her teens. Apart from the many inevitable differences that go with the age gap, there is an extremely important self-selection factor at work. The woman of 45 who has her first contact with the welfare system has demonstrated *prima facie*—by the very fact that she lived an adult life for that many years without needing welfare—her possession of experiential, psychological, and perhaps intellectual resources that cannot be assumed in the teenager with a baby and no husband. The teenager has

demonstrated *prima facie* that she is *unable* to function in the adult world for any length of time at all. Moreover, the moral hazard associated with a woman who comes onto the AFDC rolls at 40 is much different than for a woman of 18. Her plasticity, if you will, is different. The woman of 40 is already more or less who and what she is ever going to be. The woman of 18 is at a moment that may decisively shape her identity and development.

Acknowledging this dichotomy between the life prospects of divorced mothers and those of unwed mothers is the first step toward developing policies that meet the different needs of each group. Most Americans want compassionate social welfare policies. Therefore, if there is to be professional and political support for such policies, it will do no good to use the behavioral differences between the groups to blame one or the other—or ignore their pressing needs. Both groups deserve our concern; but it must be a concern informed by knowledge.

---