

# Working Papers

**EDUCATION, ASSETS, AND  
INTERGENERATIONAL WELL-BEING:  
THE CASE OF FEMALE HEADED FAMILIES**

**Li-Chen Cheng  
Deborah Page-Adams**

**Working Paper No. 96-3  
1996**

A subsequent version of this paper has been published as:  
Cheng, Li-Chen (1999). Assets accumulation and intergenerational transmission among female headed families. *NTU Social Work Review*, 1, 113-143.



**Center for Social Development**

 **Washington**  
WASHINGTON · UNIVERSITY · IN · ST · LOUIS

George Warren Brown School of Social Work

**Education, Assets and Intergenerational Well-Being:  
The Case of Female Headed Families**

Li-Chen Cheng, Ph.D.  
Associate Professor  
Department of Social Work  
Soochow University  
70, Lin-Hsi Road  
Taipei, Taiwan  
Telephone (02) 881-9471 ext. 6333  
Fax (02) 883-1340  
E-mail lcc928@mbm1.scu.edu.tw

Deborah Page-Adams, Ph.D.  
Assistant Professor  
School of Social Welfare  
University of Kansas  
106 Twente Hall  
Lawrence, Kansas 66045  
Telephone (913) 864-4720  
Fax (314) 864-5277  
E-mail debpa@sw1.socwel.ukans.edu

Earlier versions of this paper were presented at the Seventh International Conference of the Society for the Advancement of Socio-Economics, Washington, DC, April 7-9, 1995 and at the 42nd Annual Program Meeting of the Council on Social Work Education, Washington, DC, February 15-18, 1996. This research was supported by a grant from the Joyce Foundation. The authors would like to thank Esther Cho, Mark Rank, and Michael Sherraden for their invaluable assistance.

## **Abstract**

This paper reports findings from an analysis of economic well-being among female headed households. Previous theoretical and empirical work in this area suggests that poverty among female headed families is to some extent an intergenerational process, a vicious cycle. One common explanation for this pattern is that low socioeconomic status in a woman's family of origin results in low educational attainment and, ultimately, in low earning capacity. However, an exclusive focus on education may overlook the long term dynamics of the household as an institution that can accumulate assets to enhance economic well-being across generations.

Using data from the National Survey of Families and Households, we test an intergenerational model of economic well-being among female headed households. Parental socioeconomic status is hypothesized to affect both educational attainment and asset accumulation of adult daughters. Education and assets are then hypothesized to have positive effects on the economic well-being of households comprised of adult daughters and their children. Results of path analysis demonstrate that both education and assets have positive effects on economic well-being among female headed families. However, parental socioeconomic status works almost entirely through asset accumulation rather than education in shaping the economic well-being of such families. Our findings indicate that assets play a central role in the intergenerational transmission of poverty for female headed families. Results suggest that educational strategies for women who are single parents should be balanced with asset building initiatives.

## Introduction

The US Bureau of the Census (1993) reports that there has been a 139 percent increase in female headed families since 1970. Such families now constitute 25 percent of all families with children. Of concern among policy makers is the link between female headed households and poverty. Approximately one-third of all families maintained by women, and half of all black female headed families, are poor (US Bureau of the Census, 1993).

Not only are female headed families especially vulnerable to poverty (Amato and Partridge, 1987; Bane, 1986; Downey and Moen, 1987; McLanahan and Booth, 1989; Smith, 1980; Zopf, 1989), but children who grow up in poor female headed households are more likely than others to face economic difficulties as adults (Amato and Keith, 1991; Corcoran, Duncan and Hill, 1984; Duncan and Rodgers, 1988; Gottschalk, McLanahan and Sandefur, 1994; Hill and Ponza, 1983; McLanahan, 1985; Mueller and Cooper, 1986; Smith, 1980). Poverty is, thus, to some extent an intergenerational process, a vicious cycle.

Previous scholarly work in this area has documented the intergenerational transmission of poverty and highlighted the particular economic vulnerability of female headed families. However, not every female headed family lives in poverty, nor does every impoverished household stay poor for a long period of time (Bane, 1986; Corcoran, Duncan and Hill, 1984; Kniesner, McElroy and Wilcox, 1988). Why do some female headed families have higher levels of economic well-being than others?

Educational attainment, as one measure of human capital, is widely believed to be responsible for the economic diversity among female headed families (Bane, 1986; Bane and Ellwood, 1983; McLanahan and Garfinkel, 1989; Osmond and Grigg, 1978; Rank, 1994). However, an exclusive

focus on education may overlook the long-term dynamics of families as institutions that can accumulate assets and, thereby, reduce vulnerability to poverty across generations. Sherraden (1991) suggests that assets increase the economic well-being of offspring by cushioning income shocks that often occur with unemployment, illness, and marital dissolution. This study examines the effects of parental socioeconomic characteristics, educational attainment, and asset holding on economic well-being among female headed families.

### **Intergenerational Perspectives on Poverty**

Social structural perspectives on the transmission of poverty across generations include Dahrendorf's (1979) discussion of life chances, Schiller's (1989) restricted opportunities argument, Rank's (1994) structural vulnerability explanation, and Sherraden's (1991) asset-based analysis of how economic deprivation in one generation leads to poverty in the next. From Dahrendorf's perspective:

Life chances are not attributes of individuals. Individuals have life chances in society; their life chances may make or break them; but their lives are a response to these chances. Life chances are a mold. They may be too big for individuals and challenge them to grow; or they may be too restricted and challenge them to resist. Life chances are opportunities for individual growth, for the realization of talents, wishes and hopes, and these opportunities are provided by social conditions (Dahrendorf, 1979, pp. 29-30).

Dahrendorf argues that life chances are determined by the social structure and operate across generations by defining: (1) a person's options or choice sets and (2) linkages or connections between people within various social strata. Dahrendorf's analysis suggests that children in poor

households may respond to limited life chances by internalizing restricted options and constrained connections.

Similarly, Schiller (1989) argues that economic and social disadvantages in one generation lead to poverty in the next by restricting children's opportunities. He writes: "...the poor are poor because they do not have adequate access to good schools, jobs, and income, because they are discriminated against on the basis of color, sex, or income class and because they are not furnished with a fair share of government protection, subsidy, or services" (p. 3). From this perspective, low socioeconomic status imposes constraints that limit, or even block, the upward mobility of children.

Rank's (1994) structural vulnerability explanation of intergenerational poverty transmission suggests that limited human capital makes people more vulnerable to financial crises, and that such crises result from broader economic, social and political changes. Noting that characteristics such as race and gender can be seen as components of human capital, Rank posits that people with low levels of human capital respond to structural changes and forces in society from an economically vulnerable position. He summarizes explanations of the intergenerational reproduction of social class, writing that "...variations in economic and social class result in significant differences in resources and opportunities for children. These differences in turn affect children's future life chances and outcomes, including the accumulation of human capital (p. 180)." Rank's explanation leads him to support policy changes designed to: (1) increase human capital and (2) reduce the negative impact of structural changes in the larger economic, social, and political environment.

One of the initiatives that Rank supports is Sherraden's (1991) recommendation for policies to help low-income families accumulate assets. Proposals for asset-based anti-poverty initiatives are based on the notion that people will be better off when they have assets. Sherraden suggests that assets have a wide range of positive personal and social effects on well-being beyond consumption.

Of particular relevance to this discussion is Sherraden's suggestion that assets have positive intergenerational effects on economic well-being.

Sherraden points out that asset accumulation in most US households happens largely because of institutional arrangements, including tax laws that facilitate the accumulation and intergenerational transfer of assets in middle and upper income families. Thus, asset accumulation policies help non-poor families reduce the risk of poverty in future generations, but policies for poor people often restrict such accumulation which, in turn, limits their economic mobility. For example, asset tests used to determine AFDC eligibility effectively prohibit people who receive public assistance from accumulating assets. Sherraden recommends new policies to facilitate the accumulation and intergenerational transfer of assets in all families.

To summarize, previous theoretical work on the intergenerational transmission of poverty suggests that adult children of parents with unfavorable socioeconomic characteristics are less likely to: (1) attain high levels of education and other forms of human capital and (2) inherit or otherwise benefit from accumulated assets. The intergenerational transmission of poverty has special import for girls who are more likely than boys to be single parents as adults. Women who become single parents as a result of marital disruption often face dramatic decreases in household resources (Arendell, 1986; Bergmann, 1986; Robins and Dickinson, 1984; Sands and Nuccio, 1989; Seltzer and Garfinkel, 1990; US Census of the Bureau, 1993). Never married mothers, who are less likely than their divorced counterparts to receive child support payments, face even harsher economic realities (Besharov, 1992; Boumil and Friedman, 1996; Garfinkel, 1992). Whether previously or never married, single mothers whose parents had low socioeconomic status face combined disadvantages associated with the economic realities in both their childhood and adult families. In this study, we hypothesize that such disadvantages include both limited education and

limited assets which, in turn, have negative effects on the economic well-being of female headed families.

More specifically, our hypotheses are that the socioeconomic characteristics of girls' families of origin affect their educational attainment and asset accumulation. Parents' occupational status and welfare use are key socioeconomic characteristics of families of origin. Race, which is limited in this study to black and white female heads, is also considered an indicator of socioeconomic status and is hypothesized to help explain differences in economic well-being among female headed families because of its impact on both human capital and asset accumulation (Jaynes and Williams, 1989; Oliver and Shapiro, 1995; Zopf, 1989). We expect that parents' occupational status, parents' welfare use, and race will be correlated. Education and assets are then hypothesized to increase economic well-being for families comprised of adult daughters and their children. Figure 1 shows our conceptual model.

### **Data Set and Study Variables**

In this study, we use data from the first wave of the National Survey of Families and Households (NSFH). The NSFH is a nationally representative sample of 13,017 individuals with a main sample of 9,643 respondents and an oversample of 3,374 respondents. Single parent families and black families were double sampled as part of the oversampling strategy. Face-to-face interviews were conducted between March 1987 and May 1988, and additional information was gathered through self-administered questionnaires covering sensitive topics. In selecting respondents, the NSFH randomly selected an adult member of the household as the primary respondent. In cases involving female headed families, this respondent was most often the single mother (see Sweet, Bumpass and Call, 1988, for a more detailed description of the data set).



The NSFH is particularly well-suited for the purposes of this study. First, the data set includes an oversample of single parent families. Second, the NSFH contains information about social and economic realities in respondents' families of origin as well as in their adult families. Such data are required to test our intergenerational model of economic well-being among female headed families. Consistent with the US Bureau of the Census, "female headed families" are households consisting of a mother and at least one dependent child under the age of 18 related by birth or adoption. This study is limited to the 846 white and black female headed families with complete responses to all NSFH questions of interest here. Our subsample includes 553 white and 293 black female headed families.

#### *Outcome Variable*

The outcome of interest in this study is economic well-being among female headed families. Following Maume (1988), economic well-being is conceptualized as the distance between earned income and the poverty line. Much previous poverty research has used the poverty line to create a dichotomous measure of economic well-being. While this approach may be useful for counting the number of poor people, it is less helpful in measuring depth of economic distress because the poverty line is established at a fairly arbitrary income level and fails to reflect the continuum that stretches from severe poverty to economic well-being (Haveman, 1987; Ruggles, 1990; Watts, 1986). Moreover, movement into and out of poverty is commonplace for those whose incomes are near this line (Bane and Ellwood, 1983; Duncan, 1984). Therefore, measuring economic well-being as a dichotomy based on whether household income is above or below the poverty line at any one point in time would not accurately reflect vulnerability to poverty.

Rather than using a dichotomous poverty measure, our measure of economic well-being is a ratio of earned income to the poverty line adjusted for family size. In calculating this income-to-need ratio, we exclude interest, dividends, and other investment income from total household income in order to avoid confounding effects since our asset measure is based on savings and investments. We also exclude public assistance from total household income to avoid confounding effects because holding assets worth more than a nominal amount would have precluded public assistance at the time these data were collected. Thus, our measure of economic well-being reflects only earned income, which is of central concern in current anti-poverty policy discussions. Our income-to-need variable was skewed, so the common logarithm of this measure was calculated and used in tests of the path model.

### *Explanatory Variables*

Parents' socioeconomic status is measured on the basis of father's or mother's occupation at the time that the female head was 16 years old. The NSFH asked female heads "What kind of work did your father or stepfather do when you were about age 16?" and "What were his main duties at that job?" Similar questions were asked to determine the mother's occupation. If the father was the sole employed person in a married couple household, or if the household contained only a father, his occupation was used. If there was no father in the household at age 16, the mother's occupation was used. If both the father and mother were working outside the home, the occupation with the higher status of the two was used. The codes were then converted into an occupational socioeconomic index with higher scores indicating higher socio-economic status of families of origin (Stevens and Cho, 1985; Stevens and Featherman, 1981). To correct for skewness, the parents' socioeconomic status variable was transformed and the common logarithm was used in the analyses.

In addition to parents' occupational status, we hypothesize that parents' welfare use and race are socio-economic characteristics that have independent effects on economic well-being in female headed families through education and assets. Parents' welfare use is measured as a dichotomy on the basis of yes/no responses from female heads to the NSFH question "During the time you were growing up, until you were about 16 years old, did your family ever receive public assistance?" Race is also a dichotomous variable for the purposes of this study because of our prior decision to limit the analyses to black (coded 1) and white (coded 2) female headed families.

Parents' occupational status, welfare use, and race are hypothesized to affect the economic well-being of female headed families through the educational attainment and asset accumulation of adult daughters. Educational attainment, as a proxy for human capital, is thought to play a key role in explaining economic diversity among female headed families. Educational attainment is measured as the number of years of formal education completed by female heads of household.

In addition to education, we hypothesize that asset accumulation plays a role in explaining the relationship between parents' socioeconomic status and the economic well-being of adult daughters who maintain families. The measure of assets is based on responses from female heads to two NSFH questions about savings and investments: "What is the approximate total value of your savings, including saving accounts, saving bonds, IRAs, money market shares, and CD's?" and "What is the approximate total value of your investments, including stocks, bonds, shares in mutual funds, or other investments?" We summed the responses and created both a dichotomous (no assets/some assets) and a trichotomous (no assets/assets worth up to \$1500/assets worth more than \$1500) measure. We report results based on the use of the trichotomous measure, but the results do not vary substantively when the dichotomous measure is used.

## **Method of Analysis**

In this study, we use structural equation modeling (SEM) techniques to test the hypotheses embedded in our path analysis model. Structural equation models are similar to econometric models in their ability to consider simultaneous equations with more than one endogenous variable. However, most econometric methods rest on the assumption that variables are measured without error. The use of SEM techniques to test our path analysis model allows us to simultaneously estimate all of the hypothesized relationships within the model while taking measurement error into account (Bollen, 1989; Joreskog and Sorbom, 1993).

In analyses using SEM techniques, a nonsignificant chi-square value indicates that the model fits the data. The chi-square statistic is based on a comparison of predicted and observed covariance matrices. In addition to the chi-square statistic, we use several other measures designed to help evaluate goodness-of-fit. A goodness-of-fit index (GFI) and a goodness-of-fit index adjusted degrees of freedom (AGFI) compare the fit of the hypothesized model with the fit of the null model. In other words, these indices measure how much better a hypothesized model fits the data than a model based on the assumption of no significant covariation among variables. Values for both the GFI and the AGFI range from zero to one, with a value greater than .95 indicating a good fit between the model and the data. Another measure that we use to evaluate goodness-of-fit is the root mean square error of approximation (RMSEA), which was first suggested by Steiger (1990). Browne and Cudeck (1993) recommend using the RMSEA measure in research with large samples, noting that a RMSEA value of less than .05 with an upper confidence interval of less than .08 indicate a good fit between a model and the data.

## Results

Table 1 details the explanatory variables used in these analyses and Table 2 shows their correlations with one another. Because most of our variables are categorical, polychoric and polyserial correlations are used to analyze bivariate relationships. As expected, the independent variables measuring parents' occupational status, parents' welfare use, and race are correlated. The correlation between parents' occupational status and welfare use reflects the fact that eligibility for public assistance is partially determined on the basis of income. In analyses not shown here, we found that the parents of black women in the sample had significantly lower occupational status scores on average than their white counterparts. Parents of black women also had significantly higher rates of welfare use than parents of white women. Even so, the relationships between indicators of parents' socioeconomic status are modest with none of the coefficients large enough to suggest serious problems with multicollinearity.

Our path model is presented in Figure 2 along with the results of SEM analysis. The hypotheses embedded in the path model are that parents' occupational status, parents' welfare use, and race affect the educational attainment and asset accumulation of adult daughters which, in turn, positively affect the economic well-being of families comprised of the adult daughters and their children. The chi-square value associated with a test of the model demonstrates a good fit with the data ( $\chi^2$  with 4 df = 6.33,  $p = .18$ ). Other fit measures, including the goodness of fit index (GFI = 1.00), the adjusted goodness fit index (AGFI = .99), and the root mean square error of approximation (RMSEA = .026, 90% confidence interval = .063) also indicate that the model fits the data.

An examination of the coefficients associated with paths in the model reveals that both education

and assets have significant positive effects on economic well-being among female headed families ( $B = .35, t = 2.75$ ; and  $B = .69, t = 11.36$ ; respectively). However, indicators of parental socioeconomic status work through asset accumulation, rather than education, in shaping the economic well-being of families comprised of adult daughters and their children. For example, parents' occupational status has a positive effect on asset accumulation among adult daughters ( $B = .13, t = 3.65$ ) but is not significant in its affect on their educational attainment ( $B = .12, t = 1.12$ ). Likewise, parents' welfare use negatively affects asset accumulation ( $B = -.28, t = -7.71$ ) but not educational attainment ( $B = -.05, t = -.33$ ). Finally, adult daughters who are white are significantly more likely to hold assets ( $B = .17, t = 5.72$ ) but not to attain higher levels of education ( $B = .22, t = 1.75$ ) than adult daughters who are black. While both educational attainment and asset accumulation are important, only asset holding helps to explain the relationship between parents' socioeconomic status and economic well-being among families headed by their adult daughters.

Table 3 presents the effects of parents' occupational status, parents' welfare use, race, education, and assets on economic well-being among female headed families. Parents' occupational status has a significant positive effect on economic well-being ( $B = .13, t = 3.41$ ), working almost entirely through the asset accumulation of adult daughters. Parents' welfare use, on the other hand, has a negative impact on economic well-being ( $B = -.21, t = -3.39$ ) by reducing asset holding among adult daughters. Race has a less pronounced, but still significant, effect on economic well-being among female headed families ( $B = .19, t = 2.56$ ). This effect, once again, works largely through assets with significantly greater accumulation by white female heads than by black female heads. As a result of this pattern, the effects of

educational attainment are dwarfed by the effects of asset holding on the economic well-being of female headed families ( $B = .35$ ,  $t = 2.75$ ; and  $B = .69$ ,  $t = 11.36$ ; respectively).

## **Discussion**

Findings from this study have implications for our understanding of the intergenerational transmission of poverty and for anti-poverty policies and programs for female headed families. Because female headed families are particularly vulnerable to poverty, and because human capital has been widely held to be a central factor in explaining economic differences between such families, many anti-poverty initiatives focus on educational strategies. Our results regarding the direct effects of education on economic well-being parallel previous studies showing that the educational attainment of female heads is a strong predictor of earning ability (Bane, 1986; Bane and Ellwood, 1983; McLanahan and Garfinkel, 1989; Osmond and Grigg, 1978; Rank, 1994).

But our findings also suggest that models of economic well-being among female headed households that include education, but do not take the effect of assets into account, may be misspecified. This suggestion follows the work of others who have noted that poverty explanations which rest on differences in human capital are incomplete. First, human capital differences explain only one-third of the wage gap between men and women, and between blacks and whites (Corcoran, Duncan and Hill, 1984). Second, public programs that increase human capital among mothers receiving public assistance do not guarantee an adequate income (Bassi and Ashenfelter, 1986; Burtless, 1989; Schiller, 1989; Walker, 1989). Third, even during periods of economic growth, the poverty rate among female headed households remains relatively constant because women's jobs are more likely to be concentrated in the service sector, which is marked by low-

paying, unstable, and dead-end employment with frequent lay-offs and discharges (Doeringer and Piore, 1975; Northrop, 1990).

Assets may help expand our understanding of poverty among female headed families. The results of this study suggest that parental socioeconomic status is mediated by asset accumulation, but not by educational attainment, of adult daughters who are single parents. Assets may work in both generations to reduce vulnerability to poverty among female headed families. First, adult daughters of parents who received public assistance are likely to receive limited, if any, intergenerational asset transfers. Asset tests used to determine eligibility for public assistance discourage asset accumulation among people who receive benefits. Such policies impede the intergenerational transfer of assets, thereby hindering the efforts of poor people to help their children and grandchildren (Sherraden, 1991). Oliver and Shapiro (1995) note that asset tests have had particularly harmful cumulative effects on blacks and have helped to sediment racial inequality across generations. Our findings offer some empirical evidence of the intergenerational effects of asset testing in that the negative effect of parents' welfare use on asset accumulation among adult daughters in our sample was stronger than the effects of parents' occupational status or race.

Regardless of whether adult daughters receive assets from their parents or through other means, those with assets may increase the economic well-being of their families in part by buffering financial crises that often occur with major life events such as unemployment, illness, and marital dissolution. During such times,

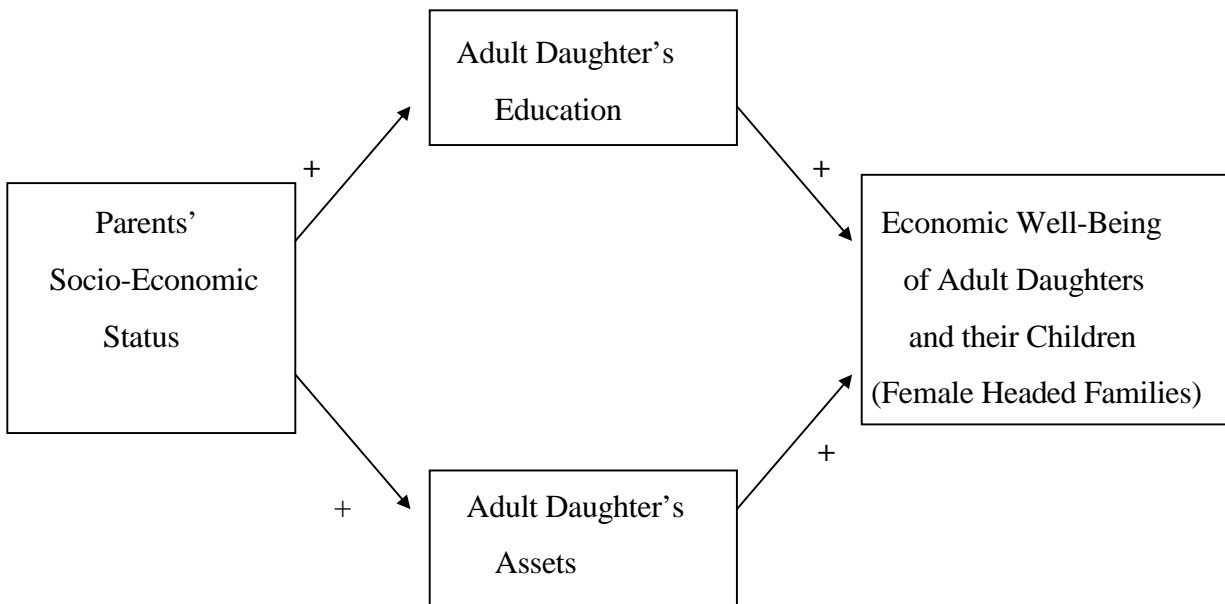
Assets cushion income shocks by providing resources to bridge income shortfalls. When assets are present, the family is less likely to fall into chaos, and more likely to maintain social and economic equilibrium until sufficient income can be reestablished (Sherraden, 1991, p. 149).



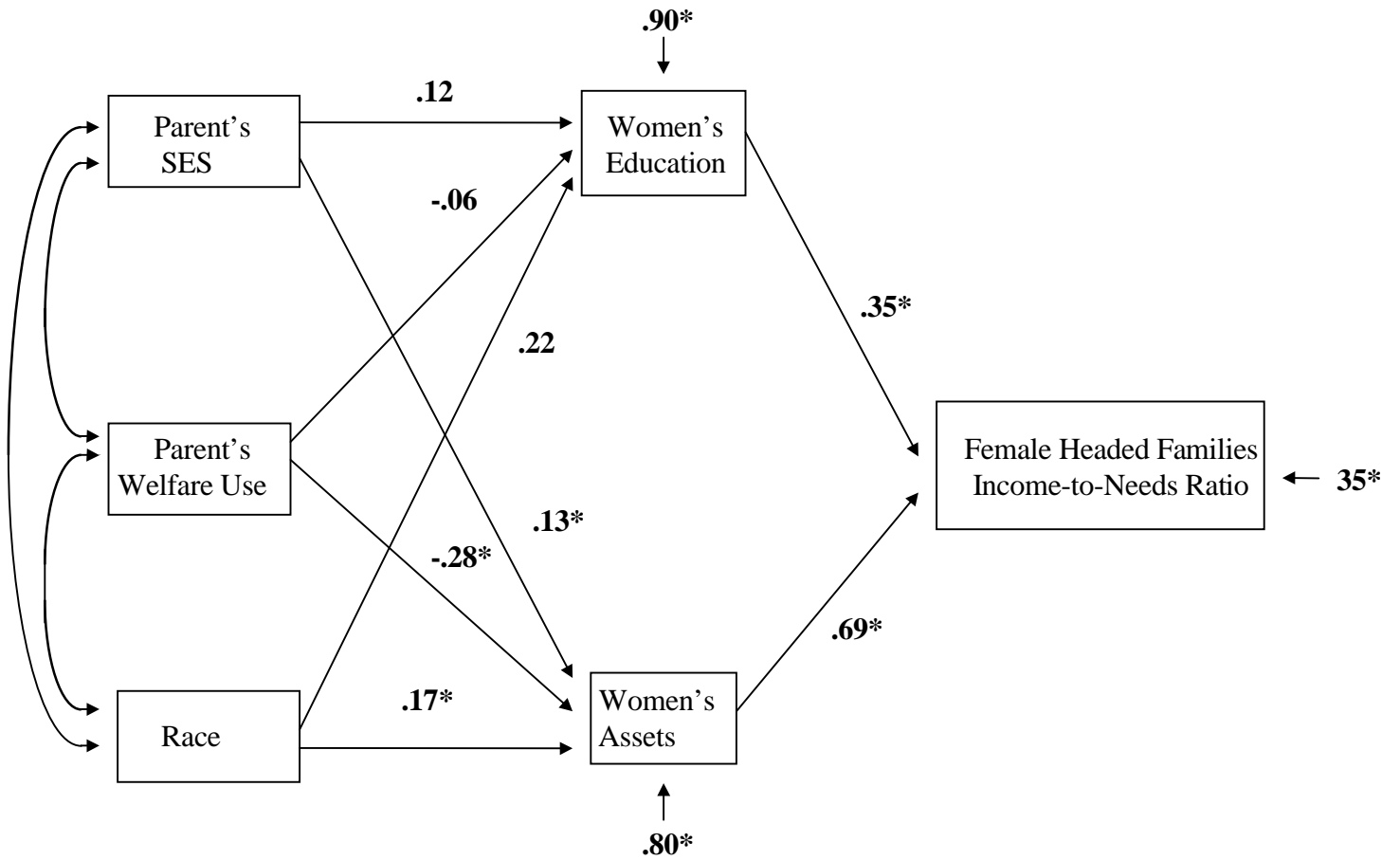
This parallels Schiller's (1989) discussion of the ways in which wealth can have positive economic effects, both in the short-term and in the long-term, by buffering financial hardship during family crises.

If assets have the positive effects found in this study, then policies and programs seeking to increase the economic well-being of female headed families should balance educational strategies with asset building initiatives. A number of asset-based anti-poverty programs have emerged at local and state levels (Edwards and Sherraden, 1995) and federal legislation for a demonstration of matched savings in individual development accounts (IDAs) has bipartisan support, with the current Senate bill being sponsored by Dan Coats (R, IN) and Carol Moseley-Braun (D, IL). Such policies and programs may be particularly important for female headed families given their vulnerability to poverty. Strategies that facilitate asset accumulation among such families may increase economic well-being in both this generation and the next.

**Figure 1. Conceptual Model of Economic Well-Being  
Among Female Headed Families**



**Figure 2. Parental Socioeconomic Status, Education, Assets and the Economic Well-Being of Female Headed Families**



\* Statistically significant.

Chi-Square=6.33; df=4; p=.18  
 Root Mean Square Error of Approximation=0.026  
 90% Confidence Interval of RMSEA=0.063  
 Goodness Fit Index (GFI)=1.00  
 Adjusted Goodness Fit Index (AGFI)=.99

**Table 1. Descriptive Statistics of Explanatory Variables  
(Adult Daughters Who Head Families; *N* = 846)**

<b>Variables</b>	<b>Means (Standard Errors)</b>	<b>Percentages</b>
<b>Parents' SES<sup>a</sup></b> (Based on Occupations when Daughter was 16)	33.24 (17.71)	
<b>Parents' Welfare Use</b>		
<b>No</b>		82.2%
<b>Yes</b>		17.8%
<b>Race</b>		
<b>Black</b>		34.6%
<b>White</b>		65.4%
<b>Education<sup>b</sup></b> (Years of Schooling for Adult Daughters)	12.57 (2.20)	
<b>Assets<sup>c</sup></b> (Savings & Investments of Adult Daughters)		
<b>None</b>		54.6%
<b>Up to \$1500</b>		18.1%
<b>More than \$1500</b>		27.3%

Notes: <sup>a</sup> Range = 9.14 - 89.57; Skewness = 1.27; Kurtosis = .89.

<sup>b</sup> Range = 4 - 20; Skewness = .47; Kurtosis = 1.88.

<sup>c</sup> Results of analyses reported here do not vary substantively when assets variable is dichotomized (no assets = 54.6%; some assets = 45.4%).

**Table 2. Correlation Matrix of Explanatory Variables**

Variables	1	2	3	4
1. Parents' SES				
2. Parents' Welfare Use	<b>-.283</b> (PS)			
3. Race*	<b>.367</b> (PS)	<b>-.394</b> (PC)		
4. Education	<b>.282</b> (PS)	<b>-.205</b> (PC)	.072 (PC)	
5. Assets	<b>.250</b> (PS)	<b>-.302</b> (PC)	<b>.332</b> (PC)	<b>.519</b> (PC)

Notes: Correlations that are italicized and bold-faced are statistically significant.  
PC= Polychoric Correlation; PS= Polyserial Correlation.  
\*Race is coded so that 1 = black and 2 = white.

**Table 3. Effects on Economic Well-Being**

<b>Variables with Indirect Effects</b>	<b>Effect Coefficients</b>
<b>Parents' SES</b>	.13 (.04) <i>3.41</i>
<b>Parents' Welfare Use</b>	-.21 (.06) <i>-3.39</i>
<b>Race</b>	.19 (.08) <i>2.56</i>
<b>Variables with Direct Effects</b>	
<b>Education</b>	.35 (.13) <i>2.75</i>
<b>Assets</b>	.69 (.06) <i>11.36</i>

Notes: Standard errors are in parentheses.  
 The italicized numbers are *t*-values.  
 All effect coefficients are significant.

## REFERENCES

- Amato, Paul R., and Bruce Keith. "Separation from a Parent during Childhood and Adult Socioeconomic Attainment." Social Forces 70 (1991): 187-206.
- Amato, Paul R., and Sonia Partridge. "Widows and Divorcees with Dependent Children: Material, Personal, Family, and Social Well-Being." Family Relations 36 (1987): 316-20.
- Arendell, Terry. Mothers and divorce: Legal, economic, and social dilemmas. Berkeley: University of California Press, 1986.
- Bane, Mary Jo. "Household Composition and Poverty." In Fighting Poverty: What Works and What Doesn't. Eds. Sheldon H. Danziger and Daniel H. Weinberg. Cambridge, MA: Harvard University Press, 1986.
- Bane, Mary Jo, and David T. Ellwood. The Dynamics of Dependence: The Routes to Self-Sufficiency. Washington, DC: U.S. Department of Health and Human Services, 1983.
- Bassi, Laurie J., and Orley Ashenfelter. "The Effects of Direct Job Creation and Training Program on Low Skilled Workers." In Fighting Poverty: What Works and What Doesn't. Eds. Sheldon H. Danziger, and Daniel H. Weinberg. Cambridge, MA: Harvard University Press, 1986.
- Bergmann, Barbara R. The Economic Emergence of Women. New York: Basic Books, 1986.
- Besharov, Douglas J. "Not all Single Mothers Are Created Equal." The American Enterprise 3 (1992): 13-17.
- Bollen, Kenneth A. Structural Equations with Latent Variables. New York: John Wiley & Sons, 1989.
- Bould, Sally. "Female-Headed Families: Personal Fate Control and the Provider Role." Journal of Marriage and The Family 39 (1977): 339-49.

Boumil, Marcia M., and Joel Friedman. Deadbeat Dads: A National Child Support Scandal.

Westport, CT: Praeger, 1996.

Browne, Michael W., and Robert Cudeck. "Alternative ways of assessing model fit." In Testing Structural Equation Models. Eds. Kenneth A. Bollen & J. Scott Long. Newbury, Ca: Sage Publication, 1993.

Burtless, Gary. "The Effect of Reform on Employment, Earning, and Income." In Welfare Policy for the 1990s. Eds. Phoebe H. Cottingham and David T. Ellwood. Cambridge, MA: Harvard University Press, 1989.

Corcoran, Mary, Greg J. Duncan, and Martha S. Hill. "The Economic Fortunes of Women and Children: Lessons from the Panel of Income Dynamics." Journal of Women in Culture and Society 10 (1984): 232-48.

Dahrendorf, Ralf. Life Chances: Approaches to Social and Political Theory. Chicago: University of Chicago Press, 1979.

Doeringer, Peter, and Michael J. Piore. "Unemployment and the Dual Labor Market." The Public Interest 38 (1975): 67-69.

Downey, Geraldine, and Phyllis Moen. "Personal Efficacy, Income, and Family Transitions: A Longitudinal Study of Women Heading Households." Journal of Health and Social Behaviors 28 (1987): 320-33.

Duncan, Greg J., ed. Years of Poverty, Years of Plenty. Ann Arbor, MI: University of Michigan Press, 1984.

Duncan, Greg J., and Willard L. Rodgers. "Longitudinal Aspects of Childhood Poverty." Journal of Marriage and the Family 50 (1988): 1007-21.



Edwards, Karen, and Michael Sherraden. Individual Development Accounts: Asset-based Policy Innovation. St. Louis, MO: Center for Social Development, Washington University, 1995.

Garfinkel, Irwin. Assuring Child Support: An Extension of Social Security. NY: Russell Sage Foundation, 1992.

Gottschalk, Peter, Sara McLanahan, and Gary D. Sandefur. "The Dynamics and Intergenerational Transmission of Poverty and Welfare Participation." In Confronting Poverty: Perceptins for Change. Eds. Sheldon H. Danziger, Gary D. Sandefur, and Daniel H. Weinberg. Cambridge, MA: Harvard University Press, 1994.

Haveman, Robert H. Poverty Policy and Poverty Research: The Great Society and the Social Sciences. Madison, WI: The University of Wisconsin Press, 1987.

Hill, Martha, and Michael Ponza. "Poverty and Welfare Dependence Across Generations." Economic Outlook USA 10 (1983): 61-64.

Jaynes, Gerald D., and Robin M. Williams, Jr. Common Destiny: Blacks and American Society. Washington D.C.: National Academy Press, 1989.

Joreskog, Karl and Dag Sorbom. Lisrel 8: Structural Equation Modeling with the SIMPLIS Command Language. Chicago, IL: Scientific Software International, 1993.

Kniesner, Thomas J., Marjorie B. McElroy, and Steven P. Wilcox. "Getting Into Poverty Without a Husband, and Getting Out, With or Without." American Economic Review 78 (1988): 91-95.

Maume, David J. "Local Labor Market Structure and the Poverty Vulnerability of Black and White Women in Large Metropolitan Areas." In Poverty and Social Welfare in the United States. Ed. Donald Tomaskovic-Devey. Boulder, CO: Westview Press, 1988.

- McLanahan, Sara S. "Family Structure and the Reproduction of Poverty." American Journal of Sociology, 90 (1985): 873-901.
- McLanahan, Sara S., and Karen Booth. "Mother-Only Families: Problems, Prospects, and Politics." Journal of Marriage and the Family 51 (1989): 557-80.
- McLanahan, Sara S., and Irwin Garfinkel. "Single Mother, the Underclass and Social Policy." The Annals of the American Academy 501 (1989): 92-104.
- Mueller, Daniel P., and Philip W. Cooper. "Children of Single Parent Families: How They Fare as Young Adults." Family Relations 35 (1986): 169-176.
- Northrop, Emily M. "The Feminization of Poverty: The Demographic Factor and The Composition of Economic Growth." Journal of Economic Issues 26 (1990): 145-60.
- Oliver, Melvin L., and Shapiro, Thomas M. Black Wealth / White Wealth: A New Perspective on Racial Inequality. New York: Routledge, 1995.
- Osmond, Marie W., and Charles M. Grigg. "Correlates of Poverty: The Interaction of Individual and Family Characteristics." Social Forces 56 (1978): 1099-1120.
- Rank, Mark R. Living on the Edge: The Realities of Welfare in America. New York: Columbia University Press, 1994.
- Robins, Philip K., and Katherine P. Dickinson. "Receipt of Child Support by Single-Parent Families." Social Service Review 58 (1984): 622-41.
- Ruggles, Patricia. Drawing the Line: Alternative Poverty Measures and their Implications for Public Policy. Washington D.C.: The Urban Institute Press, 1990.
- Sands, Robert G., and Kathleen E. Nuccio. "Mother-Headed Single-Parent Families: A Feminist Perspective." Affilia 4 (1989): 25-41.

- Schiller, Bradley R.. The Economics of Poverty and Discrimination. Englewood Cliffs, CA: Prentice-Hall, 1989.
- Seltzer, Judith A., and Irwin Garfinkel. "Inequality in Divorce Settlements: An Investigation of Property Settlements and Child Support Awards." Social Science Research 19 (1990): 82-111.
- Sherraden, Michael W. Assets and The Poor: A New American Welfare Policy. New York: M. E. Sharpe, 1991.
- Smith, Michael J. "The Consequences of Single Parenthood: A Longitudinal Perspectives." Family Relations 29 (1980): 75-81.
- Steiger, James H. "Structural Model Evaluation and Modification: An Interval Estimation Approach." Multivariate Behavioral Research 25 (1990): 173-80.
- Stevens, Gillian, and Joo Hyun Cho. "Socioeconomic Indexes and the New 1980 Census Occupational Classification Scheme." Social Science Research 14 (1985): 142-168.
- Stevens, Gillian, and David L. Featherman. "A Revised Socioeconomic Index of Occupational Status." Social Science Research 10 (1981): 364-95.
- Sweet, James, Bumpass, Larry, and Call, Vaughn. The Design and Content of the National Survey of Families and Households, Working Paper NSFH-1. Madison, WI: Center for Demography and Ecology, University of Wisconsin, 1988.
- U.S. Bureau of the Census. Statistical Abstract of the United States 1993. Washington DC: Government Printing Office, 1993.
- U.S. Senate. S.1212, Assets for Independence Act: A Bill to Create an Individual Development Account Demonstration. Washington: U.S. Government Printing Office, 1995.

Walker, Gary. "Comment on Employment." In Welfare Policy for the 1990s. Eds. Phoebe H. Cottingham and David T. Ellwood. Cambridge, MA: Harvard University Press, 1989.

Wallerstein, Judith S., and Sandra Blakeslee. "Introduction." In Second Chances: Men, Women, And Children: A Decade After Divorce. Eds. Judith S. Wallerstein and Sandra Blakeslee. New York: Ticknor & Fields, 1989.

Watts, Harold W. "Have Our Measures of Poverty Become Poorer?" Focus 9 (1986): 18-23.

Wedemeyer, Nancy V., and Jill M. Johnson. "Learning the Single-Parent Role: Overcoming Traditional Marital-Role Influences." Journal of Divorce 5 (1982): 41-53.

Zopf, Paul E, Jr. American Women in Poverty. New York: Greenwood Press, 1989.