

## **Child Support Enforcement and Bargaining among Married and Cohabiting Couples**

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### **Abstract**

Child support enforcement policies enjoy widespread support from legislators because most people believe that fathers should support their children, even when they live in separate households. Less often emphasized is the potentially far-reaching impact of these policies on increasing the bargaining power of women. This paper examines the relationship between child support enforcement and bargaining power among married and cohabiting couples. Using state and city level measures constructed using administrative data and the Census matched onto individual level data from the Fragile Families and Child Wellbeing Study, we find that living in a state with stricter child support enforcement is associated with a significantly higher probability that the father pays the bills for the household. There is also some evidence that the father is more likely to be supportive of the mother if they are married, but less likely to be supportive if they are cohabiting in strict enforcement states.

### **Extended Abstract**

Because of the economic insecurity of children in single-parent households and because child support is a potentially important source of income for these children, stricter child support enforcement has become an important priority for policy makers. However, child support enforcement policies may also have a beneficial impact on households with two parents by increasing the bargaining power of mothers. The Child Support Enforcement provisions in TANF require states to establish and enforce child support awards for welfare recipients as well as anyone else who requests these services. These policies make it easier for mothers to leave a

bad relationship or to bargain for better treatment from the father. To empirically test whether this is the case, this paper examines the relationship between child support enforcement and bargaining power among married and cohabiting couples.

The data used is from the first three waves of the Fragile Families Survey. This survey has interviewed approximately 5,000 new parents immediately after the birth, at 12 months, and at 36 months. In some preliminary analysis presented here, we restrict the sample to mothers who are married or cohabiting with the fathers of their child at birth and are still married or cohabiting at 12 or 36 months after the birth. The two follow-up waves will allow us to explore the effect of enforcement on transitions in and out of relationships across time in great detail, however, as a first step, we are focusing on the most stable relationships. With these samples, we can examine whether the effect of enforcement on bargaining power weakens as the couple grows in confidence about their relationship stability. Statistics on the percentage of couples who remain together are presented in Table 1. We also present statistics on the percent of couples not married or cohabiting at birth who move into marriage or cohabitation. Notice that very few make this transition. Also note that marriage is a more stable relationship status than cohabitation across time.

The questions that we focus on in this analysis involve the mother's reports of how the household expenses are paid, how she would rate the relationship quality with the father, how supportive the father is toward the mother, and how controlling she perceives the father's behavior to be. Summary statistics for these variables by relationship type and duration are listed in Table 2. The bottom panel of Table 2 provides summary statistics on our set of control variables. Notice that cohabiting parents are very different from married parents in terms of nearly every variable.

We use state laws and state-level administrative data from the Office of Child Support Enforcement (OCSE) as well as city-level measures constructed using the 5% sample of the 2000 Public Use Microdata (PUMS) to construct two measures of a state or city's strictness in terms of child support enforcement policy. Following Freeman and Waldfogel (2001), the first measure is an interaction between the presence of state laws which govern the establishment of paternity and child support and the collection of child support obligations and the per capita expenditures of state offices of child support enforcement. The second measure is the percent of never-married mothers who received any child support in a city adjusted for the city's male median income, the state's maximum Temporary Aid to Needy Families (TANF) plus food stamp benefit, and the mother's race/ethnicity, age, education, number of children, and presence of a child under age 6. These two measures are intended to capture, in the first case, the intention of the state to pursue fathers' child support, and in the second case, the effectiveness of their pursuits. Table 3 presents the ranking of cities in the sample according to both of these measures, sorted by the payment rate measure.

We divide the analysis into two parts. In the first, we determine whether mothers who are married or cohabiting are better off in strict child support enforcement states compared to weaker enforcement states. Table 4 presents the effect of enforcement on our measures of bargaining power relating to expense sharing; Table 5 shows the results with respect to relationship quality and an index of supportiveness constructed from the questions shown in Table 2; and Table 6 provides the results with respect to the father's controlling behavior. In these three tables, each cell contains the results from a separate regression. In all of the regressions, we control for the variables listed at the bottom of Table 2.

Living in a state with stricter child support enforcement appears to increase the probability that the father pays a greater share of the household and child's expenses at 12 months and that he is more responsible for paying the household bills at 36 months. This appears to be true for both married and cohabiting couples but there are a greater number of significant coefficients using the married samples. In Table 5, we observe a difference between married and cohabiting parents; it appears that married fathers are more supportive at 12 months if they live in a strict enforcement state but cohabiting fathers are less supportive and cohabiting mothers report lower average relationship quality in strict states as well. Finally, in Table 6, we do not see any effect of enforcement on the likelihood that married or cohabiting fathers are controlling or abusive in stricter enforcement states.

In the second part of our analysis, we attempt to distinguish between the two possible mechanisms by which child support enforcement can improve the conditions of married and cohabiting mothers – by making it easier for mothers to leave a bad relationship (selection) or by actually changing the behavior of fathers (causality). To address this, Table 7 presents some preliminary results on the effect of enforcement on break-ups and divorce. These results indicate that child support enforcement does not have a large impact on divorce but unmarried couples are more likely to cohabit at baseline and 12 months in stricter enforcement states. The increased likelihood of unmarried mothers to cohabit in strict states is difficult to interpret. It may be the case that the marginal relationships get better because of the incentives caused by enforcement policies or it may be that bad relationships are less likely to end in stricter states. However, because married mothers are not more likely to divorce in strict states, the association between enforcement and bargaining power may be causal for married mothers.

In sum, we are finding preliminary evidence that child support enforcement may in fact be associated with greater bargaining power for mothers currently in a relationship with their child's father, particularly for married mothers.

Freeman, R. B. and J. Waldfogel (2001). 'Dunning Delinquent Dads: The Effect of Child Support Enforcement Policy on Child Support Receipt by Never Married Women.' Journal of Human Resources **36**(2): 207-225.

**Table 1: Marriage and Cohabitation Transitions**

	% married at 12 months	% married at 36 months	N
Married at birth	95.1	88.8	1,082
Unmarried at birth	7.5	12.8	3,235

  

Unmarried at birth and	% cohabiting at 12 months	% cohabiting at 36 months	N
Cohabiting at birth	62.0	39.9	1,659
Not cohabiting at birth	9.7	11.3	1,576

**Table 2: Summary Statistics for Married and Cohabiting Couples**

	Still Married at		Still Cohabiting at	
	12 months	36 months	12 months	36 months
Father pays > half of household expenses	10.4%		12.0%	
Father pays > half of child's expenses	7.1%		9.4%	
Father pays the bills		12.3%		9.3%
Mother rates relationship as excellent	44.3%	41.7%	30.6%	29.6%
<b><i>Supportivess Questions</i></b>				
Father is willing to compromise often	55.2%	53.0%	45.3%	42.2%
Father expresses affection often	81.4%	80.6%	78.8%	80.5%
Father never criticizes/insults	63.0%	61.0%	62.4%	59.6%
Father encouraged often	74.1%	74.9%	75.4%	74.4%
<b><i>Controlling Questions</i></b>				
Father keeps mother from seeing friends/family	8.5%	7.5%	14.3%	12.2%
Father prevents mother from working	6.2%	5.3%	7.4%	4.8%
Father withholds/takes money	5.8%	5.6%	8.1%	6.3%
Father slaps or kicks mother	0.9%	1.0%	1.5%	2.1%
Father hits with fist/object	1.0%	0.8%	1.2%	1.7%
Father forces sex	1.9%	1.6%	2.5%	2.1%
<b><i>Controls from Baseline Interview</i></b>				
Mother's Age (years)	29.34	29.53	24.08	24.27
Black	22.7%	21.6%	44.4%	42.6%
Hispanic	25.8%	24.2%	35.5%	37.5%
Other Race/Ethnicity	7.6%	7.8%	2.0%	1.7%
Immigrant	26.1%	26.0%	17.3%	18.5%
HS diploma	19.7%	19.2%	34.8%	34.7%
Some College	28.3%	27.8%	23.6%	22.6%
College+	36.2%	38.3%	2.0%	2.3%
Quit working 0-2 years before pregnant	12.2%	12.8%	14.6%	13.3%
Quit working 3+ years before pregnant	8.6%	8.3%	3.1%	4.1%
Never worked	4.3%	4.7%	7.9%	8.8%
Mother and Father different race	20.1%	18.6%	21.0%	19.2%
Mother lived with both parents at age 15	66.0%	67.2%	40.0%	42.2%
Years known before pregnant (years)	7.52	7.61	4.26	4.48
Father suggested abortion	2.2%	2.4%	7.2%	7.4%
Father has drug/alcohol problem at interview	1.9%	1.8%	3.2%	3.0%
<b><i>Controls from Follow-up Interviews</i></b>				
Child's age at interview (months)	14.64	35.74	14.54	35.91
Mother's annual income at interview (\$, median)	20,800	24,000	15,600	16,640
Mother earns more than father at interview	19.5%	22.4%	30.6%	35.4%
Other Kids with Father at interview	57.7%	76.6%	38.9%	60.8%
Other Kids not with Father at interview	14.2%	12.5%	41.9%	38.0%
Father has been in jail before interview	6.5%	7.7%	26.2%	34.1%
Sample Size	1029	896	1028	605

**Table 3: State/City Child Support Enforcement Indices**

	Average Years since Laws Established*Per Capita Administrative Expenditures for Child Support Program	Percent of Never- Married Mothers who Received a Child Support Payment (adjusted)
	<u>Ranking</u>	<u>Ranking</u>
Milwaukee, WI	1	1
Indianapolis, IN	5	2
Baltimore, MD	2	3
Pittsburgh, PA	8	4
Philadelphia, PA	8	5
Nashville, TN	9	6
Norfolk, VA	14	7
Richmond, VA	14	8
Toledo, OH	15	9
Boston, MA	11	10
San Antonio, TX	6	11
Corpus Christi, TX	6	12
Austin, TX	6	13
Detroit, MI	13	14
Chicago, IL	4	15
Newark, NJ	3	16
San Jose, CA	12	17
Oakland, CA	12	18
Jacksonville, FL	10	19
New York, NY	7	20



**Table 4: The Effect of Child Support Enforcement on Expense Sharing**

Sample:	Still Married at			Still Cohabiting at		
	12 mos	12 mos	36 mos	12 mos	12 mos	36 mos
Dependent Variable:	F pays more hh	F pays more child	F pays bills	F pays more hh	F pays more child	F pays bills
<b>Laws * Expenditures</b>	0.027 (0.024)	0.076* (0.035)	0.055* (0.023)	0.039+ (0.021)	0.015 (0.017)	0.050* (0.023)
<b>CS Payment Rate</b>	0.191** (0.041)	0.160** (0.051)	0.076* (0.036)	0.018 (0.041)	-0.028 (0.032)	0.197** (0.047)
Sample Size	1018	1019	758	1016	1017	506

Notes: Ordered Probits. The numbers in parentheses are robust standard errors adjusted for intra-cluster correlations. All specifications include the missing indicators for all of the controls listed at the bottom of Table 1. In the specification with the laws\*expenditures interaction, laws and expenditures are also included separately. + significant at 10%; \* significant at 5%; \*\* significant at 1%

**Table 5: The Effect of Child Support Enforcement on Relationship Quality and Supportiveness**

Sample:	Still Married at				Still Cohabiting at			
	12 mos	12 mos	36 mos	36 mos	12 mos	12 mos	36 mos	36 mos
Dependent Variable:	Rel. Quality	Support Index	Rel. Quality	Support Index	Rel. Quality	Support Index	Rel. Quality	Support Index
<b>Laws * Expenditures</b>	0.016 (0.020)	0.014* (0.005)	0.008 (0.016)	0.001 (0.006)	-0.076* (0.030)	-0.017+ (0.009)	0.011 (0.028)	0.001 (0.010)
<b>CS Payment Rate</b>	0.008 (0.055)	0.048** (0.017)	0.033 (0.035)	-0.045+ (0.027)	-0.088 (0.054)	-0.044 (0.059)	-0.068 (0.064)	-0.025 (0.063)
Sample Size	888	1028	896	896	881	1022	605	605

Notes: Ordinary Least Squares. The numbers in parentheses are robust standard errors adjusted for intra-cluster correlations. All specifications include the missing indicators for all of the controls listed at the bottom of Table 1. In the specification with the laws\*expenditures interaction, laws and expenditures are also included separately. + significant at 10%; \* significant at 5%; \*\* significant at 1%

**Table 6: The Effect of Child Support Enforcement on Controlling Behavior**

Dependent Variable:	Sample: Still Married at		Still Cohabiting at	
	12 mos	36 mos	12 mos	36 mos
	Control Index	Control Index	Control Index	Control Index
<b>Laws * Expenditures</b>	-0.005 (0.012)	-0.013 (0.015)	0.017 (0.019)	0.030 (0.018)
<b>CS Payment Rate</b>	0.023 (0.020)	0.035 (0.034)	0.019 (0.040)	0.005 (0.030)
Sample Size	1029	896	1026	605

Notes: Ordinary Least Squares. The numbers in parentheses are robust standard errors adjusted for intra-cluster correlations. All specifications include the missing indicators for all of the controls listed at the bottom of Table 1. In the specification with the laws\*expenditures interaction, laws and expenditures are also included separately. + significant at 10%; \* significant at 5%; \*\* significant at 1%

**Table 7: Selection**

Sample:	All	Married		All Unmarried	Cohabiting at birth	Cohabiting at birth & 12 mos
		Married at birth	at birth & 12 mos			
Dependent Variable:	Unmarried at birth	Divorced at 12 mos	Divorced at 36 mos	Not Cohabiting at birth	Not Cohabiting at 12 mos	Not Cohabiting at 36 mos
	<b>Law * Expenditures</b>	-0.004 (0.007)	0.000 (0.002)	-0.000 (0.004)	-0.020* (0.009)	-0.020* (0.008)
<b>CS Payment Rate</b>	0.014 (0.011)	0.008 (0.007)	0.008 (0.007)	0.011 (0.022)	-0.011 (0.018)	-0.021 (0.026)
Sample Size	4319	974	922	3228	1656	941

Notes: Probits. This table reports the marginal effects of enforcement on the dependent variable. The numbers in parentheses are robust standard errors adjusted for intra-cluster correlations. All specifications include the missing indicators for all of the controls listed at the bottom of Table 1. In the specification with the laws\*expenditures interaction, laws and expenditures are also included separately. + significant at 10%; \* significant at 5%; \*\* significant at 1%