Divorce Conference:

Diverging Destinies and the study of inequality of opportunity

Antwerpen / 7th of October 2017

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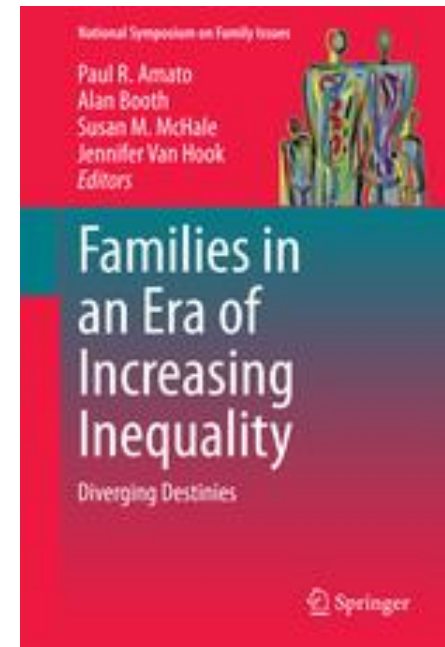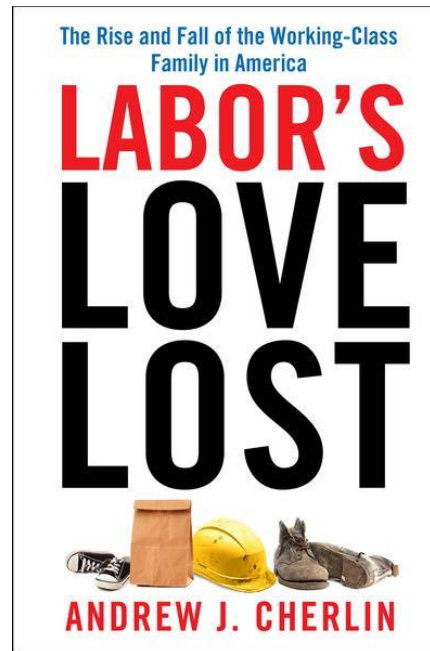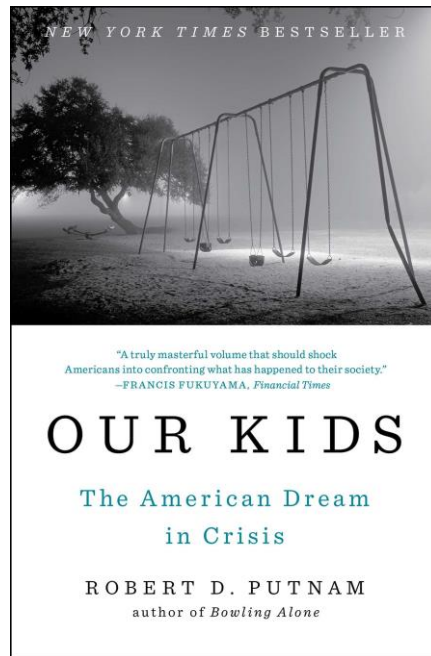
CED
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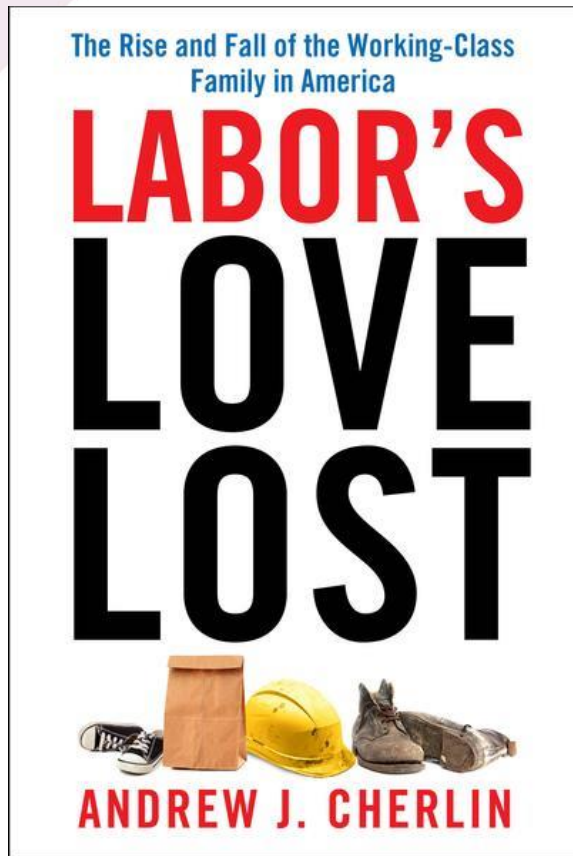# Non-Traditional Families and Inequality of Opportunity

Non-traditional families as a major driver of inequality of opportunity between socio-economic groups

"Diverging Destinies"; "Crisis of the working class family"

Non-Traditional Families and Inequality of Opportunity

The Rise and Fall of the Working-Class Family in America

LABOR'S LOVE LOST

ANDREW J. CHERLIN

"... the **primary** problem of the fall of the working-class family from its mid-twentieth century peak is not that the male-breadwinner family has declined, but that nothing stable has replaced it. The breakdown of a stable family structure has serious consequences for low-income families, particularly for children, many of whom underperform in school, thereby reducing their future employment prospects and perpetuating an intergenerational cycle of economic disadvantage."

Challenging the Diverging Destinies Thesis

Recent research has shown that, once quantified, the influence of family structure on educational background differences in education is minimal (Alamillo, 2016, US; Bernardi & Boertien, 2017, DE, IT,UK,US)

Socioeconomically disadvantaged children are affected relatively little by growing up in a non-traditional family in the UK and US

Less to Lose? Does this also hold for outcomes less dependent on finances?

Does this conclusion extend to other outcomes?

Does variation in family structure contribute to inequality of opportunity between socioeconomic groups in the United States?

Outcomes: health, cognitive ability, income, education, unemployment, life satisfaction, substance use and delinquency

Data and Method

Data:

National Longitudinal Survey of Youth 97

Birth cohorts 1979-1985; Aged 28-34 in 2013

Outcomes measured in:

1997 (ages 12-18): Cognitive Ability, Substance Use, Delinquency

2008 (ages 23-29): Life Satisfaction

2013 *(ages 28-34)*: Education, Income, Self-reported Health,
        Unemployment

N ranges from 6,112 to 8,850 depending on outcome studied

N = 4,806 once using constant sample

Cognitive Ability: CAT-ASVAB test, which covers areas including 'arithmetic reasoning', 'general science' and 'word knowledge'

Substance Use: Cigarettes, alcohol, marijuana (ever used yes/no)

Delinquency: Index based on 10 different behaviors including having belonged to a gang, stealing, vandalism and arrests

Life Satisfaction: "All things considered, how satisfied are you with your life as a whole these days?"

Income: Equivalized Household income in 2013

Education: College Educated by 2013

Unemployment: Ever unemployed in 2012

Self-reported Health: Good' or better to the question "In general, how is your health?

Family Structure and Maternal Education

Family Structure at Age 17/18:

Living with both biological parents (54%)

Living with a parent and a step-parent (28%)

Living with a single parent (15%)

Not living with a parent (4%)

Maternal Education:

Grade 11 or less (24%)

High School (37%)

At least one year of college (38%)

Analysis Procedure

I)   Descriptive statistics on the prevalence of non-intact families according to maternal education

II) Effects of growing up in a non-intact family in general and according to maternal education)

III) Blinder-Oaxaca Decompositions to calculate "counterfactual levels of inequality" in the hypothetical absence of non-intact families (Both linear and non-linear decompositions)

  a) part explained by incidence of non-intact families
  b) part explained by heterogeneity in effects
  c) unexplained part

Blinder-Oaxaca Decomposition Procedure

How much of *R,* the difference in the expected outcome E(Y) of individuals in Group *A* and Group *B* (i.e. children with lower and higher educated mothers)

$$R = E(Y_A) - E(Y_B)$$

can be explained by *X* childhood family structure?

The difference can be expressed as follows:

$$R = (\beta_{oA} - \beta_{oB}) + \{E(X_A) - E(X_B)\}\,\beta_{1B} + E(X_B)(\beta_{1A} - \beta_{1B}) + \{E(X_A) - E(X_B)\}\,(\beta_{1A} - \beta_{1B})$$

$\{E(X_A) - E(X_B)\}\,\beta_{1B}$	=	difference due to different prevalence of non-traditional families for Groups A and B
$E(X_B)(\beta_{1A} - \beta_{1B})$	=	difference due to different effects of family structure for Groups A and B
$\{E(X_A) - E(X_B)\}\,(\beta_{1A} - \beta_{1B})$	=	difference due to interaction between the above two (hard to interpret directly)
$(\beta_{oA} - \beta_{oB})$	=	unexplained group differences not due to divorce

The unexplained group difference will give us a 'counterfactual' estimate of the difference in the absence of non-traditional families or if family structure had no effect ($E(X_A) = E(X_B) = 0$)
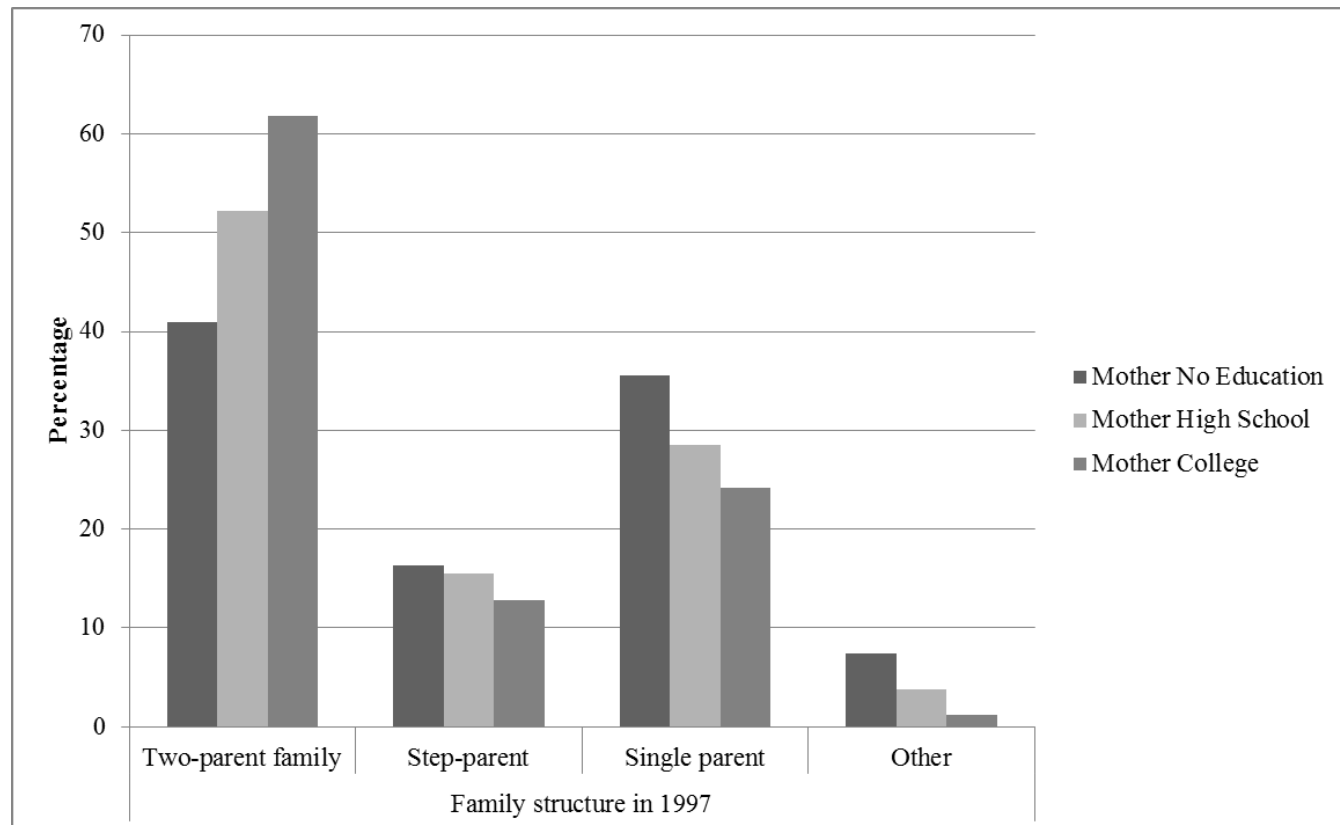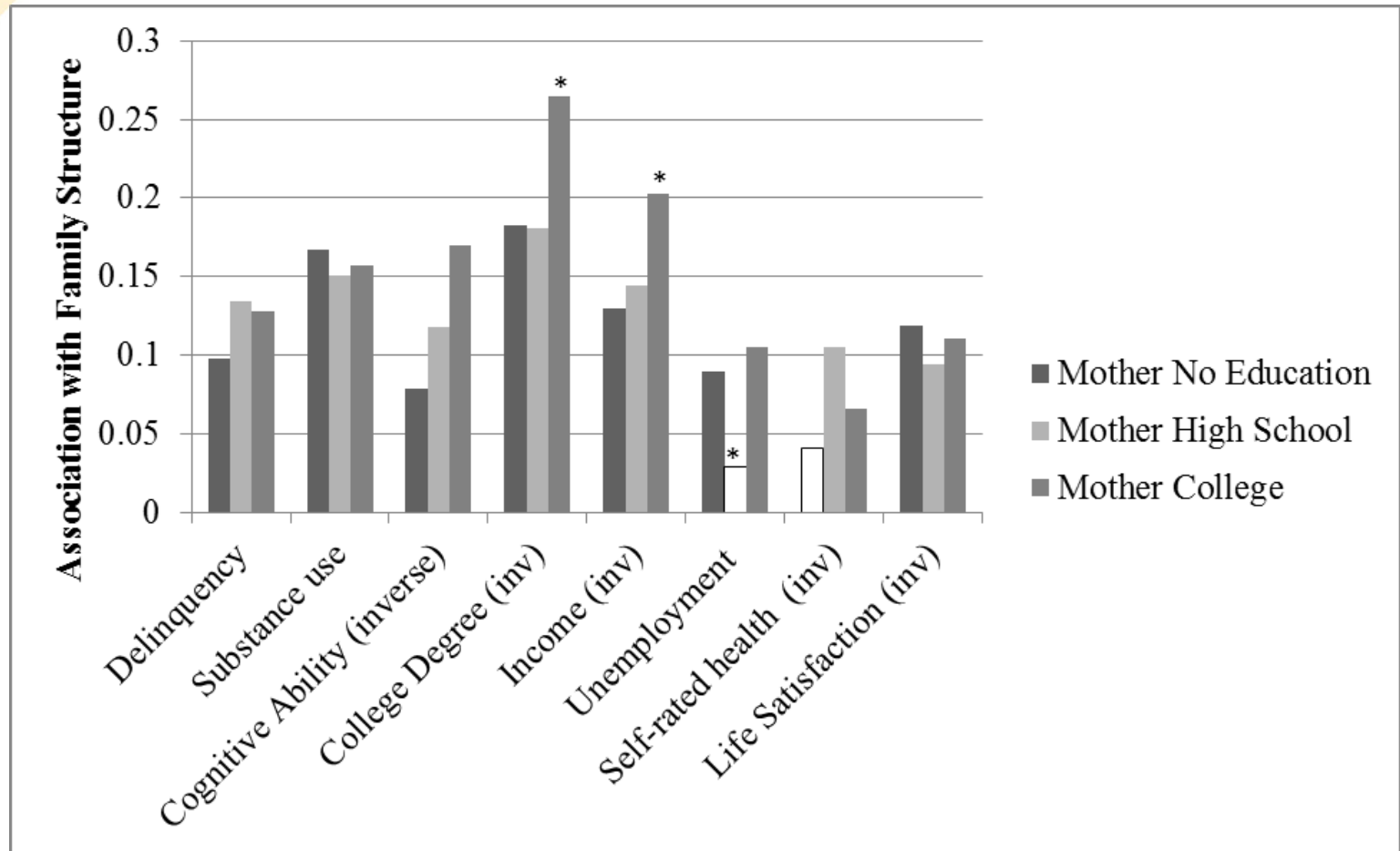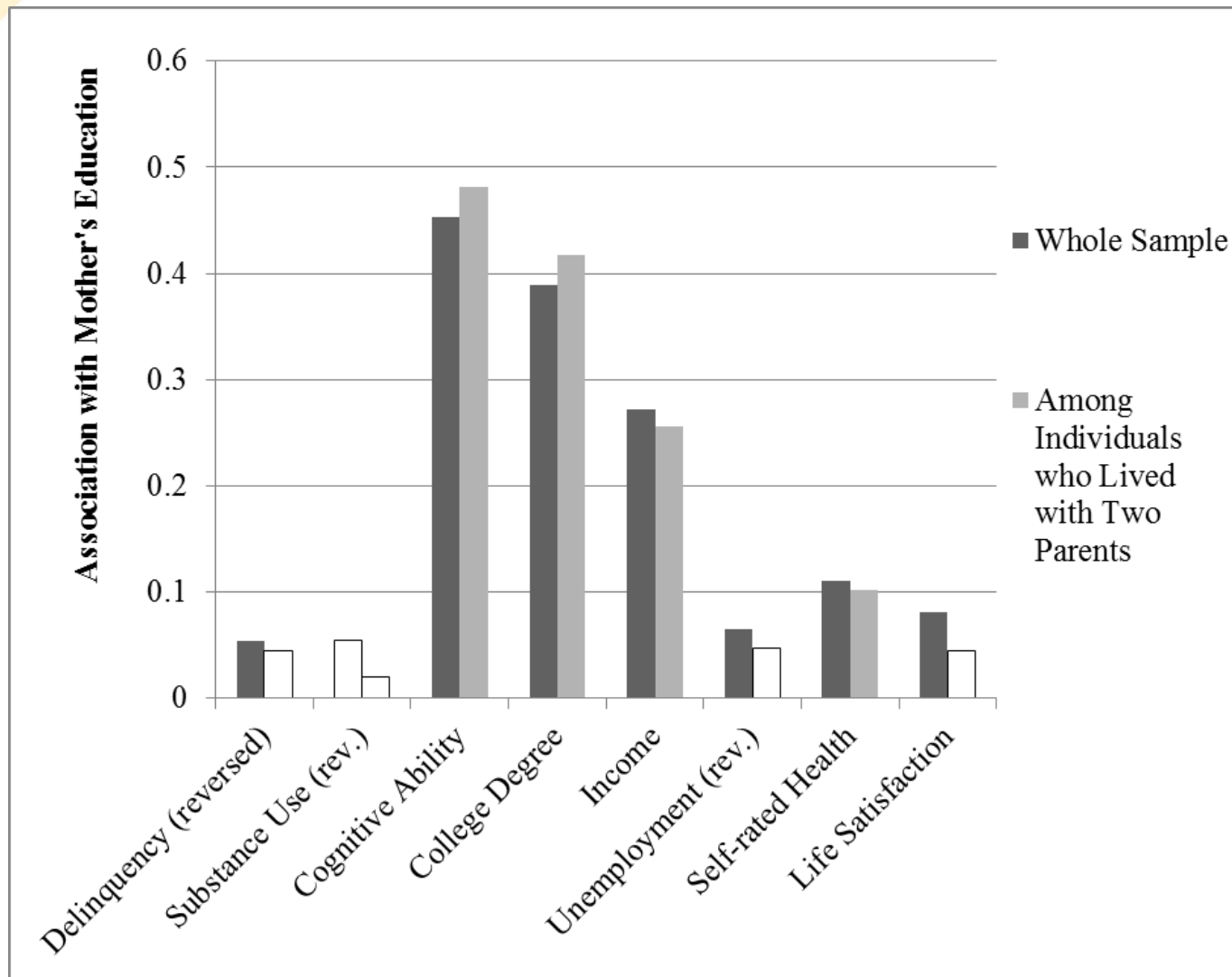
Results

Family Structure According to Maternal Education

Associations of Family Structure with Outcomes

Actual and 'Counterfactual' levels of inequality

Association between family structure and
educational attainment only partly causal?

This would support our conclusion of a limited
influence of family structure on inequality of
opportunity even more

Heterogeneity in effects due to differential selection
into family structures?

Even if heterogeneity were zero, max contribution
observed for other components is small
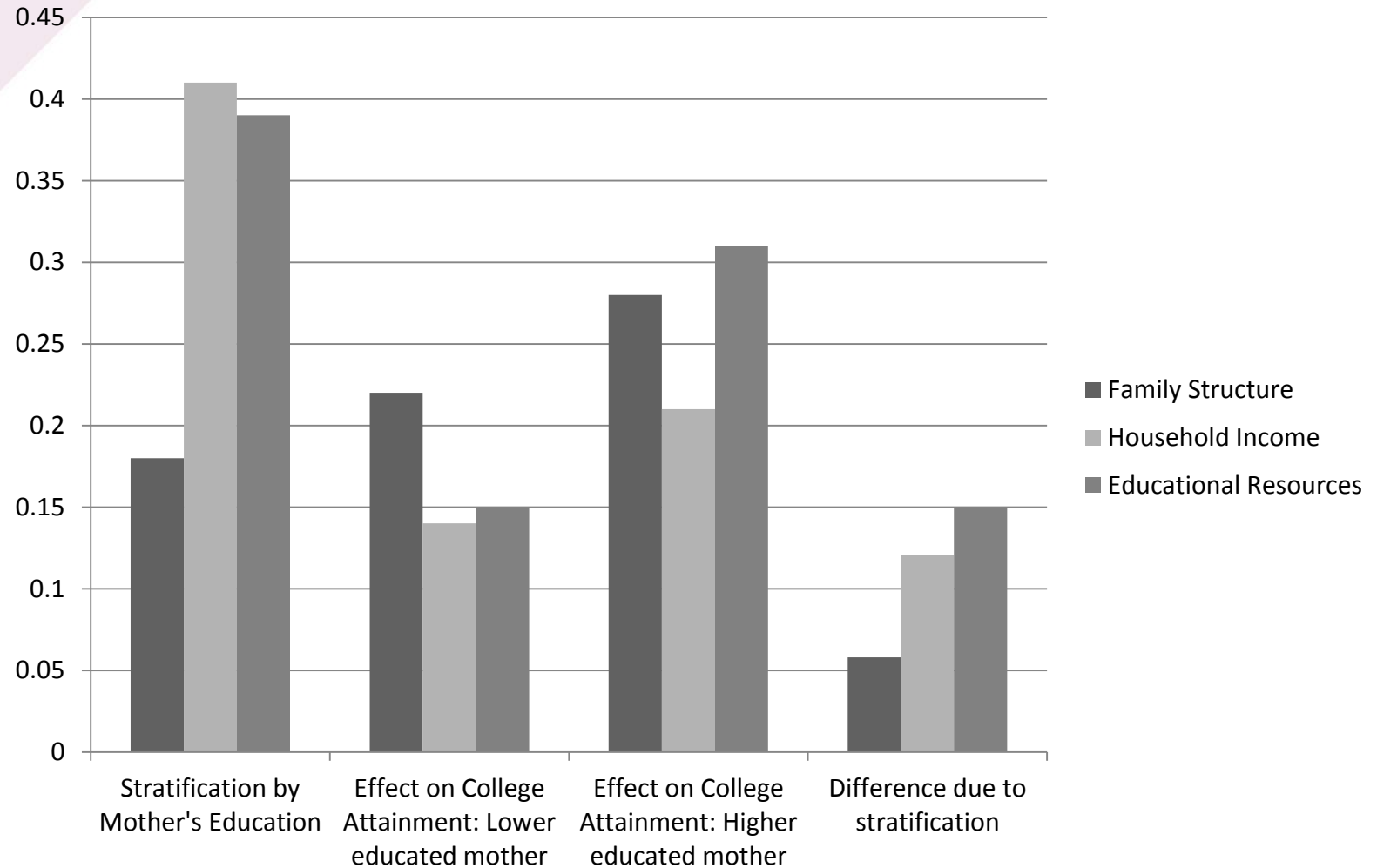
Conclusion

Recap & Conclusion

Whereas family structure is related to outcomes at the individual level, its effects on socioeconomic background differences are nihil

Small role once explaining gaps in unemployment and life satisfaction

Is heterogeneity in effects the only reason?

Do we have observable family characteristics that do manage to explain socioeconomic background differences in education, cognitive ability and income?

Discussion: Why Limited Impact?

Gràcies.

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