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Earnings, Transfers and Living Arrangements in Low-income Families:
Who Pays the Bills?

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Abstract

We examine how maternal earnings, child support, public assistance, as well as intra-and inter-family in-kind transfers shape family economic well-being. Taken together these resources have the potential to raise young families out of poverty. However, the relative importance of these types of support remains unclear, particularly for families with complex family structures and complicated living arrangements in the post welfare reform era. In her pioneering work during the early 1990s, Edin and Lein (1997) described the economic survival strategies of wage-reliant and welfare-reliant mothers. For every \$1 a welfare-reliant mother spent, about 60 cents was from public transfer support, 20 cents came from work, and 20 cents from absent fathers or non-resident family members. Over a decade years later, welfare reform has drastically curtailed the public support available to low-income families who do not work, while at the same time increasing supports available to working parents. Recent research suggests that low-income single mothers are more likely to co-reside with one or more other adults, to be formally employed, and to be receiving child support than were similar families a decade earlier. Given these policy changes, we utilize the detailed in depth longitudinal qualitative data available from the Time, Love, Cash, Care, and Children (TLC3) study on families' household budgets to describe the patterns of income, and the types of cash and in kind support that have raised unmarried mothers and their young children out of poverty. We explore the extent to which mothers' income and poverty status are shaped by the receipt of inter-and intra-household resource transfers, child support, and public assistance.

“It [bills] gets paid... in the end the money comes from somewhere.”

I. Introduction

All mothers face the task of providing for their children, but paying monthly expenses can be particularly challenging for low-income mothers, requiring them to cobble together economic support from a variety of sources. What role do maternal earnings, child support, public assistance, as well as intra- and inter-family in-kind and cash transfers play in supporting children’s economic well-being? Taken together these resources have the potential to raise young families out of poverty. But, the relative importance of these types of support remains unclear, particularly for low-income families with complex family structures. In this study, we consider how mothers and their partners package together economic resources to support themselves and their children shortly after the birth of a child.

In their pioneering work during the early 1990s, Edin and Lein (1997) found that for every \$1 a welfare-reliant mother spent, roughly 60 cents was from public support, 20 cents came from work, and 20 cents from absent fathers or non-resident family members. Over 10 years later, welfare reform has drastically curtailed the cash support available to low-income families, low-income workers’ wages have risen, and the Earned Income Tax Credit and child care subsidies have increased dramatically. Current research suggests that low-income single mothers are now more likely to co-reside with another adult, to be formally employed, and to receive child support (Aizer and McLanahan, 2006; Bitler et al. 2006; Johnson and Corcoran 2003).

In the wake of economic and policy changes affecting low income families during the late 1990s, a great deal of research has focused on isolating the causal effects of particular policy changes (for a review, see Blank 2002). Yet with a constellation of important co-occurring changes, understanding how low-income families have economically adapted and fared more generally is also important. Consequently, researchers have sought to carefully describe the economic conditions of low-income families, most often focusing on former or current welfare recipients (Danziger et al. 2002; Moffit and Winder 2005; Teitler et al. 2004).

In seeking to understand economic well-being, economists consider a wide range of possible sources of income and economic supports, including earnings, public transfers from social welfare programs and private inter- and intra-household transfers (Haider and McGarry 2005). Although most research on private transfers has focused on cash “gifts,” resource sharing of in-kind goods across and within households (sharing living arrangements) is also likely to be an important form of economic support for low-income families (Carlson and Danziger 1999; Short and Smeeding 2005). However, Harknett (2006) found the most disadvantaged mothers were the least likely to be able to count on economic support from their social networks.

Economic theory predicts that these sources of income are largely substitutable, if available, but that the relative share of an individual’s income from each source is determined by an uncertain mix of personal preferences, available network support, macro-economic conditions, and policy contexts. It should come as no surprise then, that given the task of constructing a viable package of economic supports to take care of their families, less-skilled mothers often combine multiple sources of income. Their packages of support, however, are often unstable, as changes in their family situations, policies and

economic opportunities serve as the catalyst for adjustments in the types and amounts of resources they rely on.

Changes in policy contexts, particularly welfare policies, have raised questions about how low-wage mothers have adapted (and will continue to adapt) their economic survival strategies in the wake of declining availability of cash benefits and limited labor market opportunities. Economic theory predicts that when public transfers become scarce and employment prospects are a viable alternative, labor supply will increase. In the wake of declining welfare support, studies have pointed to increases in mothers' earnings as well as continued reliance on other forms of in-kind supports (e.g., child care assistance and food stamps) as the primary shifts in mothers' resources (London and Fairlie 2005). The latest round of welfare reform, passed in late 2005, further increased work requirements but did not increase work supports such as child care assistance, thus possibly increasing low-income mothers' reliance on other forms of support (Jencks, Winship, and Swingle 2006).

Recent research has pointed out to the crucial role of private transfers and resource sharing provided by family and friends (Teitler et al. 2004). Moffit and Winder (2005) considered whether leaving welfare for work "pays," and concluded that the answer depends on the economic contributions of other family members. They found that any income gains realized by mothers who left welfare were the result of "increases" in earnings of income brought in by other family members. Understanding the relationship of other household members' income to mothers' economic wellbeing is complicated by the facts that household composition is not fixed and how resources are shared among household members is not well understood.

Recent evidence suggests that changes in cohabitation are another likely response to reductions in welfare benefits. Using CPS (Current Population Survey) data, Haider and McGarry (2005) examine the shifting economic resources of low-income mothers of the past 30 years. They find that the share of family income attributable to low-educated mothers' earnings has increased while the share of income from means-tested benefits has declined. The trends with respect to private transfers, however, are less clear. They do not find a substantial increase in the share of income resulting from inter-household cash transfers, but they do find "the use of co-residence as a means of providing assistance is wide-spread and host the potential to bring with it substantial increases in the resources available to low-income household members" (pg. 26).

Changes in earnings, family structure and co-residence are likely to be important for children's well-being as they may bring about large changes in parents' economic resources, responsibilities and expenditure patterns (e.g., see Dahl and Lachner 2005; Deleire and Kalil 2005). However, not all such changes will increase resources for children. Some adults in the household may be required to share their own resources with extra-household members. For example, if a partner owes support to children from previous relationships or other family members (Jayakody and Seefeldt 2005), and it is not clear how multiple partner fertility affects resource sharing within and across households (Carlson and Furstenberg 2006).

Using in depth qualitative data on low-income mothers' household budgets, and reported amounts of expenses and incomes from the same sources, we explore the extent to which mothers' economic well-being is determined by the receipt of inter- and intra-household resources and how resources are actually shared within complicated households. This paper describes how children's economic well-being, measured by

poverty status, is shaped by their receipt of child support, intra- and inter-family transfers, and public assistance. We use detailed in depth qualitative data from the Time, Love, Cash, Care, and Children (TLC3) study about families' household budgets to describe the patterns of economic that raise unmarried mothers' and their young children out of poverty.

II. Sample and Methods

Our data are taken from the Fragile Families (FF) and Child Well-Being Study and the Time, Love, Cash, Care, and Children (TLC3) Study. The FF Study is a nationally representative birth cohort study of approximately 3,700 new unmarried couples and a comparison sample of 1,200 married couples. Births were sampled from 75 hospitals in 20 large cities throughout the United States. Parents were interviewed shortly after the child's birth and re-interviewed when the child was one, three, and five years of age. The Fragile Families survey was designed to be representative of all births in cities with populations over 200,000.

The TLC3 study is a qualitative intensive interview study of a sub-sample of the Fragile Family couples. Seventy-five of the Fragile Families couples (49 unmarried and 26 married) were selected from three of the 20 cities-- Chicago, Milwaukee, and New York-- to be included in the qualitative study. These cities have differing costs of living and economic conditions, and were close to the researchers' home institutions.

For the FF study, interviewers recruited mothers who gave birth in selected hospitals during designated sampling intervals. In each of TLC3 cities, we recruited participating mothers into the qualitative study, if they met the sampling criteria, which were developed to provide a sample stratified by race, ethnicity and marital status. Of the

couples approached, 83 percent agreed to participate (which is comparable to the overall FF response rate).

Inclusion in the TLC3 study was restricted to couples who had reported household incomes of under \$62,500 in the prior year. Although this may seem like a high threshold, at the time of their child's birth all of non-cohabitating and some of the cohabitating mothers were living with relatives. We did not want to exclude these mothers, as their living arrangements are often temporary and many of the birth parents had low earnings themselves. Furthermore, resource sharing through co-residence is one economic survival strategy that the TLC3 study and this paper seek to better understand. In addition, several additional limits were placed on the TLC3 sample. First, both parents were required to be English proficient, to be available to be interviewed in person (e.g., neither lived out of state or was in jail), and to consent to be contacted for additional interviews.¹

At the time of the focal child's birth, 35 percent of our couples were married, 49 percent were cohabitating, and the remaining 16 percent were *visiting* (the FF term for romantically-involved couples who did not live together). Nearly half (47 percent) of the sample was African American, and the rest were either Hispanic (33 percent) or White (20 percent). The average age was 25 years for mothers and 27 years for fathers, and for about 1/3 of the mothers the focal child was their first birth. The majority of mothers and fathers had a high school degree or its equivalent, and more than half of the couples used Medicaid to pay for the birth.

Statistical tests conducted by Gibson and Magnuson (2005) indicated that there are several the differences between the sub-sample of the Fragile Families couples

¹ Cases in which neither parent would be living with the child due to Child Protection Services interventions were also excluded.

eligible for the qualitative sample and the TLC3 study participants. These include: the TLC3 sample has a higher percentage of cohabiting couples and a lower percentage of visiting couples, has a higher proportion of Hispanics, and has a lower percentage of mothers who earned less than \$15,000 in the past year.

Methods of Interviewing Parents

Working with the FF interviewers, a team of six trained interviewers recruited TLC3 couples at the hospital in 2000. Couples then were contacted six to eight weeks after they had completed the survey to arrange the first intensive interview. During this couple interview, no reference was made to the parents' responses to the FF survey. Approximately one to two months later, interviewers arranged to meet with each parent for second, one-on-one individual interview. In most cases, the same interviewers who met the family at the hospital also conducted the couple and individual interviews. These qualitative interviews almost always took place in the respondent's own home (in a few cases, respondents chose an alternative location that afforded greater privacy), and were each typically two to three hours in length. Individual and couple interviews were conducted in 2001, 2002, and 2004.

The interviewer's goal was to make their interactions with the respondent as much like a naturally occurring conversation as possible. While each conversation covered a consistent set of predetermined topics, interviewers varied the order in which these topics were discussed, as well as the exact wording used to introduce them. Within topics, interviewers were trained to probe respondents to provide detailed information across several areas of research interest. To insure that all topics and domains were covered, interviewers were trained using a detailed interview guide. The interviews covered a wide

range of topics related to child rearing, family formation, parenting relationships, sources and amounts of income (from earnings and social welfare programs) as well as expenditure patterns.

Analysis Procedures

Data presented in this paper is drawn from the first and fourth waves of individual interviews (information about household budgets was collected at each of the subsequent interview waves and will be used in future analyses), and the mother and her children are used as the unit of analysis. Additional data are used from the intervening second and third waves of data as needed for clarification. The first individual interviews were conducted approximately three to four months after the birth of the focal child. Although 75 couples were recruited into the sample, four mothers were excluded from this analysis (two each from Chicago and New York) because follow-up individual interviews were not conducted during the first wave of data collection (and thus we are lacking individual interview data on their household budgets). By the fourth round of data collection, only 60 mother interviews were completed (80 percent of the original 75 mothers). Two additional mothers were excluded from the analysis of 2004 data because they were incarcerated, and thus could not provide budgetary information. Additional details about how the 2004 (wave 4) sample differs from the 2000 (wave 1) sample is provided later in the text.

During each individual interview, participants were asked to describe all of their typical monthly expenditures and sources of income. Roughly following the methods developed by Edin and Lein (1997), interviewers asked about a list of possible expenses and sources of income, probing respondents for additional details about fluctuations in

the amount and regularity of expenses and income in previous year. The portion of the interview guide that deals specifically with monthly budgets is provided in Appendix 1.

The transcripts of the interviews dealing with respondents' descriptions of their budgets were used to construct an individual (and if relevant, a couple) monthly budget. These estimated budgets included detailed estimates of expenses and incomes for each participant over the past year. In addition, data were also taken from other parts of the interview in which participants described their housing arrangements, involvement with child support (and for non-cohabiting couples their partners' role providing child support), family support, and use of social welfare programs. Interviewers also asked participants how they handled their money, for example, whether couples pooled their money together and who kept track of expenses or paid the bills. By carefully reading these portions of transcripts, we identified emergent themes related to family's economic circumstances, and generated hypotheses about common economic patterns.

Participants were asked about their sources of income for the past month, and whether their income was "typical." We aggregated these monthly figures, and any specified deviations to the indicated amounts, up into yearly amounts. To assess the validity of these self-reported incomes, we compared the resulting estimated monthly income of couples who were living alone to the income category participants reported on the baseline FF interview. The amount of income from the FF baseline survey appeared, for the most part, to match estimates derived from the coding of qualitative data, yielding confidence that these estimates were relatively accurate.

For couples who cohabitated we also created a "reconciled" budget which combined the parents' reports and used either the average of the partners' reported expenses in cases in which these estimates differed, or estimates from the seemingly

more informed of the two parents. For example, in cases in which a father's report of his earnings differed from the mothers' report, in the reconciled budget we used the father's report of his own earnings (rather than the mother's report). Likewise, if the mother reported that she paid a particular bill or expense, and their estimates differed, we would use her estimate of the expense. We did not, however, try to reconcile the resulting budgets by asking the study participants about discrepancies in reported budgets (in several cases slightly different timing of the budgets were the evident source of discrepancies). Thus, our data include some amount of "noise" as well as "signal" (Gottschalk and Smeeding 2000).

Categories and Packages of Economic Resources

The amount of economic resources available was coded into several categories for each mother (and her children): the mother's own earnings, support from her children's fathers (the focal child's father and fathers of children from previous partnerships), support from relatives and friends (in-kind and cash), and social welfare benefits (including TANF – Temporary Assistance for Needy Families, unemployment insurance, and Supplemental Security Income, Food Stamps, and housing assistance). In addition, for our analysis of the fourth wave of interviews, we also include participants' estimate of how much they received from the earned income tax credit (EITC) or more generally, their tax return.

Questions about income specifically asked participants for their net income, that is, how much they were paid for formal and informal work, excluding amount that was taken out for taxes, health insurance and other voluntary or mandatory pre-tax

contributions. In several cases, however, recipients provided estimates of their gross income.

For mothers who cohabited with the focal child's father or another romantic partner (which we refer to as a social father), we estimate his support to the mother as his earnings (ignoring how control over these earnings will affect the intra-household allocation of these resources; Thomas 1990; Lundberg et al., 1997). We do not distinguish between fathers who are married to co-residing mothers and those who are not. Given that nearly all couples (married and unmarried) indicated that they pooled their money and shared household expenses this seems like a reasonable assumption.² Yet, previous research has suggested that the distribution of funds across families is often unequal and that patterns of expenditures may differ according to which spouse controls the couple's money (Lundberg et al. 1997).

For mothers who did not cohabit with the focal child's father the amount of support provided by the father is estimated from the mother's account of both cash and in-kind contributions from the non-resident parent. However, an effort was made to verify (and reconcile) the mother's report of child support with the father's report. Financial contributions provided by the fathers of older children were also included in our estimates of child support (although only four mothers reported such support at the time of the first interview).

Our category of extended family support includes two types of income transfers. First, it includes any regular or intermittent cash gifts to the mother (or cohabiting couple). Second, for those mothers who cohabited with family members, we determined the value of family support by estimating the amount of rent that the mother (or couple) would have pay if they chose to live on their own. We do not assume the pooling of

² We make one exception for a couple who cohabited but clearly did not pool their income.

income or other resources across all extended family members, as we assumed for cohabiting couples. The decision to treat the income of family members differently than for cohabiting couples will most likely lead us to underestimate family transfers, because this approach does not take all economies of scale into account. However, this decision was based on the way in which study participants described their economic situations. While living with extended family members often, meant that mothers did not incur housing costs, it rarely meant that they were able to rely on their family members to pay for other expenses such as transportation or health care (Whittington and Peters 1996). And it may be that in some cases resources are overestimated if the father or parent with whom the focal child is living has financial responsibilities to others not living in the same household. Because we ask mothers and fathers to report “take home” income, their estimates of earnings are typically net of formal child support payments, but not informal child support. These informal “out transfers” are not recorded in our data.

For a mother living with her relatives (or in one case a new boyfriend), the support provided by her family was estimated by the fair market rent for a two bedroom apartment in Milwaukee, Chicago and New York minus any financial contribution the mother made to her extended family. The fair market rent was \$619 in Milwaukee, \$782 in Chicago, and \$920 in New York in 2000 and \$688, \$951, and \$1073 respectively in 2004. While estimating the cost of housing at the 40th percentile may seem a bit high, as noted earlier it does not include any shared household goods such as food or child care assistance (Haider and McGarry 2005).

The estimated income from social welfare programs includes cash benefits (TANF, Unemployment Insurance, and Supplemental Security Income), in-kind benefits (food stamps) and the equivalent cash value of housing assistance. In the case of housing

vouchers or public housing, the cash value of the benefit was again estimated as the fair market rent minus the couple's monthly rent payment. The estimated support from social welfare programs is also likely to be a conservative estimate, because it does not include food and formula vouchers from the Women, Infants, and Children (WIC) program, health care (through CHIP - Children's Health Insurance Program - or Medicaid), or child care assistance.³

An important limitation to our first round analyses is that money from the Earned Income Tax Credit (EITC), a refundable tax credit for low-income working parents, is not included in the 2000 estimates, because the data was not collected consistently during the first round of interviews. While this likely leads us to underestimate mothers' resources, about 1/3 of the sample had just given birth to their first child, and thus would not have received the tax credit until the year following the birth of the focal child. EITC data were collected more consistently during the 2004 round of interviews. However, in 11 cases parents were uncertain if they had received it or not. We treat these cases as "missing data." In an additional 9 cases, the parents indicated that they received the tax credit but could not recall how much they received. For these couples, we estimated the amount of EITC they would be eligible for based on their formal earnings. Because we asked participants for net monthly earnings, the estimated EITC data may either over or underestimate the amount any one family receives, depending on where the family falls in the benefit distribution.

II. Findings

³ Although nearly all mothers received WIC, the benefits were not included in this analysis because mothers were not consistently able to estimate the cash equivalent of the vouchers. Among those who were able to do so, estimates of the WIC vouchers' worth ranged from \$50-\$ 272 per month.

To understand how low-income mothers of infants “make ends meet” we summarize descriptive information about the amount of economic support mothers receive during the first wave of interviews in Table 1. We start with mothers’ earnings and then consider additional categories of economic support. As we sequentially add up resources in mothers’ economic support packages, we compare this package to the federal poverty line for a family of the appropriate size (when mothers reside with the father of their child we use a poverty threshold for the two adults and the correct number of children). Through this comparison, we provide some indication of which types of support improve the economic well-being of these mothers and their children, and the relative importance of each type of support for these families’ livelihoods.

Full Sample, 2000 interviews

On average, mothers in the TLC3 sample packaged together \$32,554 of economic resources, more than enough to raise them above the poverty threshold, as long as they could rely on the support they were receiving (Table 1). Despite 46 percent of the mothers reporting some earned income, on average mothers’ earnings constituted just 22 percent of their total incomes, lifting just 28 percent of mothers and their children out of poverty. Even when considering only the earnings of mothers who reported formal or informal work, maternal earnings were low, amounting to about \$15,400. Clearly mothers’ earnings alone were not enough to eliminate poverty for most mothers with young children (Smeeding 2005).

Support from their children’s fathers, by far, accounted for the largest portion of the average mother’s budgets, which is not surprising given that these couples were eligible for the study because of their romantic involvement. Most mothers reported that

they received regular economic support from their child's father. Averaging \$19,332, this support constituted about 61 percent of mothers' economic resources. When combined with mothers' own earnings, fathers' support reduced the number of mothers living in poverty from 72 percent to 35 percent. The economic support from another co-resident parent was paramount to these children's livelihoods.

Nearly two-thirds of mothers did not receive cash support from their extended families and thus, on average, family contributions did not greatly improve most mothers' economic well-being. The average contribution was just over \$2,300 per year, and comprised only 7 percent of mothers' budgets. Yet, it is important to note that among mothers receiving family support, these transfers averaged over \$6,600. Much of this support was provided in the form of co-residence, which perhaps served as a more affordable substitute for cash transfers (Haider and McGarry 2005).

Finally, we consider the role of public welfare benefits—including in-kind and cash support—which 39 percent of the sample receive. We find that, on average, mothers are receiving \$3,290 from public welfare programs. As was the case for family support, this amounts to a relatively small percentage (10 percent) of their total resources, but a much larger amount (\$8,343) for those who received it.

Looking at full sample figures, the amounts and percentages of total support for each category are averaged across heterogeneous mothers (and couples). Because mothers' sources of income varied considerably depending on her residential situation, in the discussion of family budgets below we distinguish between mothers that are residing with their romantic partner, but no other family members (n=45, 63 percent of the sample), those who are residing with relatives and for one mother a new romantic partner (n=24, 34 percent of the sample), and mothers who are living alone (n=2, 3% of the

sample). We describe mothers' residential patterns at the time of their individual interview (which in a few cases differs from their residential status at the time of the focal child's birth or the couple interview), and we present the financial resources of these three groups of mothers separately in Table 1.⁴

About two thirds of the couples in this sample lived alone, and a little more than half of these couples were married. These families had slightly more economic resources than other couples, with the average of \$35,185 in economic resources. The largest category of support was fathers' earnings. About 89 percent of the fathers were employed, and their earnings averaged just under \$25,000, comprising 70 percent of mothers' resources, and reducing the poverty rate to 29 percent for these couples. Mothers' earnings were the second most important source of income for cohabiting couples. About 37 percent of mothers reported formal or informal work as a source of income. Other forms of support played a relatively small role in these couples' budgets, and particularly noteworthy is the low levels of support they received from families and friends.

At the time of the individual interviews, 24 mothers shared a residence with extended family members, and 14 of these mothers also lived with the father (6 of these 14 couples were married). Mothers who were cohabitating with relatives earned considerably less than mothers' who were cohabiting (only) with the father of their child, and as to be expected they relied more heavily on multiple sources of economic support. Mothers living with extended family members, had income packages that averaged about \$28,600 per year. Most striking, although perhaps not surprising, was the relatively low levels of support these mothers received from their children's fathers, and the higher rates

⁴ One interesting question is whether mothers' residing in different cities have differing patterns of co-residence. We do not draw directly compare mothers across cities because of concern that they differed on several key characteristics.

of support from their social networks and social welfare benefits. All but one of these mothers received substantial support from their extended family.⁵ This support was overwhelming provided through co-residence. While family members may not have had money to give, they opened their homes and offered mothers a place to stay for a while. In most cases, mothers living with their extended family contributed little, if anything, to the cost of their housing. Social welfare benefits played a smaller, but still important, role for many mothers who were living with family or friends. A little less than half of the mothers living with extended families received public assistance, receiving on average, \$2,947 (about 10 percent of their total income).

As evident in Table 1, just three to four months after giving birth two unmarried mothers had ended their romantic relationship with their child's father and were maintaining their own households. While it is difficult to draw any conclusions from such a small sample, we separate these mothers from other mothers to facilitate comparison with 2004 interviews. At the time of the child's birth, each mother had been cohabiting with the child's father. Despite having a similar level of income, these mothers' relied on dramatically different packages of support. One mother was attending school and supporting her four children primarily through welfare cash benefits, food stamps, and child support from a previous partner. The other mother earned about \$16,500 a year working full-time at a low-paying job and received about \$4,400 a year in child support from the focal child's father.

Full Sample, 2004 interviews

⁵ In one case a mother lived with a new boyfriend, and his support is counted as support from "extended" family.

The value of mothers' economic package four years later averaged about \$39,700, about \$7,000 higher than in 2000. However, by the fourth round of interviews, we have data for only 58 mothers. This is due to the exclusion of one mother whose partner passed away, two mothers who were incarcerated and 11 mothers who we were unable to locate or refused to complete the interview.⁶ The loss of 13 mothers is particularly worrisome if these mothers' economic prospects differed from the mothers who remained in the study. We considered this by estimating the amount economic resources of mothers for whom we do not have fourth round data in 2000 and comparing it to those mothers for whom such data are available. We found that mothers who did not complete the 2004 individual interview had fewer economic resources during the first wave than other mothers (\$ 23, 390 compared with \$34, 608).⁷ Thus, differential attrition is likely to partially explain the higher level of economic resources in the fourth round of interviews. Another contributing factor is the inclusion of the EITC in 2004 income estimate, which amounted to about \$2,300. Increases in mothers' earnings, extended family and social father support as well as social welfare benefits also appear to contribute to additional increases in mothers' resources.

Over the course of the study, eighteen mothers (a little less than a third of the mothers in the 2004 sample, five of whom had been married at baseline) ended their relationships with the father of the focal children. Several couples had tumultuous relationships and although they were not romantically involved when we spoke them in 2004, it is possible that they reconciled at a later date. During the course of the study, nine of the 43 unmarried TLC3 couples got married. Six of the nine couples that wed

⁶ Of these 11 mothers, 6 completed interviews in the third round of interviews.

⁷ Removing these mothers from the 2000 analysis would yield an average income about \$2,000 lower than the one presented in Table 1.

during the study maintained their own household during all four waves. In addition, three mothers had married a new romantic partner by the 2004 interviews.

In the final wave of data collection, a sizable proportion of mothers (53 percent) were living alone with the father of their children—and the overall profile of these mothers' sources of income remained largely the same as it has been in 2000, with the exception of an increase in the proportion of mothers with some earnings, and the additional support of the EITC. Fathers' earnings still comprised the largest portion of their income, and appeared to have increased since 2000 (from \$24,740 to \$30,339). Social welfare benefits still, however, played a role in some of these families' lives.

Mothers cohabiting with their extended family also appear to have had roughly similar economic resources in 2004 as they did 2000, thus compared to other mothers, they still had fewer resources. It is interesting to note that the number of mothers living with their extended families had dropped steeply from 24 in 2000 to 13 in 2004. The most notable change in resources is the lower level of mothers who report any earnings (\$4,578 compared with \$7,954) and the higher levels of welfare receipt (\$5,977 compared with \$2,947). In these families' lives each type of resource played some role in reducing poverty rates.

Whereas just a few months after the birth of their children, just two mothers were living alone, four years later seven mothers are living alone (12 percent of the sample). These mothers' economic resources had improved since 2000, amounting to about \$34,938 in 2004. These mothers had the highest average levels of earnings of all groups, at \$26,417. Their own earnings constituted nearly 76 percent of their income, and raised all but one of the mothers out of poverty. The average child support that mothers received was close to \$5000, but two mothers received the bulk of the support each

receiving at least \$12,000 per year. These mothers faced relatively low rates of extended family support and social welfare support (\$1,062). None of these mothers received TANF or SSI benefits, although two mothers still relied on food stamps.

Finally, eight mothers were living with a new romantic partner by the fourth wave of interviews and three of the mothers were married to their new partner. These mothers had economic resources amounting to approximately \$40,855. Their economic support was derived from three main sources—their own earnings, their new partners' earnings and social welfare benefits. While the earnings of these mothers were just slightly lower than the earnings of mothers who cohabitated with the focal child's father in 2004. In contrast, social fathers' earnings (\$15,102) were much lower than other biological fathers' who were living with their children (\$30,339), but their earnings and support was much higher than the support the children's fathers contributed in 2000 (\$8,294).

Extended families provided little additional support to mothers' cohabiting with social fathers, but these mothers did rely on social welfare benefits. With an average of just over \$9,300 from social welfare programs, this support included housing assistance (section 8), TANF benefits provided to three new mothers, as well as food stamps. Five of these mothers were receiving over \$10,000 in social welfare benefits.

Longitudinal analysis of resource packaging

Focusing on these two “snap shots” of mothers' economic packages, however, does not convey the instability and complexity of these mothers' economic survival strategies. To explore the patterns over time, we take the categories of mothers in 2004, and trace their resource packaging “pathways” from 2000 to 2004 as a function of residential and romantic changes.

Cohabiting couples

Examining the couples who were cohabiting together (without extended family members) in 2004, we find that the vast majority of these parents (26 of 31, 84 percent) had also been maintaining their own household during the 2000 interviews. Although this seeming stability in their residential and romantic status was matched by an ongoing reliance on work as the primary source of their income, it would be a mistake to describe these parents' lives as economically secure. Indeed, many of these parents voiced concern and uncertainty about their economic prospects.

Tom, the married father of 3 children, earned about \$30,000 per year working as a bus driver in the mornings and a barber shop in the afternoons. His wife worked at a factory, but with frequent lay-offs she brought in less than \$20,000 a year. He explained that he hoped to find a job in which he could earn more money, "Like right now, I'm trying to get a better job...like, my little bus driving job, it's fine, but barbering is part-time, that's like my little hobby slash career. But right now I'm trying to find something that will...a few more hours and a little bit more pay. Maybe like \$40,000.00 a year... That would take a lot of stress off of a lot of things." By 2004, Tom's wife had just given birth to another child, and Tom was now working at the Chicago Transit Authority, although he continued to barber on the side for additional income. His earnings had not increased, but he felt more secure since they had filed for bankruptcy to reduce their credit card debt. His wife, explained, "The only problem we had in the past was just making sure the bills get paid, but we straight on that level now, since we filed bankruptcy, and we just got little things to pay now, which we've been paying them on time, so we okay now."

Because couples had so little money in savings, the threat and realities of job losses loomed large. In 2000, Julie and Don, a young white, unmarried couple living outside of Milwaukee, relied on Don's earnings to support their child and Julie's son from a previous relationship. When we first spoke with Don he was working at a shipping company earning about \$35,000, while Julie stayed home with their children. A year later, Don was fired from his job and was unemployed for a few weeks, until he secured a contract to clean out trucks in a nearby shipping company. With Julie pregnant again, the couple decided to get married because they expected to receive a large cash wedding gift from Julie's father, which they needed to pay their rent. In the third year of the study, Don lost his contract job, and was unemployed for four months. To help support the family, Julie took an office job for which she earned less than \$ 18,000 a year. Fortunately, she qualified to receive child care assistance which offset the high cost of placing their three children in day care.

In order to pay down some of the \$13,000 of debt they had accumulated, Julie decided to keep her job even after Don secured a construction job during his unemployment. By 2004, Don and Julie were both still working, and Julie was pregnant with her fourth child. Don was earning \$22,000 from his construction work, and bringing in extra money by working side jobs. He felt that they were just getting back on their feet, "I mean, we hit a point, well, me being unemployed for three and a half, four months, I mean, that was hard on us and now that, in a short time we're getting to the point where we can see the end of the tunnel and we don't have to be afraid to answer the phone anymore." As their story suggests, even couples who lived together and worked, faced periods of economic stress and insecurity.

The stories of parents who maintained their households by working, differed from those of the three couples who relied heavily on social welfare benefits. In all cases the families were receiving housing assistance and food stamps, and two of the three couples also received SSI benefits for the fathers' disabilities. Only one of these couples had a parent who was working a low-wage job. For example, when we first met Mary and Alan, an African American child, they lived with their child, and her two children from a previous relationship in public housing project in Chicago, paying only \$75 per month in rent, and less than \$5 per month in utilities. Alan received an SSI payment of \$500 per month, although the exact nature of his disability was unclear. In addition, Mary received \$377 per month in food stamps and \$377 in TANF benefits. With rent in Chicago costing about \$9,240 per year, they were receiving over \$23,000 worth of public assistance. Even with such relatively high levels of support, Mary found making ends meet to be a challenge, "the majority of the time we spend our money right because we know that there is going to be difficult times before we get some more money so we gonna have to stretch it."

By 2004, things had changed, but they still relied heavily on housing assistance, now in the form of a section 8 voucher, food stamps, and Alan's SSI. Mary no longer received TANF, working instead in a fast food restaurant and earning just \$12,000 a year. She found that working she no longer needed the cash assistance, "And just get my medical and my stamps. As long as I got my medical and my stamps, I'm straight. I work like a dog anyway, so. The cash, I'm gonna get that when I work."

Many of these couples indicated that they could not count on getting financial assistance from their family or friends if they needed it. For example, Stacey a young white mother in Milwaukee explained, "We can't really borrow money from anyone

because no one really has any money to lend.” This was a common sentiment among the couples. When asked if they could turn to family or friends for assistance to pay their bills, one mother put it this way, “Nope, we’re normally the ones they call for help.” Likewise, Don claimed, “No. Usually we end up helping them.”

Faced with little assistance in their times of need and little or no savings, parents articulated a common strategy for months in which they can not pay all of their bills-- “prioritize.” Stacey described what they do when they don’t have enough money, “We just pay what we can and then definitely rent always comes first and the car payments. These are the two things that have to get paid, but we have to skip the phone bill one month or the utilities bill one month to try to catch up.” Another father explained, “it’s like I rather pay the house, the rent, before I would pay the phone bill. I can live without a phone.”

Six of the couples, who were maintaining their own households in 2004, had been living with extended families in 2000. For these couples, living with family had been a temporary solution to a shortfall in their income, often their response to one parent’s unemployment. For example, Erica and Juan had spent several months living in three different family members’ homes in 2000. During her interview then, Erica explained “our goal is within a year, year and a half, to pay all our bills, completely all of them, and start saving, put money in the bank and start looking for a house.” Their debt, which included her school debt, was over \$9,000 at the time. Juan worked in construction and estimated his earnings at close to \$30,000 per year. Although Erica was trained as a hair stylist, she had taken time off work after the birth of her daughter. By 2004, Erica and Juan had indeed paid down their debt, purchased a duplex home, and although Erica was pregnant again, she was working part-time as a hair stylist, bringing in a little over

\$14,000. Living with family after the birth of their child was a temporary solution which enabled them to save money while Erica was not working.

Similarly, in 2000, Jeanna and Tereek, an African American couple in Chicago, were living in her mother's house, with her sister and sometimes her brother and his girlfriend. Having returned to work just three weeks after the birth of her child, Jeanna worked at full-time as a receptionist and earned just a little more than minimum wage. She and Tereek had hoped to move into their own place, but Tereek had lost his trucking job after having his driver's license suspended. Since his job loss, Jeanna described they had not been able to make progress on finding their own place,

They, you know, let him go, and it sounded like you know we're going to have to hold off. I'm suppose to, next week, try and get a loan from my credit union and then hopefully, but that time, he's suppose to go, probably tomorrow or Friday, to go and straighten out his license... I don't know what's going to happen with him. I mean, I care about him, but I'm gonna have to try and carry us, because I'm ready to move...

When we spoke to the couple the following year, they had moved in with Tereek's mother and two siblings, in part to help her pay the rent in a new apartment. However, visiting grandmothers, uncles, and cousins from Puerto Rico left them feeling cramped for space and privacy. So by 2004, Jeanna and Tereek were living in their own apartment. Jeanna was still working fulltime, but earning a bit more as a customer service representative at a bank, and after a series of jobs, Tereek had found part-time work as a telemarketer. His gross earning were about \$1000 a month, but he brought home just \$500 a month because of child support payments for a child from his previous relationship. For this couple, as well as others, living with their family helped to get them through a financial setback.

Mothers living with Extended Family

Of the 13 mothers living with extended families in 2004, all but two had also been living with extended family in 2000. Eight of these mothers were also living with the TLC3 father. While this might suggest stability in these mothers' lives, this too is deceptive, as only five of the 13 mothers had spent the past four years living with the same extended family. Nevertheless, while these families frequently moved, their reliance on other family and friends for economic support was constant.

The majority of these mothers, and the fathers they were living with, experienced intermittent employment, most of it low-wage or informal. The mothers had few job skills and a history of welfare receipt. During the course of the study several of the mothers attended school to complete their high school degree or obtain job skills, but these schooling and employment were often interrupted by a subsequent pregnancy or other family event, such as a child's hospitalization. Mothers typically worked informally, braiding hair or babysitting, and their income was not nearly enough to live on their own.

For example, in 2000 when we first met Rolonda and Aaron, an unmarried African American couple with four children, they were living with Rolonda's friend in a housing project. Aaron was working side jobs to make money, and Rolonda was receiving TANF. Between 2000 and 2004, Rolonda and Aaron moved numerous times, often living with family or friends, and at least once staying in a homeless shelter. When we spoke with them in 2004, the family was living with Aaron's grandmother, grandfather, his sister and her two daughters as well as his brother and his two sons. Rolonda and Aaron had gotten married, and Rolonda had given birth to another daughter. They were bringing in just a few hundred dollars a month working informally since Rolonda had reached her lifetime limit on TANF benefits earlier in the year. The couple

relied on her grandmother to pay their rent and used food stamps to buy their food.

Aaron's summarized their situation simply, "I don't know what I'd do without my grandma."

Most of the mothers (four of the five) who were who were not living with the TLC3 father were not receiving financial support from the focal child's father. Aware of mothers' financial problems, family and friends provided assistance because they were concerned about the children's wellbeing. For example, Denise, a white mother in New York City, had separated from her husband who had lost his job. When their relationship ended, she found herself already in debt to neighbors, and in need of help. She explained,

He wasn't working, I was struggling to give the kids food cause I wasn't working, you know. I was depending on a neighbor...oh can I have \$10 cause I need to buy milk or whatever. I mean, I can't depend on anybody else to raise my children, that's what a mother and their father is for. But he didn't want to do nothing... when I left Len, I was staying with a friend, and I got into a big fight with her, she kicked me out with my kids. And I had no place to go. I was about to go into the shelter into the Bronx. I got all kinds of information from them and everything, and then I called another friend to find out if I could just stay there for one night because it was like 10:30 at night, and I didn't want to travel to the Bronx with two of em, and she's like, ok, what happened? And I went there, I put the kids to sleep, she let me stay there all night, and I talked to her, and she talked to her husband, and she let me stay there for 2 and a half months! She was like, I'm not putting you in the Bronx. Not with those kids. Those kids, I love them! They're like...they're my grandchildren... All she asked is that I gave a little bit of food, my kids food. Which was understandable because she's feeding 3 extra mouths. So, I would give her \$50 a week to buy extra juice, extra snack, extra...whatever she wanted to buy extra.

Most mothers aspired to having their own home or apartment, but simply did not have the resources to do so. In 2000, Carlita and her husband and two sons lived with his parents' in the upstairs apartment. Carlita was working in a social service agency earning less than \$20,000 a year and attending college in 2000 and Paulo was working on side job bringing home just \$6000 a year. Carlita told an interviewer, "My goal is in three years, I'll graduate in two years, and then I figure give me...next year, I really want to buy a

house...not too far, but just kind of keep our distance.” She explained that she felt her mother-in-law was nosy, “when people come over, she’s looking out the window and trying to tell us how to raise the kids. And I respect what she has to say but sometimes she goes over the top.” In 2004, they were still living with their in-laws, and Carlita was still working in a social service agency but Paulo had just found work after being unemployed for a year and a half. Carlita said they needed his parents’ help,

The last two weeks have been really hard where we didn’t have really any money for food and I’m grateful that, you know, my in laws are downstairs and that she cooks all the time, and at least the kids eat. You know, she’ll cook for us too, but, um, then I started, not getting depressed but just like, oh my god, we don’t even have money to buy this or there’s really no food here...and...you know, I was just thinking to myself if we weren’t here only paying two hundred dollars...you know, oh my god.

While often mothers lived with extended family because they needed support, in some cases they also provided support to needy family members through co-residence. Trisha and Chris lived with his uncle at the time of Chris’ interview (they had been living with his sister in the previous months). Chris earned minimum wage working at a fast-food restaurant and had supplemented his low pay checks by babysitting for his cousin’s two children. Trisha brought in money by braiding hair. She explained moving from living with Chris’ sister to his uncle, “We needed some privacy. But we know we can’t afford no apartment right now, so this will work better until we get ... to get our own.”

In 2003, the couple moved to Iowa, where Trisha’s sister lived. Within a year Chris was incarcerated and Trisha was living with her younger brother, who moved in with her when her mother became sick with cancer. She had two children, and had just given birth to her third child. She was receiving public housing assistance (section 8), food stamps, and TANF. She earned some additional money by braiding hair. She explained to the interviewer that she was able to receive TANF while pregnant by

attending school and a job club. She knew she had two years of TANF eligibility left, since before moving to Iowa she had been working in a school cafeteria, bringing home about \$547 a month.⁸

Given the difficulty these mothers had maintaining regular employment, their reliance on welfare benefits was not surprising. Food stamp use was prevalent, and several mothers, like Trisha, were receiving welfare cash benefits. These benefits were typically short-lived, provided while mothers attended school, job training programs, or immediately after the birth of a child. Nevertheless, even when working, these mothers' earnings were low so that living with their family or friends and support from social welfare benefits were critical to their economic survival strategies.

Mothers living Alone

In 2004, just seven mothers were living alone. Two of these mothers had been alone in 2000. Most of these mothers described that they made the choice to end the relationship with their child's father, and had done so fully aware that this would require them to bear the costs of raising their children alone. These mothers strived to be self-reliant and to provide a good life for their children, but this often entailed long work hours and additional job training.

Maureen and Tony, a young couple in Milwaukee, had a tumultuous relationship. In 2000, when Maureen gave birth to her first son at the age of 18 she was living with Tony. But just a few weeks later she had moved in with her father, "We decided just to... I'd go back here because I wouldn't have to pay rent and we wouldn't have rent to pay and then he could... and save up more money and have money for a place and we

⁸ TANF legislation passed in 2005 may, however, change this situation if Trisha is required to work 35 hours a week to maintain eligibility.

wouldn't have to starve all the time to keep up with it ... we have more money this way."

Later in the interview she explains that she hasn't really saved much money up "with my low pay I really don't accomplish much saving money."

A few months later she and Tony moved in together. By 2004, they had broken up for good. She explained,

I stayed with him for long too because I needed help with the money. When he actually was working. He'd give me money. Well I'd get his whole check. Eventually I was like screw. I rather be poor than stay with you... Eventually it got easier even with the money. Because I didn't have to worry about money going to weed or stupid stuff.

Maureen had cycled through a series of low paying jobs, and earned about \$900 a month in a retail job when we last spoke with her in 2004. Her parents and grandparents helped her with some routine expenses, such as her car insurance, and she received food stamps. Having completed her GED, Maureen was taking classes at the local community college in the evenings hoping to get a higher paying job by becoming an X-ray technician. She could not count on assistance from Tony, as even when he expressed intentions of helping he rarely followed through,

I asked him if he could help me out with some money for daycare. They raising the daycare on me. And um, I didn't think it was much to ask so it's not like he's done anything for the past year and a half. But he said he'd love to help me with money, this is his chance to prove himself to me. But he could never come up with the money. He bought himself a car. Like thanks for the money for daycare

Mothers who did not receive support from the fathers, like Maureen, could not pay their bills working just 40 hours a week. While Maureen turned to her family for help, other mothers work over-time or additional part time jobs to bring in extra money. In 2004, Jada, an African American mother and her husband had separated. When we spoke with her in 2000, she had been working part-time and attending college. By 2004,

she completed her degree in criminal justice, and was bringing home about \$36,000 a year. She had a full-time job working as a program coordinator at a residential juvenile home and two part-time jobs. Despite her seemingly full work schedule, Jada planned to return to school so that she could get a teaching certificate. She felt that she should be able to support her daughter on her own, but she was also dismayed that her husband was not providing more financial assistance and she recognized the costs of her long work hours,

And he already told me 'I can't take care of your house any longer.' Which I'm not asking. I'm not asking for that. I pay my bills, I prove to myself that I can take care of us. But, I mean, Jane needs things and I don't want to be calling him, oh she needs this, she needs that. I just would like him to be responsible enough to do that... I'm working three jobs and it's good because I'm taking care of some things. But I'm missing her. I got to work all these jobs to take care of us. And I don't get to see her.

Several mothers voiced a similar desire to be self-reliant, and credited their access to a job training program as well as working overtime as critical to their success. For example, Dana was living on her own in 2000 when she was first interviewed. At that time, Oscar was not working, and Dana was relying on welfare cash benefits to support her four children while she went to school. At the time she explained, "I went back to school so I can better myself, get a better education and so, um, I can get me a good job." By 2004, Dana has accomplished the first part of her plan. She has been employed regularly as a Certified Nursing Assistant training assistant, and by working overtime on weekends, she was earning about \$40,000 a year. She was still romantically involved with Oscar, but by her accounting he was not providing her with any financial support.

Not all of these mothers supported their children solely through their own efforts. Two mothers were receiving considerable formal child support, \$12,000 or more, and a third was offering more modest amount of informal support, about \$6,000. The remaining

four fathers were not providing any financial support at all. For mothers who received child support, it enabled them to maintain their own household. For example, in 2000, Lila and her husband had just split up, but her husband was continuing to support her by paying her rent (\$350 a month). In addition, she was working as a bank teller earning about \$15,000 a year and receiving child support from the father of her oldest daughter, about \$5500 a year. Lila explained that she carefully planned her budget so that she saved the child support money, and she had about \$20,000 in the bank. “My dream is, hopefully by next year I want to have a house. I want to have a house, because I’m sick of renting and I want to move into a better area. And I just want a place where my kids can live in a safer area.” In 2004, Lila had bought a duplex house. Having changed jobs in order to earn more money, she was working as claims adjuster for an insurance company and earning just under \$20,000. With formal child support orders established for both of her children, she had about \$12,000 a year in child support coming in and she still made an effort to set aside some money each month for savings. Lila, like other mothers living on their own, worked hard to ensure that she would be able to provide a better life for her children.

Mothers Living with Social Fathers

Six of the eight mothers living with social fathers, had been residing with the focal fathers in 2000, the remaining two mothers had been living with family members. These TLC3 relationships had ended early in the study, typically within the first year. The mothers were struggling to provide for their children when their relationships ended, and sometimes even before, as the fathers were often not reliable sources of financial

support. Social fathers were welcomed into these mothers' lives as romantic and financial partners.

In 2000, Angie and Craig were living together in Milwaukee. Angie was receiving TANF support and taking care of her four children. Craig was on house arrest, and having a difficult time finding work. A little over a year later they split and Angie moved into an apartment about 45 minutes outside of Milwaukee with her mother and brother. Unable to support her children on the wages she received as a temporary receptionist at H & R Block, she shared housing costs with her family. By 2004, Angie had met and married Lemar. She praised the economic support her new husband provided, "Right when we met he was like, he didn't even move in with us yet and he bought the kids shoes. He just realizes that people need stuff, and he knows he can give it." When asked how Lemar differed from Craig, she replied,

I was like, worried and concerned about stuff, because I was the only one concerned about it. He [Craig] wasn't concerned about anything.... I guess he [Lemar] was brought up the way that he's supposed to take care of family, so he does different. He takes responsibility. He knows he can't not go to work, unless he can't get up, like WALK kind of thing. Or if the car doesn't work or something. Otherwise, he'll go.

Lemar explained their decision to move in together was in part driven by Angie's financial circumstances,

Actually when I moved here, you know it wasn't my initial intention to move up here and live with her right away. Our initial conversation was to bring her to Milwaukee, move her and the boys to Milwaukee. But the situation she was going through up here cause she was roommates with her mom and her mom wasn't being responsible on her half of the bargain on the bills .Her portion of the rent and the bills and everything and her mom was not coming up with her half, spending it or whatever she was doing with it. She was doing it so much it got to a point. They were eight hundred dollars in the rear just on backness on late charge. Late charges and back rent. The landlord was furious and threatening to evict them and everything and so it was easier for me to, at the time, cuz I was just getting ready to move into a brand new apartment. It was easier at the time for me to just move up here. And uh I figured we'd just pay all the back payments there

than to go ahead and move into my apartment and try to pay my rent and send money back here.

By the end of our study, the couple was living in their own apartment and surviving on Lemar's earnings of about \$15,000, Angie's sons SSI payments (\$7,416), child support from her oldest son's father (\$ 2,880), food stamps (\$4,800), and cash gifts from Angie's father (\$6,000). Angie intended to return to school, she had started a CNA training program in the previous year and hoped to become a surgical technician, but stopped going to school when Lemar's work schedule changed, and he could not watch her children.

Social fathers' economic support provided alleviated mothers' worries about how they would be able to make ends meet. For example, Bernice and Joe, an African American couple, ended their relationship just after the birth of their child in 2000. When we first interviewed Bernice, she had just started back to work after receiving welfare and she was living with her mother. She lamented Joe's lack of support, "He buy little stuff, and then he think that's.....just cause he buy stuff one month, he think he can go four more months without buying nothing... I worry about it too much. I just do it on my own. And if I can't get it from my mama, then I just get it from my god sister." Her mother's help was important to her children's wellbeing at this point, as she paid most of the bills, but her assistance was primarily inkind. "I don't ask her for money, cause she already got to pay the bills...She make sure my kids...my kids don't want for nothing."

By 2004, Bernice had given birth to her third son and was living in her own apartment. The father of her youngest child lived with her. Bernice was working as a child care provider, and by regularly working overtime she is able to earn about \$18,900. Despite have formal child support orders set, she was not receiving any payments.

Although she had been receiving \$400 a month in food stamps, she had just received a letter saying that she had missed her review and would not be receiving them any longer. This did not worry her though, “No, I don’t let those type of things worry me anymore. Because I got me and I got Frank, so we’ll get food. If we need it.”

Social fathers’ support was paramount to the wellbeing of these mothers’ children. Having someone else to share the expenses eased the financial burden of raising children. As voiced clearly by another mother who had repartnered, when she explained that she was not worried that her child support payments had stopped, “I don’t want shit from [the TLC3 father] never, ever in his life. [My child] got everything he needs. And everything, all of this, me and Chico.”

III. Discussion and Next Steps

Our description of mothers’ and couples’ economic resource packages underscore the central role of their own and perhaps more importantly their partners’ earnings, but also point to the importance of support from support from public welfare programs and extended family members (Teitler et al. 2004).

Although most mothers reported that they earned money, their earnings were quite low, and alone were not enough to meet their economic needs. Considering their formal and informal earnings, these mothers of young children brought home little more than \$7,000 per year. Typically, unable to sustain themselves or their children on these low earnings, nearly all of these mothers relied on other adults or social welfare programs for economic support. This is corroborated by similar finding with FF survey data on mothers’ sources of support and economic well-being (Teitler et al. 2004).

Support from their child's father was common in our sample. In 2000 about 86 percent of these couples chose to co-reside, which enabled them to share resources. Indeed, for the average mother cohabiting with her romantic partner, his earnings were her largest single source of income. Yet for those mothers who did not live with the father, his support was much less than she received from her extended family or public welfare programs.

Cash transfers from other family members and friends were rare in this sample, perhaps reflecting the economic constraints faced by participants' relatives and friends. Other studies of low-income and welfare populations report similarly low levels of cash transfers from extended family and friends (Danziger et al. 2002; Harknett, 2006; Moffit and Winder 2005).

Co-residence with extended families, however, proved to be an important resource for mothers, with just less than a third of parents co-residing with related adults or new partners in 2000 and 2004. Among mothers co-residing with extended family, this support amounted to between 23-39 percent of their total resources. In providing support, these families offered study participants the opportunity to join them in their current housing situation, thus relying on the economies of scale to produce saving, rather than taking on additional costs. The costs incurred by mothers co-residing with extended family members, including the loss of privacy and space, were clearly articulated by couples. But those who chose to live with their family indicated that they needed their families' economic support. A recent study of consumption for families with children found that even those living with relatives and/or unmarried partners had relatively low levels of consumption (Johnson et al. 2005). This suggests that greater attention to in-kind economic support, including co-residence is crucial to better understandings

mothers' resources and income packaging strategies. Moreover, these data suggest that for some mothers, household composition can be quite fluid. Mothers, and couples, move in with friends and relatives, when they are unable to support their children through work, child support, and welfare receipt as well as share their own homes, when relatives are unable to do the same.

While the living patterns we examine here reflect the timing of the interviews (soon after a child's birth) and the sample (romantically involved). In addition, our study does not yet incorporate information on child care. For working mothers child care provided by relatives as well as child care subsidies are likely to be play a substantial role in these mothers' economic survival strategies. In future work, we hope to incorporate this type of support into our analysis of mothers' economic resources.

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Table 1: Description of Mothers' Economic Resources by Type of Support and Residential Status, 2000

	FULL SAMPLE	COHABITING WITH FATHER ONLY	COHABITING WITH EXTENDED FAMILY	LIVING ALONE
Number of Mothers	71	45	24	2
Number of Married Mothers	28	21	6	1
Number of Children	149	103	40	6
Average of All Economic Resources	\$32,554	\$35,185	\$28,611	\$21,714
Number of Mothers with any Earnings	33 (46%)	17 (37%)	15 (68%)	1(50%)
Average of Mother Earnings	\$7,175	\$6,850	\$7,954	\$8,791
Mothers' Earnings as Percent of Mother's Total Resources	22%	20%	27%	40%
Percent of Mothers with Earnings<Poverty Threshold	72%	83%	74%	50%
Number of Mothers with Support from Father(s)	62 (88%)	40 (88%)	19 (83%)	2%
Average of Support from Father(s)	\$19,322	\$24,740	\$11,132	\$4,184
Father Support as Percent of Mother's Total Resources	61%	70%	39%	19%
Percent of Mother's with Earnings +Father Support< Poverty Threshold	35%	28%	48%	50%
Number of Mothers with Extended Family or other Boyfriend Support	23 (32%)	4 (8%)	23(91%)	0 (0%)
Average of Extended Family Support	\$2,335	\$151	\$6,695	\$0
Extended Family Support as Percent of Mothers' Total Resources	7%	0%	23%	0%
Percent of Mothers with Earnings + Child Support + Family Support< Poverty Threshold	32%	28%	39%	50%
Number of Mothers Receiving Social Welfare Support	28 (39%)	15 (32%)	12 (46%)	1 (50%)
Average of Public Welfare	\$3,290	\$3,296	\$2,947	\$ 8,738
Public Welfare Support as Percent of Mothers' Total Resources	10%	9%	10%	40%
Percent of Mothers with Earnings + Child Support + Family Support + Welfare< Poverty Threshold	20%	20%	18%	50%

Note: Parenthetical percentages refer to the percent of the sample that has a particular type of support, and may not add to 100 due to rounding. Dollar amounts have been inflated to 2004 dollars using the CPI.

Table 2: Description of Mothers' Economic Resources by Type of Support and Residential Status, 2004

	FULL SAMPLE	COHABITING WITH FATHER ONLY	COHABITING WITH EXTENDED	LIVING ALONE	COHABITING WITH SOCIAL FATHER
Number of Mothers	58	31	13	7	8
Number of Married Mothers	24	14	5	3	1
Number of Children	150	77	37	14	22
Average of All Economic Resources	\$39,743	\$46,339	\$27,611	\$34,938	\$40,855
Number of Mothers with any Earnings	37 (64%)	21(68%)	5 (38%)	7 (100%)	4 (50%)
Average of Mother Earnings	\$10,464	\$10,026	\$4,578	\$26,417	\$8,981
Mothers' Earnings as Percent of Mother's Total Resources	26%	22%	15%	76%	22%
Percent of Mothers with Earnings<Poverty Threshold	88%	81%	85%	14%	88%
Number of Mothers with Support from Father(s)	38 (66%)	26 (84%)	54%	3(42%)	3 (38%)
Average of Support from Father(s)	\$19,119	\$30,339	\$11,236	\$4,457	\$1,173
Father Support as Percent of Mother's Total Resources	48%	65%	40%	13%	3%
Percent of Mother's with Earnings +Father Support<Poverty Threshold	32%	16%	62%	14%	88%
Number of Mothers with Support from Extended Family or Social Father	22 (38%)	3(10%)	11 (84%)	2(29%)	8(100%)
Average of Extended Family Support	\$3,674	\$209	\$7,248	\$1,109	\$15,852
Extended Family Support as Percent of Mothers' Total Resources	9%	>1%	26%	3%	39%
Percent of Mothers with Earnings + Child Support + Family Support< Poverty Threshold	22%	16%	46%	0%	28%
Number of Mothers Receiving Social Welfare Support	22 (38%)	5(16%)	9(70%)	2(29%)	6(75%)
Average of Public Welfare	\$4,152	\$2,657	\$5,977	\$1,062	\$9,379
Public Welfare Support as Percent of Mothers' Total Resources	10%	6%	22%	3%	23%
Percent of Mothers with Earnings + Child Support + Family Support + Welfare< Poverty Threshold	17%	10%	38%	0%	0%
Number of Mothers Receiving EITC	35 (70%)	22(91%)	5(42%)	4(57%)	4(50%)
Average of EITC	\$2,331	\$3,168	942	\$1,892	\$2,017
EITC as Percent of Mothers' Total Resources	6%	7%	3%	5%	5%
Percent of Mothers with Earnings + Child Support + Family Support + Welfare +EITC< Poverty Threshold	10%	3%	38%	0%	0%

Note: Parenthetical percentages refer to the percent of the sample that has a particular type of support, and may not add to 100 due to rounding. Mothers' marital status is measured in 2000.

Appendix 1: Household Budget Interview Guide for 2000 Interviews

If we can find a scrap of paper, can you rough out your monthly budget for me -- your expenditures DURING THE LAST MONTH?

(Intent: Respondent's total expenditures.)

(Probe for these expenditures if not mentioned by respondent. If expenses or income vary from month to month, add all over the past 12 months and divide by 12 to construct typical month. All data should be entered in monthly form. If weekly data are given, multiply by 4.33. If bi-weekly data are given, multiply by 2.17. If bi-monthly data are given, multiply by 2.)

	Housing (rent, utilities)
	Food <i>(Add cash expenditures for food that Food Stamps don't cover to Food Stamp amount. Deduct any Food Stamp benefits sold or given away.)</i>
	Eating Out with kids.
	Clothing – Mom
	Clothing – Dad
	Clothing -- Kid s <i>(School / Summer /Shoes /Hats, Coats, Books)</i>
	Transportation – Car or Other <i>(Cab, Bus, Train, Carpool)</i>
	Child Care/Baby-sitting
	Phone
	Time Payments <i>(specify for what)</i>
	Furniture/ Appliances/ Other Households Items
	Other MONTHLY or YEARLY expenses?
	Hair Care for MOM
	Hair Care for DAD
	Hair Care for KIDS
	Gifts/Toys <i>(purchases or cash gifts to others, including children, relatives, friends)</i>
	Going out with EACH OTHER, without the kids
	Going out with FRIENDS, without the kids
	Lottery <i>(Probe for who pays and who plays)</i>
	Alcohol <i>(Probe for who buys, who consumes)</i>
	Cigarettes <i>(Probe for who buys and consumes)</i>
	Cable TV <i>(Probe for who pays bill and who watches)</i>
	Movies/Video Rentals <i>(Probe for who pays and who watches)</i>
	Other Entertainment <i>(Probe for expenditures on recreational drugs, trips to amusement parks, trips to visit relatives, etc.) (Probe for who buys, who consumes)</i>

CONTINUED

Appendix 1: Household Budget Interview Guide (Continued)

Now lets talk about your income OVER THE PAST MONTH.

	TANF
	FOOD STAMPS
	SSI (Supplemental Security Income or “disability”)
	Foster Care
	Child Support
	MAIN JOB WAGES
	OVERTIME WAGES
	SECOND JOB/ODD JOB WAGES
	EITC/TAX RETURN

44. In the last month, have you felt you have enough money to pay your bills? IF NO → How do you manage?