Marital paths from welfare to self-sufficiency: A dynamic analysis of women's marriage timing and transitions out of and into welfare

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Short abstract:

Promoting marriage as a path out of welfare dependency has become a policy priority. It is unclear, however, how effective marriage can be at stabilizing poor women's family circumstances. To understand the effect of marriage on welfare transitions, we employ two models. The first model examines whether women exit welfare through marriage. The second model examines whether the timing of marriage affects the probability of return. Do women who marry in subsequent years after welfare exit have lower rates of recidivism than women who marry during a welfare spell? Our preliminary results suggest that women who enter marriage in the years following a welfare exit have lower recidivism rates than women who marry during a welfare spell. However, in the fifteen years following a welfare exit, recidivism rates are high for both groups of women.

Long Abstract:

Introduction:

Promoting marriage as a path out of welfare dependency has become a policy priority (Roberts 2006). It is unclear, however, how effective marriage can be at stabilizing poor women's family circumstances. In a successful marriage, a spouse's earnings increase economic well-being and the presence of a second adult may ease childcare burdens. On the other hand, there is serious concern about the quality of poor women's marriage partners, and the ability of marriages to succeed amid the economic stress and uncertainty that often plagues low-income families.

Previous studies on exits from AFDC suggest that marital union formation for women on welfare is uncommon and often unsuccessful. Lichter, Qian, and Mellott (2006) find that transitions to marriage are unlikely among poor women. Among women who exit welfare through marriage or union formation, over half return to welfare within six years (Harris 1996).

Despite this gloomy first assessment, there are still possibilities that some patterns of marriage formation might be relatively successful. In particular, it is possible that marriages formed some years after welfare exit might be more economically successful than marriages formed during a welfare spell. If establishing some amount of economic self-sufficiency provides women with improved choices of marriage partners, marriages may be more economic stable if they occur after welfare exit. Current welfare policies on marriage, which promote marriage formation for women currently on welfare, might be missing the marriages that are ultimately the most successful at keeping women off welfare.

In this paper, we start with a sample of women experiencing a first welfare spell, taken from the National Longitudinal Survey of Youth (NLSY1979). We look at the relationship between marriage and women's subsequent self-sufficiency, with self sufficiency measured by two outcome variables: women's rate of exit from a first welfare spell (for women who marry while in welfare only), and women's rate of return to welfare following a first welfare exit (for women who marry while on welfare, and for women who marry some time after exiting welfare).

Informal Introduction and Plan for this Paper:

Our previous study on this topic has focused on the complex relationships between women's economic and marital transitions following welfare exit on one hand, and their subsequent returns to welfare on the other hand. In the course of this research, we found some evidence that in a population of women experiencing a first AFDC spell, the rates of women's eventual recidivism might differ for women who married while on welfare and for women who entered marriage only after they had already exited welfare. This paper represents and extension and further development of these preliminary findings.

The primary distinction we will make in this paper is between marriages formed during a first welfare spell and marriages formed after a first welfare exit. Marriages formed during a welfare spell have an obvious potential benefit if they increase the rates that women leave welfare in the first place. However, there are at least two reasons to expect that marriages formed after welfare exit might be associated with lower recidivism rates and thus might have a more pronounced effect on economic stability in the long run. First, being off welfare (often through entry into employment or an increase in income from employment) improves a woman's marriage market status for husbands who might be able to increase the economic security of a family. Second, women who have already left welfare might have more time available for a marriage search than women who are seeking to marry as a way to leave welfare.

In an analysis such as this that conditions women's outcomes on their life course transitions, selection issues are a serious concern. If we implicitly assume that most or all women exiting welfare want to remain off of welfare, and if entering into marriage reduces women's risk of welfare recidivism, why do only some women marry? The probable answer is that there are limited opportunities for stable, successful marriages, and these opportunities go selectively to the women with the highest human capital. To correct for this problem as well as is possible, we employ statistical controls for a range of background factors that might predict rates of recidivism as well as rates of marriage and employment.

¹ It is something of an oversimplification to assume that all women want to stay off of welfare. However, there is support for such an assumption. Welfare benefits may be considered less valuable than other forms of income because of the 'cost' imposed on recipients through mandatory participation requirements, bureaucratic maintenance, and welfare stigma (Harris 1996). Many women report being treated poorly by welfare caseworkers or feeling worthless because they are unable to provide for their families. Welfare-reliant women report that, given the opportunity and adequate wages, they would leave the welfare system and work to support their families (Edin 1997, Personal interviews as part of Zedlewski et al 2003).

The time frame of this study is primarily that of AFDC rather than TANF, but there are two reasons our results should provide information relevant to current welfare regimes. Firstly, the time frame of our studies allows us to examine women's experiences for 10 years and longer after a welfare exit; such a time span of data is simply not available for TANF. Secondly, because marriage incentives were largely absent for the time frame of our study, outcomes for marriages formed under AFDC can serve as a sort of natural experiment by which we can anticipate the results of efforts to promote marriage under TANF.

Data and Methods

The National Longitudinal Survey of Youth 1979

Data are drawn from the National Longitudinal Survey of Youth 1979 (hereafter NLSY). These data are a nationally representative sample of 12,686 young men and women aged 14-22 in the first year of the survey, 1979. At each interview, respondents are asked about their participation in welfare (AFDC/TANF) in each month of the previous year; hence this data enables us to examine welfare receipt on a monthly rather than a yearly basis. We limit the sample to women who have ever received welfare in a household as an adult and censor women from the sample when they no longer live with children under the age of 18. These restrictions are consistent with other studies of welfare dynamics. Our sample contains 1,216² women with children who were receiving welfare as part of a first welfare spell between January 1978 and December 1999

Methods

To understand the effect of marriage on welfare transitions, we use two multivariate Cox proportional hazard models: the first model assesses the rate at which women leave welfare through marriage, and the second examines the risk of recidivism for women who marry during a welfare spell and for women who marry some years after welfare exit. The basic Cox model is: Log λ (t) = λ_0 (t) + exp [β 'x], where:

 $\log \lambda (t) = \text{rate of return to welfare}$

 β 'x = a string of explanatory variables that effect the instantaneous probability of occurrence of an event,

 λ_0 (t)= baseline hazard rate (generally not identified directly)

Model 1: welfare exit= λ_0 (t) + β 'marriage + exp [β 'x]

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² During the sample period, 1,431 women with children received welfare. However, the sample size is reduced due to survey non-response. The NLSY began a poor-white supplement in 1979. In 1991, this project was terminated, ending almost 900 ongoing interviews. The termination of this project affects the sample size; 213 cases in our sample were lost due to failure to follow-up during the survey period. In addition, there were two cases that were dropped from the sample because they reported receiving benefits as a child in their parents unit but were not the parent of a child themselves and had no subsequent spell of receipt after the first reported spell. Both of these first spells only lasted until the child came of age and left their parent's unit. In two other cases, a child was receiving benefits as part of their parent's welfare unit. The child had a later spell in which they both had a child and were the head of the welfare unit; in these cases, the first spell was censored and the second spell was determined to be the first spell of receipt.

Model 2: welfare recidivism= λ_0 (t) + β 'marriage during welfare + β 'marriage after welfare exit + exp [β 'x]

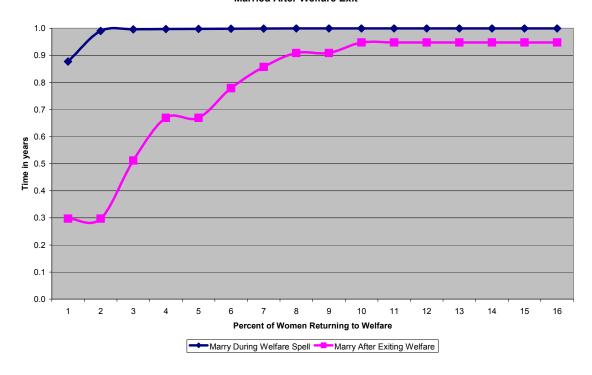
Selected results from our previous study:

Table 3: Hazard Analysis Examining the Effect of Pathways Off of Welfare on Recidivism

	Model 1		Model 2		Model 3	
Variable	Hazard Ratio	Standard Error	Hazard Ratio	Standard Error	Hazard Ratio	Standard Error
Pathway (Reference is Neither Employmen	t. nor Marriage					
Only Employment, No Marriage	0.295***	0.027	0.301***	0.029	0.295***	0.028
Only Marriage, No Employment	0.431***	0.053	0.412***	0.053	0.399***	0.051
Marriage then Employment	0.271***	0.037	0.276***	0.039	0.271***	0.038
Employment then Marriage	0.152***	0.030	0.166***	0.035	0.161***	0.034
Education (Reference is High School)	0.102	0.000	0.100	0.000	0.101	0.001
Less Than High School			1.227	0.119	1.171	0.114
More than High School			0.745	0.098	0.735	0.097
Race (Reference is White)			0.745	0.030	0.755	0.031
Black			1.248	0.142	1.174	0.134
Hispanic			0.939	0.142	0.899	0.134
Other			1.058	0.129	1.035	0.202
Has a Child Younger than 6			1.527**	0.200	1.143	0.202
Has Three or More Children			0.907	0.107	1.026	0.176
Age at Exit (Reference is 20-24)			0.907	0.107	1.020	0.125
Less than 20			0.992	0.146	1.071	0.158
25-29			0.992	0.146	0.900	0.105
30+			0.929	0.106	1.233	0.103
	amind Danauta)		0.960	0.100	1.233	0.143
Family Structure at Age 14 (Reference= M Other	arriea Farenis)		1.164	0.098	1.165	0.098
Mother's Education (Reference is High Sch	ool Cuadwata)		0.945	0.096	0.910	0.098
	ooi Graauaie)		0.945	0.096	0.910	0.093
Less Than High School More than High School			1.553*	0.090	1.505*	0.093
Don't Know			1.013	0.266	0.963	0.278
	a al Cuaduata)		1.013	0.100	0.903	0.159
Father's Education (Reference is High Sch	ooi Graauaie)		0.060	0.175	0.000	0.170
Less Than High School			0.969 1.048	0.175	0.982 1.095	0.178 0.137
More than High School			0.992	0.130 0.108	1.093	0.137
Don't Know			0.992			0.113
Armed Forces Qualification Score			0.972	0.075	0.942	0.073
Region (Reference= North Central) South			0.651***	0.079	0.728**	0.091
Northeast			0.829	0.079		0.091
West			1.406**	0.113	0.856 1.432***	0.120
Unemployment Rate			1.049*	0.193	1.432	0.198
Welfare			0.999**	0.024	0.999*	0.024
Age at First Birth (Reference= 20-23)			0.999	0.000	0.999	0.000
0-17			1.161	0.128	0.993	0.114
18-19			1.018	0.120	0.995	0.114
24+			0.860	0.109	1.098	0.100
Spell Length (Reference= 13-24 months)			0.000	0.133	1.080	0.101
0-12 months			1.115	0.124	1.075	0.120
25-60 months			1.113	0.124	1.075	0.120
61+ months			1.100	0.183	1.315	0.130
Year of Exit (Reference= 1978- 1989)			0.999	0.103	1.010	0.224
1990- July 1996			0.333	0.000	0.490***	0.079
August 1996- 1999					0.490	0.079
August 1990- 1999					0.203	0.100

[^]p<.10, *p<.05, **p<.01, ***p<.001

Comparison of Failure Rates for Women who Married While on Welfare and Those Who Married After Welfare Exit



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