Center for Family and Demographic Research
http://www.bgsu.edu/organizations/cfdr/main.html
Phone: (419) 372-7279 cfdr@bgnet.bgsu.edu

Bowling Green State University
Working Paper Series 03-05

Children's Economic Well-Being in Cohabiting Parent Families:

An Update and Extension

Wendy D. Manning and Susan L. Brown

Department of Sociology &
Center for Family and Demographic Research
Bowling Green State University
Bowling Green, OH 43403
wmannin@bgnet.bgsu.edu
419-372-2850 (phone)
419-372-8306 (fax)

Children's Economic Well-Being in Cohabiting Parent Families:

An Update and Extension

Wendy D. Manning and Susan L. Brown

Department of Sociology &
Center for Family and Demographic Research
Bowling Green State University
Bowling Green, OH 43403
wmannin@bgnet.bgsu.edu
419-372-2850 (phone)
419-372-8306 (fax)

This paper was presented at the annual meeting of the Population Association of America May 2, 2003 in Minneapolis, Minnesota. This research was supported in part by the Center for Family and Demographic Research, Bowling Green State University which has core funding from the National Institute of Child Health and Human Development (R21 HD042831-01).

Children's Economic Well-Being in Cohabiting Parent Families: An Update and Extension

ABSTRACT

In the last decade the number of children living with cohabiting parents has almost doubled. We evaluate the material well-being (poverty, housing insecurity, and food insecurity) of children living in cohabiting families and assess how cohabiting partners' income influences children's financial well-being. We extend prior work by providing updated assessments of well-being; employing detailed measures of family structure that include biological relationship of children to adults; examining racial and ethnic variations; and investigating multiple indicators of material well-being. We use the 1999 National Survey of America's Families, which includes data on 965 children in cohabiting two biological parent families and 1,047 children in cohabiting stepparent families. We find children can potentially benefit from living with a cohabiting partner who shares his resources with the family. Our results indicate that children living with married rather than cohabiting parents fare better in terms of material well-being. However, any advantage of marriage appears to be explained by race and ethnicity as well as parents' education. These findings suggest that selection rather than marriage explains why children fare better in married rather than cohabiting parent families.

Children's Economic Well-Being in Cohabiting Parent Families: An Update and Extension

Cohabitation has become a family form experienced by increasing numbers of Americans and has become an important part of adulthood (see Seltzer [2000] and Smock [2000] for recent reviews). The number of unmarried partner households has increased by 70% since 1990, half of adults have cohabited, and most recent marriages are preceded by cohabitation (Bumpass and Lu 2000; Simmons and O'Neill 2001). Consequently, increasing numbers of children are experiencing cohabitation; some of those children are born into cohabiting-parent families, and others live with one biological parent and his or her cohabiting partner. In the last decade there appears to have been nearly a 100% increase in the number of children living in cohabiting parent families from 2.2 million in 1990 to 4.3 million in 1999 (Acs and Nelson 2001; Manning and Lichter 1996). This family structure is more common for some racial and ethnic groups than for others. For example, 8 percent of Puerto Rican children were living in cohabiting-parent families, in contrast to only 3 percent of white children (Manning and Lichter 1996).

New policy initiatives and research have emphasized the importance of marriage for child and adult well-being (e.g., Waite and Gallagher 2000). One of the goals of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was to encourage the formation and maintenance of two-parent families. In fact, lawmakers are currently pursuing marriage promotion incentives (e.g., Ooms 2002). An important task to aid in the development and evaluation of effective marriage policies is to discern how children in different types of families fare. We assess how children in two-parent families (both cohabitation and marriage) fare in this post-welfare reform era.

The primary goal of this paper is to establish and distinguish the economic circumstances (poverty, food insecurity, and housing insecurity) of children in cohabiting two biological and cohabiting stepparent families.[1] This emphasis on cohabiting two biological and cohabiting stepparent families is warranted because half of children in cohabiting parent families live with two biological parents and the remaining half live with a biological parent and his/her cohabiting partner who is not biologically related to the child (Fields 2001). Using the 1999 National Survey of America's Families, we investigate whether parental cohabitation provides economic advantages to children. We evaluate the benefits of cohabitation in two ways. First, we assess how including cohabiting partner's income and membership in the family influences children's poverty levels. This approach allows us to determine whether cohabiting partners tend to ameliorate or exacerbate poverty. We evaluate whether the cohabiting partner provides a similar benefit for White, Black and Latino children. Second, we contrast the material well-being of children in married two biological, married stepparent, single mother, and single father families to children living with cohabiting parents: two biological and stepparents. We then focus specifically on children living in two parent families to determine whether family structure differences exist net of sociodemographic characteristics of the children and parents. We evaluate whether cohabitation provides similar levels of economic benefits for Black, White, and Latino children. The results of this project will contribute to debates about the advantage of marriage compared to cohabitation for children.

This research will contribute to previous work on cohabitation and child economic well-being in four key ways. First, we present timely data that reflects current living conditions of children. Prior studies rely on data from a decade ago, the 1990 Census data (Carlson and

[1] The term "stepparent" is used because this family structure includes a biological parent and his/her cohabiting partner who is not biologically related to the child.

Danziger 1999; Manning and Lichter 1996; Manning and Smock 1997). Second, we consider parental cohabitation status and cohabiting partner's biological relationship to children. Prior studies often do not consider the biological relationship of children to the cohabiting partners (Bauman1999; Carlson and Danziger 1999; Lerman 2002a; Manning and Lichter 1996; Manning and Smock 1997). Third, we include three indicators of material well-being based on income, food and shelter. Previous studies often highlight poverty but do not consider housing and food insecurity (Acs and Nelson 2001; Carlson and Danziger 1999; Manning and Lichter 1996; Manning and Smock 1997). Fourth, we specifically examine race and ethnic similarities and differences. Latino and Black children more often experience cohabiting parent families; thus the implications of cohabitation may differ for race and ethnic groups. Previous studies have not considered the importance of race and ethnicity in assessments of cohabitation and child poverty (e.g., Acs and Nelson 2002; Bauman, 1999).

BACKGROUND

Children and Cohabiting Parent Families

When statistical data are reported, children in cohabiting parent families are commonly grouped with children living with single, unmarried mothers. Data from the National Survey of America's Families indicates that in 1999 one-fifth of children who lived with unmarried mothers lived in a cohabiting family (Acs and Nelson 2001). Furthermore, racial and ethnic variations in living arrangements exist among children in single-mother families (Manning and Smock 1997). For example, data from the SIPP indicate that nearly one-quarter of Latino children in unmarried-mother families lived in cohabiting-parent households, whereas 9 percent of African American children did so (Fields 2001).

Children enter cohabiting parent families in two ways: by birth or change in composition of their household. First, children born into cohabiting parent families typically live with both biological parents. Children are increasingly born into cohabiting-parent families; the percentage doubled between the early 1980s and early 1990s such that 12 percent of children born in the early 1990s were born into cohabiting-parent families (Bumpass and Lu 2000). These levels are higher among minorities than non-Hispanic whites. Nearly one-fifth of African American and Latino (16% and 17% respectively) children were born to cohabiting parents in contrast to only 9% of White children. Births to cohabitors represent an increasing proportion of unmarried childbearing. Among children born to unmarried mothers in the early 1990s, 40 percent were born into two-parent, cohabiting-parent families (Bumpass and Lu 2000). This growth is due to the increase in the percentage of women who are cohabiting (Raley 2001). Clearly, these trends necessitate a shift away from standard notions of single-mother families.

Second, children enter cohabiting-parent households because one of their parents decides to share their residence with a cohabiting partner. About half (54 percent) of children in cohabiting parent families are living in cohabiting-parent families that are structurally similar to step families; they live with only one biological parent and an unrelated adult who is in an intimate relationship with their parent (Acs and Nelson 2001; Fields 2001).

Although many children might not be living in a cohabiting-parent family at any one point in time, a considerable share will eventually spend some of their lives in one. Two-fifths of children in the United States are expected to live in a cohabiting-parent family at some point during their childhood (Bumpass and Lu 2000). These estimates vary somewhat, depending on the data source and methodology (Graefe and Lichter 1999). Cohabitation is expected to be part of some children's lives more than others. More than half (55 percent) of all African American

children are expected to experience a cohabiting-parent family, as will about 40 percent of Hispanic children and about 30 percent of white children (estimates drawn from Bumpass and Lu 2000).

Economic Implications of Cohabitation for Children

Prior work suggests that children in cohabiting parent families fare better than children in single mother families and worse than children in married couple families (Acs and Nelson 2002; Carlson and Danziger 1999; Lerman 2002a; Manning and Lichter 1996). Cohabitation may be financially advantageous for children by providing two potential income providers. On the other hand, cohabitation may be economically disadvantageous for children because the adults they live with typically are not high income earners (Manning and Lichter 1996), and the cohabiting partner's income contributions may not offset increased expenditures for the additional family member.

We must be explicit about our definitions of family when we analyze the economic situation of children living in cohabiting-parent families. Official poverty estimates are based on family income, and the cohabiting partner is not considered part of the family. A single parent's income often misrepresents the economic circumstances of cohabiting parent families. The National Academy of Sciences recommended that the definition of family be expanded so that the cohabiting partner's income is included in family income when estimating poverty levels (Citro and Michael 1995). The official estimates assume that the partner provides no income and the expanded NAS family definition assumes that the partner shares equally with all family members. It is unlikely that either assumption accurately reflects the circumstances that cohabiting families experience (see Bauman 1999; Kenney 2002; Oropesa et al. 2003; Winkler 1997).

Including the cohabiting partner's income in the calculation of family income makes a substantial difference in the poverty levels of children in cohabiting parent families (Carlson and Danziger 1999; Manning and Lichter 1996). When the male partner's income was treated as part of the family income and he was counted as part of the consuming unit, 31 percent of children in cohabiting-parent families were classified as living in poverty, compared with 44 percent when the partner and his income were excluded from the family. Including the cohabiting partners drew 40 percent of poor children in cohabiting partner families out of poverty and only a small fraction of non-poor children in cohabiting partner families into poverty (Carlson and Danziger 1999; Manning and Lichter 1996). The majority of children living with cohabiting parents remain in poverty in part because cohabiting partners, on average, are not high-income earners (Bauman, 1999; Carlson and Danziger 1999; Manning and Smock 1997). Some children gain more from their mother's cohabitation. For example, Carlson and Danziger (1999) report that white children with older parents with higher levels of education living in cohabiting parent families are more often drawn out of poverty. Yet, including the cohabiting partner as part of the family unit does not change the overall levels of poverty for children in single-mother families. Children in cohabiting-couple families represent only a relatively small share of children.

Although living with two parents does not guarantee economic security, the parents of children in married-couple families possess considerably greater socioeconomic resources than cohabiting parents. Thus, poverty rates are higher in cohabiting couple than in married couple families (Acs and Nelson 2002; Carlson and Danziger 1999; Manning and Lichter 1996). Nevertheless, the poverty rates of children living with their mother's cohabiting partner are considerable lower than those of children living with only their mother (Acs and Nelson 2002; Carlson and Danziger 1999; Manning and Lichter 1996). Additionally, there appears to be a

differential gain of cohabitation for children on the basis of their race and ethnicity. For example, Puerto Rican and white children living with just their mother have poverty rates twice that of children living in cohabiting-parent families (Manning and Lichter 1996). Black and Mexican American children also gain economically from living in cohabiting-parent families, but the benefit is somewhat smaller. Taken together, these results suggest that understanding the economic circumstances of children requires distinguishing cohabiting-parent families from both single-parent and married-couple families.

However, a fundamental flaw with this type of measure is that it assumes that cohabiting partners share all of their income with children and share similarly with biological and step offspring. Essentially, researchers assume that income is shared the same way in cohabiting parent families as married parent families. Given the shorter duration of cohabiting relationships for children (Manning, Smock and Majumdar 2002) we expect that cohabiting partners may not invest as heavily in children as married spouses. In fact, Winkler's (1997) results suggest greater income pooling among married than cohabiting couples. Similarly, Oropesa et al. (2003) report that Puerto Rican married fathers pool their income more often than Puerto Rican cohabiting fathers. Kenney's (2002) work on couples with newborn infants shows greater pooling among married than cohabiting couples. In addition, it is likely that the distribution of resources depends on the biological relationships of children to cohabiting partners and married spouses. Spouses and partners who are biologically related to children may more often share their income with children than spouses or partners who are not biologically related to the children (Winkler 1997)

An alternative measure of economic uncertainty is material hardship, that is, whether there were times when a household could not pay its essential expenses. This type of measure

does not make assumptions about the allocation of resources in the household but reflects the living conditions experienced by children. Bivariate findings using the 1999 NSAF indicate that children in cohabiting parent families experience significantly lower levels of food insecurity than children in single mother families and significantly greater food insecurity than children in married two biological parent families (Acs and Nelson 2002). Using Survey of Income and Program Participation (SIPP) data, Bauman (1999) found that income from cohabiting partners did significantly less to alleviate material hardship than did income from a spouse. These findings suggest that cohabiting couples may not share their income in the same manner as married couples. He does not differentiate the effects of cohabitation for couples with and without children, but it appears that children in cohabiting-parent families could potentially benefit less from their parent's cohabiting partner than they would from their parent's spouse. In fact, Kenney (2003) reports cohabiting couples with newborn children have greater material hardship than married couples; however, differences were observed only for Whites and not Blacks or Hispanics.

Previous studies focusing on cohabitation and children's economic well-being is limited in four ways. First, recent reports of children's economic well-being in cohabiting parent families have relied on bivariate comparisons (Acs and Nelson 2002), which creates an important profile and baseline information to understand children's well-being. However, these profiles do not account for factors that vary according to family structure. For example, the low education levels of cohabiting parents (Manning and Lichter 1996) may explain some of the observed differences in children's economic well-being according to family type. Other research includes the sociodemographic characteristics of only mothers and does not include father's sociodemographic characteristics in analyses (Lerman 2002b). This approach is problematic

because father's characteristics are probably quite critical for our understanding of child well-being (Amato 1998). Clearly, we cannot observe all of the ways that families differ but many of the mother's and father's sociodemographic characteristics may help explain why some of the differences exist.

Second, most prior work focuses on how children in cohabiting parent families fare in contrast to married parent families (e.g., Carlson and Danziger 1999; Lerman 2000a; Manning and Lichter 1996). These authors typically do not account for the biological relationship of the cohabiting partner to the child or the married spouse to the child. Thus, the living circumstances of married two biological and married stepfamilies are equated. Similarly, cohabiting two biological and cohabiting stepparent families are treated as equivalent. This is problematic because one out of eight (12%) of children in married families live with one biological parent and a stepparent. In a similar vein, roughly one-half of children in cohabiting parent families live with two biological parents and the other half live with one parent and his/her cohabiting partner (Acs and Nelson 2001; Fields 2001). Distinguishing two biological and stepparent families is important because typically stepfamilies do not share resources in the same manner as two biological parent families (e.g., Hofferth and Anderson 2003). Thus, to best understand the implications of family structure on children's well-being detailed measures of family structure that include biological relationships of children and adults are required.

Third, prior studies have focused on specific aspects of economic well-being, such as poverty (Acs and Nelson 2002; Carlson and Danziger 1999; Manning and Lichter 1996); material hardship (Bauman 1999; Kenney 2002), food insecurity (Acs and Nelson 2002), or welfare receipt (Brandon and Bumpass 2001). These indicators are certainly critical components of economic well-being but do not provide a complete portrait. We move beyond these studies

by examining the following three indicators of economic well-being: poverty, food insecurity, and housing insecurity. Our measures of insecurity may better reflect the distribution of household resources than poverty measures. We also combine these indicators together to evaluate an indicator of 'high risk' that measures whether children experienced extreme disadvantage (i.e., live in poverty as well as experience food and housing insecurity).

Finally, some prior work does not specifically examine race and ethnic similarities and differences (Acs and Nelson 2002; Bauman 1999). The levels of cohabitation and children's experiences in cohabitation differ markedly according to race and ethnicity. Fields and Casper (2002) report that children are more likely to be present in minority cohabiting couple households (54% of Blacks and 59% of Hispanics) than in White cohabiting couple households (36%). Also, greater proportions of Latino children live in cohabiting parent families than Black or White children (Fields 2001). Based on the attenuation hypothesis we expect that family structure will have a greater influence on white children than their Black or Latino counterparts (McLoyd et al. 2000). At the same time, we may find race and ethnic differences in the well-being of children living in cohabitation versus marriage because cohabitation appears to operate as a family form that includes children more often among Latinos than other racial or ethnic groups. For example, Latinos more often have children while cohabiting and view cohabitation as an alternative form of marriage (Manning 2001; Manning and Landale 1996) so we may find fewer differences in the economic well-being of Latino children in cohabiting and married parent families.

This hypothesis is supported by prior work. In terms of poverty levels in 1990, Latino children benefit more from the cohabiting partner's income than other race and ethnic groups (Manning and Lichter 1996). More recently, Kenney (2003) reports that White married mothers

with infants experience less hardship than cohabiting mothers, but Hispanic and Black cohabiting and married mothers share similar levels of hardship. However, this assessment is somewhat limited because the Kenney (2003) study relies on couples who had a child together in the last year. We expect to observe a similar pattern of findings when we consider families that include both biological and step children of varying ages.

CURRENT INVESTIGATION

The primary goal of this paper is to provide timely information about the economic circumstances of children in cohabiting parent families. We evaluate whether parental cohabitation provides economic benefits for children in two ways.

First, we assess how cohabiting partners' income influences the financial well-being of children. We evaluate how excluding (legal definitions) versus including (social definitions) the cohabiting partner's income and membership in the family influences children's poverty levels. We expect that cohabiting partners generally will have positive influences on economic well-being; however, in some cases cohabiting partners may be a drain on household resources. We examine which sociodemographic factors are associated with improved well-being of children in cohabiting parent families. Given differences in children's experiences in cohabitation, we specifically examine whether Black and Latino children benefit more from their parent's cohabiting partner than White children.

Second, we contrast the economic circumstances (poverty, housing insecurity, food insecurity, and high risk) of children in cohabiting two biological parent and cohabiting stepparent families relative to children living in single mother, single father, married two biological parent, and married stepparent families. We evaluate whether these family structure differences are evident net of the sociodemographic characteristics of parents and children. If we

find that we can explain the effects of family structure, our results will provide support for the notion that selection is a key mechanism that differentiates the well-being of children in cohabiting and married parent families. We highlight comparisons of children who share the same household structure (two biological parents – cohabiting and married; stepparents – cohabiting and married). We examine how Black, White and Latino children benefit from parental cohabitation by testing for race and ethnic similarities and differences in the effect of cohabiting parent families on children's material well-being.

This project moves beyond prior studies of cohabitation and child well-being. We provide an update of the economic circumstances of children in cohabiting parent families using data collected in 1999. Given the increase in cohabitation in the last decade, it is important to assess how children fare in more recent years. As cohabitation becomes a more common family form, the economic implications may have shifted. We focus on multiple measures of economic well-being to provide a broad understanding of cohabitation and children's well-being. We anticipate that the economic implications of cohabitation differ for children according to their race and ethnicity. To best assess racial inequality in poverty among children, we argue cohabitation should be incorporated as a distinct family form.

DATA

We employ the 1999 wave of the National Survey of America's Families. These data provide an excellent source of recent information about children's well-being and are nationally representative of the civilian noninstutionalized population under the age of 65. Designed to evaluate the effects of devolution on families, the NSAF covers topics focusing on children and families, ranging from living arrangements and family economic circumstances to child well-being, child care, and health insurance access and coverage. The 1999 interviews are based on

42,360 households and include 29,917 children (see Converse et al. 2001 for more detail). The "Most Knowledgeable Adult" or MKA replied to questions about up to two focal children, ages 0-5 and 6-17. In nearly all the cases the MKA is a biological mother or stepmother. These data are appropriate for this project because they were recently collected, contain detailed measures of family structure that include children's biological relationships to cohabiting partners, and incorporate extensive information about income as well as food and housing security. In addition, the NSAF is one of the only recent surveys to oversample disadvantaged children (living below 200% of the poverty line). The NSAF includes a broad range of children's age groups, which is important because only 12 percent of children receiving TANF in 1999 were less than one year old (DHHS 2000). Also, the data contain a larger number of children living in cohabiting parent families (2,012) than any other recent survey and include sufficient numbers of Non-Hispanic Black, Non-Hispanic White, Non-Hispanic Other, and Hispanic children. We use NSAF replicate weights to adjust for oversampling to ensure that our results are representative of the U.S. population.

Our indicator of child economic well-being is poverty based on family income. Data are collected about family income the year prior to the interview (1998). This measure is based on cash sources of income and does not include important noncash types of income, such as food stamps, earned income tax credit or housing aid. Poverty estimates are based on federal definitions of poverty for specific income levels and family sizes. We rely on a measure that defines the family unit in a traditional manner, i.e., excludes the income and presence of the cohabiting partner. This measure of family is utilized by the Current Population Survey, and we refer to this as the legal definition of a family. We also use a measure that includes the

cohabiting partner's income and includes him/her as a family member. This specification is referred to as the social definition.

The second measure of economic well-being is food security. Issues related to food security are central to understanding child health and well-being (Johnston and Markowitz 1993; Morley 1997). Families that struggle to provide food are typically nearing or experiencing extreme poverty. Expenditures on food are often the last item to be cut in family budgets. The NSAF measures focus on whether families had enough money to pay for food in the last 12 months. Respondents who replied affirmatively to one of the three following questions are coded as having food insecurity. The NSAF inquired whether respondents or their families a) were worried food would run out before they got money to buy more; b) had run out of food; or c) skipped a meal because there wasn't enough money to pay for food.

The third measure of economic well-being is housing security. Housing security can be the basis of a stabilizing force in children's lives. Respondents who replied they were unable to pay mortgage, rent, or utility bills at any time during the last 12 months were coded as having housing security problems.

Our final measure of economic well-being is a combination of all the three prior measures. Children who experienced all of the conditions, live below poverty, experience food insecurity, and experience housing insecurity, are classified as 'high risk.' These children face disadvantage on many levels and are arguably the most economically disadvantaged in the sample.

Our core independent variable in our analyses is family structure. The family structure variable is drawn from a detailed series of household roster questions that establish marital status, relationship to children, and biological relationship to children. This improves upon other

data sources that rely on household rosters that either ask only about relationship to head of household (e.g. Current Population Survey or U.S. Census) or use a single question to define specific household relationships (e.g. Survey of Income and Program Participation). We define family structure in terms of biological relationship to children and resident adults' relationship. We include the following types of families in our analyses: cohabiting two biological parent, cohabiting stepparent, married two biological parent, married stepparent, single mother, and single father families. Children residing in foster or kin care are excluded from these analyses, leaving 34,600 children for analysis. The NSAF is one of the few data sources with a sufficient sample of children living in cohabiting two biological and stepparent families in the post-welfare reform era.

We also include indicators of sociodemographic status of the parents and the child. The child characteristics include: age, race/ethnicity, and gender. We divide the child's age into three categories that denote stages of childhood: less than 6 years, 6-12 years, and 13 or more years. We include four variables indicating race and ethnic group membership. Children are coded as Non-Hispanic White, Non-Hispanic Black, Non-Hispanic Other, and Hispanic. Parent indicators include education, work hours, age, and family earnings. The characteristics of mothers and fathers are reported separately. They indicate the characteristics of resident mothers and fathers and some of the mothers and fathers may be stepparents depending on the family type. We divide mother's and father's education into three categories: less than 12 years, 12 years, and more than 12 years. The number of hours worked in the last week are reported and we report the mean number of hours worked by mothers and fathers. The age of mothers and fathers are coded as a continuous variable. The family earnings variable represents the earnings of all family members (including cohabiting partners). We report median level of earnings in our tables.

Our basic analytic strategy is to provide a descriptive portrait of children's economic well-being in each family type: cohabiting two biological, cohabiting stepparent, married two biological, married stepparent, single mother and single father. We provide descriptive information about the sociodemographic characteristics of parents and children in each family type according to race and ethnicity. We also present the economic circumstances (poverty, food insecurity, housing insecurity, high risk) of children in each family type and race and ethnic group. For our first set of multivariate analyses we use logistic regression to estimate how the socioeconomic variables are associated with the odds that the income of the cohabiting partner lifts a child out of poverty. Our second set of analyses also rely on logistic regression to estimate the log odds of experiencing each economic indicator for children living in each type of family. We estimate several models including those with bivariate effects, interaction terms to evaluate whether the effects of family type are similar or different according to race and ethnicity, and groups of covariates that may explain the observed family structure differences in material well-being. We also estimate race/ethnic specific models. However, our tables include only two models for each outcome, a bivariate model and a model that includes all of the sociodemographic variables.

RESULTS

Children's Living Arrangements

Table 1 provides a description of children's family living arrangements for the entire sample as well as by race ethnic group. The pattern of children's family living arrangements is consistent with that documented using SIPP data (Fields 2001). About 62 percent of children reside in married two biological parent families, 8 percent live in married stepparent families, nearly 3 percent reside in cohabiting two biological parent families, over 3 percent reside in cohabiting

stepparent families, almost 20 percent live in single-mother families, and the remaining 3 percent live in single-father families. Among all unmarried family types, cohabiting two biological parent families comprise about 10 percent and cohabiting stepparent families make up more than 11 percent (the remaining 69 and 10 percent are single mother and single father families, respectively). When we consider the distribution of children across union types, 4 percent reside in cohabiting two biological parent families and 4 percent live in cohabiting stepparent families (the remaining 81 and 11 percent are married two biological parents and married stepparent families).

TABLE 1 ABOUT HERE

There are important race ethnic differences in children's living arrangements. Hispanic children are most likely to reside in cohabiting two biological parent families (8 percent), followed by Blacks (4 percent), Others (2 percent), and Whites (2 percent). This race ethnic pattern is similar for cohabiting stepparent families: the figures are 4 percent for Hispanics and Blacks, 3 percent for Whites, and 2.5 percent for Others.

Sociodemographic Characteristics

Table 2 shows children's and parent's characteristics by family type. Children residing in cohabiting two biological parent families are disproportionately young; 70 percent are under age 6. In contrast, just 21 percent of children in cohabiting stepparent families are less than age 6. These differences make sense when we consider that cohabiting unions with children are typically short-lived (Manning, Smock and Majumdar 2002). The former type of cohabiting family emerges following an in-union birth, but faces high odds of disruption by the child's fifth birthday (Graefe and Lichter 1999). The latter type of cohabiting family is formed following a

spell of single-parenthood (whether due to unmarried childbearing or divorce) and thus children are likely to be older.

TABLE 2 ABOUT HERE

Children in cohabiting families are disproportionately Black and Hispanic. We find that just 44 percent of children in cohabiting two biological parent families are White, approximately 21 percent are Black, and 31 percent are Hispanic. In contrast, nearly three-quarters of children in married two biological parent families are White. Among cohabiting stepparent families, a majority of children are White (58 percent), 18 percent are Black, and 20 percent are Hispanic. Table 2 shows that there are few sex differences by family type, although in both types of cohabiting families there are more girls than boys.

Parents in cohabiting families have disproportionately low education levels. At least one-quarter of mothers in cohabiting parent families have less than 12 years of education, while only 12 percent of mothers in married parent families have low education levels. Similarly fathers in cohabiting parent families have low education levels. Fathers in cohabiting two biological parent families have much lower education levels than fathers in cohabiting stepparent families (36 vs. 22.5 percent, respectively). In contrast, fathers in married two biological parent families have high levels of educational attainment; only 13 percent have less than 12 years of schooling.

Despite these differences in education, there appears to be quite similar levels of work hours across family types. Mothers in cohabiting two biological parent families work on average 36 hours per week and mothers in cohabiting stepparent families work on average 40 hours per week. Similarly, fathers in cohabiting two biological parent families work on average 44 hours per week and fathers in cohabiting stepparent families work on average 45 hours per week. In

contrast, mothers in married, two biological parent families work on average 35 hours per week and fathers work 47 hours per week.

Parents in cohabiting parent families are younger than parents in married and single parent families. The average age of mothers in cohabiting two biological parent families is 29 and fathers is 32. Parents in cohabiting stepparent families are slightly older. The average age of mothers in cohabiting stepparent families is 33 and fathers is 35.

The final row of Table 2 presents the median family earnings. Children in cohabiting two biological and cohabiting stepparent families share similar median family earnings, $30,000 and $32,434 respectively. These earnings are considerably lower than children in married families and greater than the earnings levels of children living in single mother families.

Do Cohabiting Partners Lift Children Out of Poverty?

Table 3 shows the percentage of children in poverty by race ethnic group. Here we compare results based on legal versus social definitions of family. We also present the percentage of poor children drawn out of poverty when we include the cohabiting partner's income in our family income estimates. Notably, virtually no children are pulled into poverty when we include the cohabiting partner as part of the family consuming and income unit. Thus, it appears that cohabiting partners have the potential to draw to children out of poverty, but cohabiting partners do not always provide an economic benefit.

We first present the findings that relate to cohabiting two biological parent families. Using the legal definition of poverty which excludes the cohabiting partner and his/her income from the calculation, poverty estimates range from 35 percent poor for Blacks to 42 percent poor for Hispanics. The next column presents the percent of children living in poverty according to the social definition of the family (cohabiting partner is included in membership of family and

the partner's income is added to family income). When we apply the social definition the percent of children living in poverty ranges from 16 percent for Whites to 35 percent among children who are classified as Non-Hispanic Others. The next column shows the ameliorative effects of incorporating the cohabiting partner and his/her income vary substantially across race ethnic groups. Among White children, 61 percent are lifted out of poverty by applying the social family definition. The percentages of children lifted out of poverty are comparatively more modest for other groups. Using the social definition of poverty, 31 percent of Blacks and 35 percent of Hispanics are lifted out of poverty.

TABLE 3 ABOUT HERE

Table 3 illustrates that the reductions in the percent of poor children are even more dramatic for children living in cohabiting stepparent families. Applying a legal family definition, we find that the percent of children living in cohabiting stepparent families who are poor ranges from 31 percent to 53.5 percent. Poverty levels diminish when we utilize the social definition for cohabiting stepparent families, such that 8 percent of White children are living in poverty and 38 percent of Black children are living in poverty. The last column is the percent of children lifted out of poverty by using the social rather than legal definition of family. We find that White children benefit from cohabiting partners' income more than other children, because when we apply the social definition 79 percent of White children are lifted out of poverty in contrast to only 36 percent of Black children and 46 percent of Hispanic children.

Table 4 presents models of how cohabiting partners could potentially benefit children when we apply a social definition of poverty. We first show bivariate effects of type of cohabiting parent family and then present the multivariate results that demonstrate how the socioeconomic factors are associated with being lifted out of poverty. The analyses combine all

children living with cohabiting parents (two biological and stepparents) and the sample is limited to children who are classified as poor according to the legal definition of cohabiting families (N=717). The first set of logistic regression coefficients shows that children in living in cohabiting two biological parent families have lower odds of being lifted out of poverty by the cohabiting partner than children living with cohabiting stepparents. The second column adds the remaining covariates. Similar to the bivariate model, children living with cohabiting stepparents potentially may benefit more from the cohabiting partners' income than children living with cohabiting, two biological parents. Thus, differences between cohabiting two biological and step parent families are not solely due to socioeconomic circumstances. Differences between two biological parent and stepparent cohabiting families may be that a critical criterion for mothers entry into cohabiting stepparent partnerships may be men who have strong fathering potential.

The remaining coefficients indicate that White poor children living in cohabiting parent families benefit from cohabitation more than their non-White counterparts. We find that Black, Non-Hispanic Other, and Hispanic children have statistically lower odds of being lifted out of poverty by the cohabiting partner than Whites. The only other factor that is associated with being lifted out of poverty is the male's number of work hours. Children benefit more when the male in the household works more hours. This is not surprising because most of the cohabiting partners are male and including his work hours is associated with gains in family income.

TABLE 4 ABOUT HERE

Parental Cohabitation and Material Well-Being

Table 5 presents how children fare in each type of family separately for race and ethnic groups. Statistical differences among different groups are indicated in the Table by the subscripts. We first present findings relating the 'Total' columns and later discuss the race and

ethnic patterns of results. We present our results according to substantive family structure comparisons. First, we discuss how children living with cohabiting parents fare and contrast those living with two biological parents to those living with one biological parent. Second, we focus on children who share the same biological relationship to adults in the household: two biological parents (cohabiting and married) and stepparents (cohabiting and married). We show differences in material well-being according to marital status. Finally, we examine how children living with single mothers contrast with children living with cohabiting stepparents. These are two types of unmarried parent families and reflect how children may fare if their mother decides to cohabit.

For each of the outcomes, children living in cohabiting stepparent families fare as well as children in cohabiting two biological parent families. Among children living in two biological parent families, we find that children living in cohabiting two biological parent families experience lower levels of material well-being than children living with married two biological parents. When we shift our comparison to children living with stepparents we find that children living with married stepparents experience significantly better material outcomes than children living with cohabiting stepparents. In terms of poverty, food insecurity, and housing insecurity, we find that children living with cohabiting stepparents fare better than children living with single mothers. Yet, similar percentages of children living with single mothers and cohabiting stepparents are at high risk (experience all of the outcomes).

[TABLE 5 ABOUT HERE]

Multivariate Analyses of Material Well-Being for Children Living with Two Parents

Table 6 presents the logistic regression models predicting each type of material well-being for children living with two parents (biological or stepparents). This sample limitation

allows us to include characteristics of both mothers and fathers in the model. For each outcome, we present a model that includes only family structure and a second model that includes all the covariates. The bivariate model will echo those findings reported in Table 5.

Poverty. We first present the effects of family structure on the odds a child is living in poverty (according to the social definition of poverty). Children living with cohabiting parents, whether two biological or stepparent, have higher odds of living in poverty than children living with married, two biological parents. Children living with married stepparents have similar levels of poverty as children living with married two biological parents. When we shift the contrast group to married stepfamilies we find that children living with cohabiting stepparents have higher odds of living in poverty (results not shown).

TABLE 6 ABOUT HERE

The next column includes the indicators measuring child and parent characteristics. We find that the observed effects of family structure are explained by both the child and parent characteristics, specifically race/ethnicity and education. Thus, children living with cohabiting parents (two biological and stepparent) have statistically comparable odds of living below the poverty levels as children living with married parents (two biological and stepparent). The child's age and gender are not related to the likelihood of living in poverty. We find that non-white children have higher odds of living in poverty than non-Hispanic White children. In terms of parent characteristics our results indicate that mother's age is negatively associated with poverty and father's age is not related to poverty. The greater the mother's and father's education the lower the odds of living in poverty. Similarly, increased work hours by mothers and fathers is associated with reduced odds of poverty.

Food and Housing Insecurity. The next two sets of columns show the logistic regression coefficients predicting the odds children experience food and housing insecurity. The bivariate results show that children living with married, two biological parents are less likely to experience food and housing insecurity than children living in other type of families. When we shift the reference group to contrast children in stepfamilies, we find that children living with cohabiting stepparents have greater odds of food and housing insecurity than children living with married stepparents (results not shown).

The next column includes the child and parent characteristics. Children living in stepfamilies (cohabiting or married) still have higher odds of experiencing food and housing insecurity than children living with married, two biological parents. However, the magnitude of the coefficients have declined considerably. In the multivariate model, children living with cohabiting two biological parents and married two biological parents share similar odds of experiencing food insecurity. It appears that the inclusion of race/ethnicity and education are required to explain the effect of cohabiting two biological families observed in the bivariate model (results not shown).

The parent characteristic variables operate in a similar manner for both housing and food insecurity. Black and Hispanic children have higher odds of experiencing housing insecurity than White children. Children with older mothers experience lower levels of food and housing insecurity. Parents' education is associated with food and housing insecurity. Father's work hours, but not mother's work hours, are tied to food and housing insecurity.

High Risk. The last two columns of Table 6 present the logistic regression coefficients predicting the odds that a child is at high risk. We define high risk as children who have experienced poverty, food insecurity and housing insecurity. These children are severely

disadvantaged and face multiple hardships. Children living with step or two biological married parents share similar levels of being at high economic risk. Children living with cohabiting parents (two biological or stepparent) have significantly higher odds of experiencing high risk in contrast to their counterparts in married two biological parent families. We also find that children living with married stepparent families experience significantly lower odds of high risk than children living with cohabiting stepparents (results not shown).

Our multivariate models show we are able to explain all of these family structure differences with the inclusion of race/ethnicity and education. Black and Hispanic children face higher odds of being high risk than White children. As expected, children's level of material hardship is related to their parent's education and the number of hours worked.

Parental Cohabitation, Race/Ethnicity and Material Well-Being

Models that simply control for race and ethnicity may be masking important racial and ethnic differences in the effects of family structure on material well-being. We present the race-ethnic group specific findings in Table 5.

Poverty. The first panel of Table 5 presents the poverty levels (social definition) of children living in each type of family. In terms of cohabiting parent families, White children living in cohabiting stepparent families fare better economically than children in cohabiting two biological parent families. This difference is explained by parents' education (results not shown). Hispanic and Black children living in cohabiting stepparent families have statistically similar levels of poverty as their counterparts living in cohabiting two biological parent families.

Among children residing with two biological parents, we find that children living in cohabiting two biological parent families experience higher levels of poverty than children living with married two biological parents. This benefit of marriage is statistically greater for White

and Black children than Hispanic children (results not shown). The gap in poverty can be explained with the inclusion of parents' education into the model (results not shown).

Next, we examine children living with stepparents and find that white and Black children living with cohabiting stepparents have similar levels of poverty as children living with married stepparents. In contrast, Hispanic children living with married stepparents experience significantly lower levels of poverty than Hispanic children living with cohabiting stepparents. Yet, this Hispanic difference according to marital status can be explained by parents' education.

Finally, Black children living with single mothers and those living with cohabiting stepparents share similar poverty levels. We find that both White and Hispanic children living with cohabiting stepparents have significantly lower odds of being in poverty than children living with single mothers.

Food and Housing Insecurity. The two sets of panels in Table 5 present food and housing insecurity experienced by children according to race/ethnicity and family type. We discuss these insecurity findings together, because we find a similar pattern of results for both outcomes.

Black children living in cohabiting stepparent families have much higher levels of food and housing insecurity than Black children living in cohabiting two biological parent families. This difference persists even when parents' education and work hours are included in the model. Both White and Hispanic children living in cohabiting stepparent and two biological parent families have similar experiences with food and housing insecurity.

The second contrast is among children living with both biological parents. White children living in cohabiting two biological parent families experience greater food and housing insecurity than children living in married two biological parent families. The inclusion of our

covariates does not account for the marital status difference in food insecurity. We do not observe marital status differences in food and housing insecurity among Black and Hispanic children.

We compare the well-being of children living in stepparent families. Black and White children living in cohabiting stepparent families have greater levels of food and housing insecurity than children living with married stepparents. This difference among Black children can be explained by parents' education and work hours, but the difference among White children persists net of the remaining covariates. Hispanic children living in cohabiting stepparent and married stepparent families experienced similar odds of food and housing insecurity in the last year.

Lastly, we consider food and housing insecurity among children living with single mothers and cohabiting stepparents. Among White children we do not find statistical differences in the levels of food and housing insecurity for children living in single mother and cohabiting stepparent families. Black children who live with single mothers and cohabiting stepparents share similar odds of food insecurity but those living with single mothers experience lower housing insecurity. In terms of housing insecurity there appears to be a disadvantage of parental cohabitation for Black children. Hispanic children living with single mothers have greater food insecurity than their counterparts living in cohabiting stepparent families and similar levels of housing insecurity.

High Risk. The last panel of Table 5 shows children who face multiple indicators of poor material well-being. Relatively few children are at high risk, but the levels of high risk range from 2.5 percent among white children to 11 percent among Black children. We first compare how children fare in cohabiting parent (two biological and stepparent) families. For each race

and ethnic group we find that children living with cohabiting two biological parents and cohabiting stepparents share statistically similar levels of high risk.

We next contrast the well-being of children living with two biological parents. White and Black children living with cohabiting two biological parents are more likely to experience high risk than children living with married two biological parents. These differences are explained by parents' education (results not shown). We find that Hispanic children living in cohabiting and married two biological parent families share statistically similar levels of high material risk. This stems in part from the fact that Hispanic children in married parent families face high risk circumstances (5 percent) more often than other children.

Our next comparison is among children living with stepparents (married and cohabiting). Black children living with cohabiting stepparents have a greater likelihood of being high risk than Black children living with married stepparents. This observed difference can be explained by the inclusion of parents' education in the model. Yet, among White and Hispanic children we find no statistically significant differences in the high risk faced by children living in married and cohabiting stepparent families.

Finally, we find that White children living with single mothers face higher levels of material high risk than children living with cohabiting stepparents. Black and Hispanic children living with single mothers face similar levels of high risk as their counterparts living with cohabiting stepparents.

Taken together, these findings demonstrate the racial and ethnic diversity in the effects of family structure on child's material well-being. We find that combining all children together masks racial and ethnic differences. Specifically, White children living in married, two biological parent families and married, stepparent families fare better than White children living

in cohabiting two biological or stepparent families. In contrast, the advantages of marriage appear to be much weaker for Black and Hispanic children.

DISCUSSION

We find different patterns of economic well-being depending on parent's cohabitation status, biological relationship of children to adults, race and ethnicity, and parent's socioeconomic circumstances. In sum, these results suggest that there is considerable variation in who benefits from cohabitation and marriage.

We consider whether economic well-being among children in cohabiting parent families has changed over the past decade by contrasting our findings to Manning and Licther's (1996) and Carlson and Danziger's (1999) analyses using 1990 PUMS data. While the percentage of children living with cohabiting parents has increased over the decade, there has been a decline in the proportion of children living in cohabiting parent families who experience poverty (social definition). The decline in poverty is quite striking for White children and less so for Black children. Among Hispanics we do not find evidence of any decline in poverty, poverty levels have remained quite stable (32%).

We find that cohabiting partners have the potential to provide some economic benefit, but do not always draw children out of poverty. First, we assess two scenarios: how children fare when the cohabiting partner is not considered part of their family and how children fare when the cohabiting partner is considered part of the family unit. We find that 15 percent to 60 percent of children living in cohabiting two biological parent families are lifted out of poverty when the cohabiting partner is included in family membership and their income is included as part of family income. Even higher proportions (36 percent to 79 percent) of children living with cohabiting stepparents are lifted out of poverty when their cohabiting stepparent is included in

the calculation of family income and membership. Also some children in cohabiting parent families potentially benefit more by the cohabiting partner's income: white children and those living with men who work more hours. These results mirror the 1990 PUMS results by Carlson and Danziger (1999). These scenarios represent two extremes from total separation of resources to complete sharing of resources.

For each of the outcomes considered in this paper--poverty, food insecurity, housing insecurity, and high risk--we are able to explain the initial marriage advantage for children living with two biological parents (cohabiting two biological vs. married two biological) and stepparents (cohabiting stepparents vs. married stepparents). Our results suggest that both structural factors (race and ethnicity) as well as social capital (education) are key determinants of the effects of family structure on child well-being. We believe that these results suggest that selection processes are operating. Indeed, decisions about whether to marry or cohabit are influenced by race and ethnicity as well as education (e.g., Clarkberg 1999; Manning and Smock 1995; Manning and Smock 2002). The benefits of marriage appear to be a result of parents' education and race/ethnicity rather than marriage itself. To the extent that cohabiting partners represent potential spouses, policies that simply encourage movement into marriage may not lead to positive outcomes.

We argue at the outset for differentiating between two biological and stepparent families. Our results show that biological relationship to the child is often associated with the level of child well-being, but the relationship depends on the measure of well-being. For instance, in multivariate models children living with cohabiting biological parents have similar levels of food and housing insecurity as children living with married biological parents. These results are partially supported in recent analyses; married and cohabiting biological fathers share similar

levels of availability, warmth and activities with their children (Hofferth and Anderson 2003). We also advocate for differentiating between two types of cohabiting parent families: two biological and cohabiting stepparent families. We find only a few statistically significant differences. For instance, black children living with cohabiting two biological parents fare significantly better than living with cohabiting stepparents. However, we do not find a biological parent advantage for Hispanic and White children living with cohabiting parents.

Our results show that the effects of family structure differ according to race and ethnicity. The negative effect of living in a cohabiting two biological rather than married two biological parent family is significantly greater for White children than Hispanic or Black children. In other words, White children seem to benefit more materially from their biological parents' marriage than Black or Hispanic children. For both housing and food insecurity there appears to be little economic advantage of marriage for Hispanic children, and the effect of marriage is lower than experienced by Black or White children. These differences are due in part to the race and ethnic education levels of married and cohabiting parents. Hispanic married and cohabiting married parents share similar low levels of educational achievement while White married parents have much higher levels of education than cohabiting parents (results not shown). Thus, the gap in the economic well-being of White children living with married and cohabiting parents is due in part to the selection into marriage of Whites with high education levels. In contrast, the similarity in the economic well-being of Hispanic children living with cohabiting and married parents is due in part to the *lack* of selection into marriage based on education.

This paper suffers from a few shortcomings. First, we cannot account for family instability or length of time spent in particular families because the NSAF data do not include questions about family history. This is important because children in less stable families may not

have as open access to all family member's resources and may experience more disruptions in their economic well-being. Second, the NSAF data include only single point in time estimate of economic well-being. Children's overall economic well-being may be better tapped using measures that account for employment stability and length of time living in poverty. Some of these economic circumstances may be short-lived. Third, we cannot address questions relating to causality. Our analyses are descriptive and represent associations between family structure and material well-being. For example, income may be related to the odds of marriage and at the same time marriage be lead to more stable employment and subsequently higher income. Unfortunately, we cannot account for unobserved differences across family types. Finally, we are not able to measure exactly how resources within the family are allocated. The measures of housing and food insecurity provide some insight into how resources may be shared, unlike our poverty measures that assume resources are shared equally or not shared at all. This topic deserves further attention and will provide insight into how children are advantaged or disadvantaged by their parent's marriage and living arrangements.

Cohabitation provides a case study that can demonstrate some of the potential benefits of marriage. If we do not include the income of cohabiting partners we observe that poverty rates are similar to that of single mothers. When we account for cohabiting partners' income this improves the economic well-being of children living in cohabiting parent families. Thus, the children of single women who form unions will probably benefit in some way from the income provided by their male spouse or partner, but it depends on how their income is shared. Our results suggest that the act of marriage or cohabitation does not appear to provide the material benefit for children; instead, it seems to be the economic qualifications of the person they marry or cohabit. Our results are suggestive that simply having cohabiting couples marry would not

substantially alter children's economic well-being. Assessments of potential marriage promotion plans require accounting for the pool of eligible partners, in particular the economic prospects of these potential mates, selection issues, and recognition that they may be encouraging the formation of stepparent families.

REFERENCES

Acs, G. and S. Nelson. (2001). Honey, I'm home. Changes in the living arrangements in the late 1990s. Washington: D.C.: The Urban Institute. *Assessing the New Federalism* Policy Brief B-38.

Acs. G. and S. Nelson. (2002). The kids are alright? Children's well-being and the rise of cohabitation. Washington: D.C.: The Urban Institute. *Assessing the New Federalism* Policy Brief B-48.

Bauman, K. (1999). Shifting family definitions: The effect of cohabitation and other nonfamily household relationships on measures of poverty. *Demography, 36,* 315-325.

Brandon, P., & L. Bumpass. (2001). The role of paternity in patterns of welfare receipt among children living with unmarried mothers. *Journal of Family Issues*, *22,* 3-26.

Bumpass, L., & H. Lu. (2000). Trends in cohabitation and implications for children's family contexts. *Population Studies*, *54,* 29-41.

Carlson, M., & S. Danziger. (1999). Cohabitation and the measurement of child poverty. *Review of Income and Wealth, 45,* 179-191.

Citro, C., & R. Michael. (1995). *Measuring Poverty*. Washington, DC: National Academy Press.

Clarkberg, M. E. (1999). The Price of Partnering: The Role of Economic Well-being in Young Adults' First Union Experiences. *Social Forces* 77:945-68.

Converse, N., A. Safir, F. Scheuren, R. Steinbach, and K. Wang. (2001). *No. 11: 1999 Public Use File Data Documentation,* July.

DHHS. 2000. *CHARACTERISTICS AND FINANCIAL CIRCUMSTANCES OF TANF RECIPIENTS FISCAL YEAR 1999.* **http://www.acf.dhhs.gov/programs/opre/characteristics/fy99/analysis.htm**

Fields, J. (2001). Living arrangements of children. *Current Population Reports* P70-74. U.S. Census Bureau.

Fields, J. & L. Casper. (2002). America's Families and Living Arrangements. Current Population Report P20-537. U.S. Bureau of the Census: Washington D.C.

Graefe, D. R., & D. Lichter. (1999). Life course transitions of American children: Parental cohabitation, marriage, and single parenthood. *Demography*, *36,* 205-217.

Hao, L. (1996). Family structure, private transfers, and the economic well-being of families with children. *Social Forces*, *75,* 269-292.

Hofferth, S. & K. Anderson. 2003. Are All Dads Equal? Biology Versus Marriage as a Basis for Paternal Investment. *Journal of Marriage and Family* 65: 213–232.

Johnston, F. E. & D. Markowitz. (1993). Do Poverty and Malnutrition Affect Children's Growth and Development: Are the Data There?" (Pp. 3-12) in *Malnourished Children in the United States: Caught in the Cycle of Poverty*. Robert Karp, ed. New York: Springer Publishing Company.

Kenney, C. (2002). *Household Economies: Money management and resource allocation among married and cohabiting parents.* Dissertation: Princeton University.

Kenney, C. (2003). Hardship in Married and Cohabiting Parent Households: Do Cohabiting Parents Underinvest in Household Public Goods? Paper presented at the annual meeting of the American Economic Association, Washington DC. January.

Lerman, R. 2002a. How do Marriage, Cohabitation, and Single Parenthood Affect the Material Hardships of Families with Children? Urban Institute Working Paper, Washington D.C.

Lerman, R. 2002b. Impacts of Marital Status and Parental Presence on the Material Hardship of Families with Children. Urban Institute Working Paper, Washington D.C.

McLoyd, V., A. Cauce, D. Takeuchi, & L. Wilson. (2000). "Marital Processes and Parental Socialization in Families of Color: A Decade Review of Research." *Journal of Marriage and the Family* 62:1070-1093.

Manning, W. (2002). The Implications of Cohabitation for Children's Well-Being. Pp. 121-52 in *Just Living Together: Implications for Children, Families, and Public Policy*, ed. by Alan Booth and Ann C. Crouter. Lawrence-Erlbaum.

Manning, W. (2001). Childbearing in cohabiting unions: Racial and ethnic differences. *Family Planning Perspectives, 33,* 217-223.

Manning, W. & P. Smock. (2002). First Comes Cohabitation and Then Comes Marriage? A Research Note. *Journal of Family Issues*.

Manning, W., P. Smock, & D. Majumdar. (2002). The Relative Stability of Cohabiting and Marital Unions for Children. Center for Family and Demographic Research Working Paper 2002-16, Bowling Green State University. http://www.bgsu.edu/organizations/cfdr/research/pdf/2002/2002_18.pdf

Manning, W. & P. Smock. (1997). Children's living arrangements in unmarried- families. *Journal of Family Issues*, *18,* 526-544.

Manning, W. & D. Lichter. (1996). Parental cohabitation and children's economic well-being. *Journal of Marriage and the Family*, *58,* 998-1010.

Manning W. & N. Landale. (1996). Racial and Ethnic Differences in the Role of Cohabitation in Premarital Childbearing. *Journal of Marriage and the Family* 58:63-77.

Manning, W. & P. Smock. (1995). Why Marry? Race and the Transition to Marriage Among Cohabitors. *Demography* 32:509-20.

Moffit, R., R. Reville, & A. Winkler. (1998). Beyond single mothers: Cohabitation and marriage in the AFDC program. *Demography, 35,* 259–278.

Morley, L. (1997). Nutrition and cognitive development. *British Medical Bulletin* 53:123-124.

Ooms, T. (2002). Marriage and government: Strange bedfellows?, *Marriage and Couples Policy Brief* (1) Center for Law and Social Policy, Washington, D.C.

Oropesa, R.S., N. Landale, & T. Kenkre. 2003. Income Allocation in Marital and Cohabiting Unions: The Case of Mainland Puerto Ricans. Paper presented at the annual meeting of the Population Association of America in Minneapolis, Minnesota.

Raley, K. (2001). Increasing fertility in cohabiting unions: Evidence for the second demographic transition in the United States. Demography*, 38,* 59-66.

Seltzer, J. 2000. Families Formed Outside of Marriage. *Journal of Marriage and the Family* 62:1247-68.

Simmons, T and G. O'Neill. (2001). Households and families 2001. *Census 2000 Brief*. C2BR/01-8.

Smock, P. 2000. Cohabitation in the United States: An Appraisal of Research Themes, Findings, and Implications. *Annual Review of Sociology* 26:1-20.

Waite,L. and M. Gallagher. (2000). *The Case for Marriage*. New York:Doubleday.

Winkler, A. (1997). Economic decision-making by cohabitors: Findings regarding income pooling. *Applied Economics* 29: 1079-1090.

Table 1. Children's Family Living Arrangements for Race Ethnic Groups (by percentage)

	Married Two Biological	Married Stepparent	Cohabiting Two Biological	Cohabiting Stepparent	Single Mother	Single Father
Total	62.49	8.62	2.86	3.36	19.88	2.79
Unmarried			9.89	11.63	68.83	9.64
Unions	80.81	11.14	3.70	4.35		
Non-Hispanic White	71.24	9.14	1.96	2.99	11.77	2.89
Unmarried			9.97	15.27	60.00	14.76
Unions	83.49	10.71	2.29	3.51		
Non-Hispanic Black	27.31	7.49	4.26	4.25	53.24	3.45
Unmarried			6.53	6.51	81.67	5.29
Unions	63.07	17.30	9.83	9.80		
Non-Hispanic Other	71.73	7.49	2.01	2.55	14.32	1.90
Unmarried			9.69	12.27	68.90	9.14
Unions	85.61	8.94	2.40	3.04		
Hispanic	55.63	7.83	5.54	4.31	24.68	2.01
Unmarried			15.17	11.79	67.53	5.51
Unions	75.89	10.68	7.56	5.88		
N (unweighted)	21,335	2,822	965	1,047	7,342	1,089

Note: Weighted percentages are shown.

Table 2. Child and Parent Characteristics by Family Living Arrangements

	Married Two Biological	Married Stepparent	Cohabiting Two Biological	Cohabiting Stepparent	Single Mother	Single Father
Child Characteristics						
Age						
Less than 6 years	36.56	9.92	70.35	21.31	31.15	20.87
6-12 years	37.83	48.99	23.34	51.24	41.38	46.44
13 or more years	25.61	41.09	6.30	27.45	27.47	32.70
Race Ethnic Group						
Non-Hispanic White	74.06	68.93	44.45	57.89	38.45	67.50
Non-Hispanic Black	6.26	12.46	21.36	18.10	38.38	17.74
Non-Hispanic Other	5.56	4.21	3.41	3.67	3.49	3.30
Hispanic	14.12	14.41	30.78	20.33	19.69	11.46
Sex						
Male	51.59	51.65	47.98	47.70	49.83	58.90
Female	48.41	48.35	52.02	52.30	50.17	41.10
Parent Characteristics						
Mother's education						
< High school	11.57	14.04	28.31	24.78	20.32	
High school	57.49	69.19	65.15	66.48	66.47	
> High school	30.95	16.77	6.54	8.74	13.21	
Father's education						
< High school	13.08	13.58	36.56	22.53		10.75
High school	53.23	66.65	57.36	69.48		64.82
> High school	33.69	19.77	6.08	7.98		24.44
Mother's work hours (mean)	34.60	39.16	35.66	39.62	37.74	
Father's work hours (mean)	47.30	46.71	43.62	45.03		44.28
Mother's age (mean)	36.54	34.97	29.31	33.09	34.68	
Father's age (mean)	38.90	37.53	31.92	34.69		39.59
Median family earnings[a]	52,000.00	45,614.40	30,000.00	32,434.00	13,500.00	30,000.00

Note: Weighted percentages and means are shown.

[a]Calculated using the social family definition.

Table 3. Percentage of Children in Cohabiting Families Living Below the Poverty Level by Race Ethnic Group

	Cohabiting Two Biological--**Legal**	Cohabiting Two Biological--**Social**	Cohabiting Two Biological—**lifted out** of poverty using social definition	Cohabiting Stepparent--**Legal**	Cohabiting Stepparent--**Social**	Cohabiting Stepparent—**lifted out** of poverty using social definition
Non-Hispanic White	37.12	16.14	60.70	38.66	8.42	79.10
Non-Hispanic Black	35.39	25.29	30.92	59.95	38.00	36.33
Non-Hispanic Other	41.19	34.89	15.29	30.39	20.45	38.78
Hispanic	42.02	30.59	34.29	53.51	32.59	46.04

Note: Weighted percentages are shown.

Table 4. Logistic Regression Models Predicting the Likelihood of Being Lifted out of Poverty when using a Social Family Definition (unstandardized coefficients)

	Lifted out of Poverty	
	Model 1	Model 2
Family Structure		
Cohabiting Stepfamily	0.64#	0.87*
(Cohabiting Two Biological)		
Child Characteristics		
Age		-0.01
Sex		-0.06
Non-Hispanic Black		-1.48**
Non-Hispanic Other		-1.75***
Hispanic		-1.09**
(Non-Hispanic White)		
Parent Characteristics		
Mother's Age		-0.04
Father's Age		0.06
Mother's Education		
< High School		-0.62
High School (ref)		
> High School		-0.28
Father's Education		
< High School		-0.01
High School (ref)		
> High School		1.78
Mother's Work Hours		0.01
Father's Work Hours		0.08***
N	717	717
-2 Log L	1196.07	826.59

#p < 0.07, *p < 0.05, **p < 0.01, ***p < 0.001

Table 5. Material Well-being of Children by Race Ethnic Group

	Total	Married Two Biological	Married Stepparent	Cohabiting Two Biological	Cohabiting Stepparent	Single Mother	Single Father
% Poor (Social defn)							
Total		7.59	10.03[a]	23.20*	18.85*	43.54*[c]	13.12*
Non-Hispanic White	10.13	4.82	7.34*	16.14*[b]	8.42	33.00*[c]	9.11*
Non-Hispanic Black	34.70	8.76	16.16	25.29*	38.00*	49.24*	24.02*
Non-Hispanic Other	15.52	7.12	27.55	34.89*	20.45	42.51*	35.00*
Hispanic	31.52	21.59	13.65[a]	30.59*	32.59	54.63*[c]	16.16
% Food Insecure							
Total		19.60	29.21*[a]	41.25*	44.15*	51.95*[c]	27.56*
Non-Hispanic White	20.84	15.00	24.48*[a]	41.18*	38.96*	44.21*	23.94*
Non-Hispanic Black	46.95	33.45	43.86[a]	33.85[b]	64.45*	54.93*	31.29
Non-Hispanic Other	26.65	20.53	21.97	51.77	40.54	50.49*	36.21
Hispanic	44.28	37.12	41.33	45.11	41.37	61.51*[c]	40.15
% Housing Insecure							
Total		11.65	19.19*[a]	24.63*	29.18*	29.37*	16.11*
Non-Hispanic White	13.49	9.53	18.18*[a]	25.90*	24.26*	28.75*	13.71
Non-Hispanic Black	28.62	22.59	19.17[a]	24.99[b]	52.30*	32.03*[c]	18.91
Non-Hispanic Other	12.55	8.81	20.80	65.25*[b]	20.58	16.14	26.08
Hispanic	23.08	19.59	25.28	20.63	25.36	30.23*	23.72
% High Risk							
Total		1.91	2.31[a]	7.08*	8.52*	12.78*	4.51*
Non-Hispanic White	2.53	1.23	1.48	4.96*	1.73	10.61*[c]	3.38
Non-Hispanic Black	10.82	3.22	3.41[a]	13.07*	29.96*	14.33*	6.16
Non-Hispanic Other	2.61	1.19	0.48[a]	4.34	4.82	7.73*	17.71*
Hispanic	7.90	5.15	5.90	6.32	9.43	14.92*	4.84

Note: Weighted percentages are shown.

*Significantly different from married two biological, $p < 0.05$

[a]Married stepfamily significantly different from cohabiting stepfamily, $p < 0.05$

[b]Cohabiting two biological significantly different from cohabiting stepfamily, $p < 0.05$

[c]Single mother family significantly different from cohabiting stepfamily, $p < 0.05$

TABLE 6. Logistic Regressions Predicting Material Well-Being Among Two Parent Families

	Poverty		Food Insecurity		Housing Insecurity		High Risk	
	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2	Model 1	Model 2
Family Structure								
Married Stepfamily	0.31	0.24	0.52***	0.29	0.58***	0.26**	0.20	-0.27
Cohabiting Two Biological	1.32***	0.35	1.07***	0.24	0.92***	0.21	1.38***	0.21
Cohabiting Stepfamily	1.05***	0.42	1.18***	0.62***	1.16***	0.54**	1.58***	0.42
(Married Two Biological)								
Child Characteristics								
Age		0.01		0.00		0.02		0.04
Sex		0.10		0.02		-0.11		-0.07
Non-Hispanic Black		0.85***		0.79***		0.60***		1.09***
Non-Hispanic Other		1.04***		0.54***		0.28		0.34
Hispanic		0.57***		0.50***		0.18*		0.42
(Non-Hispanic White)								
Parent Characteristics								
Mother's Age		-0.04*		-0.03***		-0.03**		-0.06**
Father's Age		-0.02		0.00		-0.00		-0.01
Mother's Education								
< High School		0.80***		0.37**		0.35**		0.42
High School (ref)								
> High School		-0.35		-0.73***		-0.86***		-1.20
Father's Education								
< High School		1.07***		0.36**		0.08		0.73**
High School (ref)								
> High School		-0.82***		-0.76		-1.00***		-1.43**
Mother's Work Hours		-0.03***		0.00		-0.01		-0.02*
Father's Work Hours		-0.05***		-0.02***		-0.01***		-0.05***
-2 Log Likelihood	15378.48	10918.43	27307.70	24405.83	20515.05	18826.03	5779.26	4427.95

N=26,172
* p < .05, ** p < .01, *** p < .001