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# Informal Child Support Contributions in Black Female-Headed Families

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**Abstract** Key reforms to child support enforcement have aimed at increasing formal child support awards, levels and receipts. However, the role of child support contributions outside the formal child support system has been largely ignored. This study draws critical attention to these *informal* child support contributions, with chief focus on informal child support receipts of Black mothers. The study finds that Black mothers are significantly more likely to receive informal cash and in-kind child support contributions relative to other mothers, especially when non-resident fathers are also Black.

**Keywords** Informal child support · Black mothers

## Introduction

Child support contributions have been shown to be an important source of income for reducing child poverty and sustaining child wellbeing, particularly among single-mother families (Argys et al. 1998; Graham et al. 1994; Freeman and Waldfogel 2001; Knox 1996; Meyer and Hu 1999; Sorenson and Hill 2004). Key reforms to child support enforcement (i.e. the Child Support Amendments of 1984, Family Support Act of 1988 and Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996) have therefore aimed at raising child support award rates, levels and receipts in order to improve the welfare of children (Freeman and Waldfogel 2001; Nepomnyaschy and Garfinkel 2010). These efforts however, have failed to acknowledge that child support contributions are also made independent of the formal child support system otherwise known as *informal* child support contributions.

In contrast to formal court-ordered child support awards, informal child support may be either cash or in-kind. Examining informal child support contributions is

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imperative given that a large percentage of unmarried parents have not established a child support order (Huang and Pouncy 2005). Unmarried mothers rely on informal contributions to maintain strong family ties and may even achieve larger contributions without a formal child support award (Edin 1995; Huang and Pouncy 2005). Pate (2002) also notes that child support enforcement tactics such as tax interception and imprisonment are less effective when non-resident fathers are unable to pay child support. For low-income Black fathers who typically have sporadic employment patterns, contributions under an informal child support arrangement may well be more practical than under a formal child support order.

Consequently, studies that have focused solely on formal child support awards and payments have missed an important piece of the child support puzzle. With a special emphasis on families headed by Black mothers, this study draws critical attention to the informal child support regime by analyzing the determinants of cash and in-kind child support contributions received outside of the formal child support system.

## Data

To empirically test this research question, I utilize data from the Fragile Families and Child Wellbeing Study (FFCWS). This Study was geared towards observing the conditions and capabilities of unwed parents and their children (*i.e. fragile families*). Given the paper's focus on Black female-headed families, these data are especially fitting to explore this research question. The FFCWS utilizes stratified random sampling to select parents from 20 large urban cities and is nationally representative of large cities with populations of 200,000 or more.

Parents were initially interviewed at the time of birth of their child (referred to as the “focal child”—the unit of observation of the Study). It samples almost 5,000 focal children born from 1998 to 2000 and follow-up interviews were conducted when the focal child was approximately 1, 3 and 5 years old. I create a dataset from these follow-up interviews, spanning the years 1999 to 2006.

### Informal child support contributions to nonmarital children

The analysis sample is restricted to children born to unwed parents and whose parents are not coresiding *ex post*. While some coresiding parents do have formal child support orders or informal child support arrangements, I have chosen to exclude coresiding couples to be consistent with the previous literature and to ensure that child support transfers are inter-household transfers. It is important to note that resident fathers provide intra-household transfers of not only explicit monetary payments but implicit benefits as well, which are not readily comparable with non-resident fathers (Nepomnyaschy and Garfinkel 2010).

Throughout all follow-up interviews, the FFCWS gathers data on formal and informal child support transfer payments. Mothers, who chiefly report these data, tend to under-estimate child support contributions whereas fathers tend to over-estimate their child support transfers. To what extent either parent misestimates the child support payment amount is debatable; however, I rely mostly on the mothers' reports since these are less likely to have non-response bias relative to non-resident

fathers' reports (Nepomnyaschy 2007). Still, to reduce measurement error from inaccurate reports on payments, I construct binary measures for informal cash and in-kind child support contributions. Therefore, conditional on *not* having a formal child support order, I define two binary outcome measures: (1) the mother receives any informal cash contributions from the non-resident father; (2) the mother receives any informal in-kind contributions from the non-resident father.

Table 1 presents a simple description of child support contributions in the analysis sample. Even though more than 60% of mothers have no formal child support orders, over 50% of them receive informal cash or in-kind contributions from non-resident fathers. This is particularly characteristic of Black mothers. Although the

**Table 1** Summary statistics

| Variable                               | All Mothers |       | Black Mothers |      |
|--|-------------|-------|---------------|------|
|  | Mean        | S.D.  | Mean          | S.D. |
| No Formal Child Support Order          | 0.65        | 0.48  | 0.65          | 0.48 |
| Informal Monetary Contributions        | 0.48        | 0.50  | 0.52          | 0.50 |
| Informal In-Kind Contributions         | 0.62        | 0.49  | 0.66          | 0.47 |
| State Characteristics                  |             |       |               |      |
| Std. CSE Expenditures (per capita)     | 0.01        | 0.91  | 0.08          | 0.87 |
| State Male Wages                       | 6.32        | 0.10  | 6.33          | 0.10 |
| State Female Wages                     | 6.56        | 0.10  | 6.58          | 0.09 |
| State TANF Benefits (family of three)  | 5.99        | 0.40  | 6.04          | 0.33 |
| Child and parental characteristics     |             |       |               |      |
| Mother's Age at Child's Birth          | 23.61       | 5.59  | 23.64         | 5.69 |
| Father's Age at Child's Birth          | 26.62       | 7.18  | 26.75         | 7.63 |
| Child's Age (in months)                | 37.05       | 19.39 | 0.41          | 0.49 |
| Child is Male                          | 0.52        | 0.50  | 0.53          | 0.50 |
| Firstborn Child                        | 0.18        | 0.38  | 0.16          | 0.36 |
| Mother is HS Dropout                   | 0.43        | 0.49  | 0.41          | 0.49 |
| Mother has High School (HS) Diploma    | 0.33        | 0.47  | 0.36          | 0.48 |
| Mother has Some College                | 0.21        | 0.41  | 0.20          | 0.40 |
| Mother has College or beyond           | 0.03        | 0.17  | 0.03          | 0.18 |
| Father is HS Dropout                   | 0.38        | 0.49  | 0.35          | 0.48 |
| Father has High School (HS) diploma    | 0.42        | 0.49  | 0.46          | 0.50 |
| Father has Some College                | 0.17        | 0.38  | 0.17          | 0.38 |
| Father has College or beyond           | 0.03        | 0.17  | 0.03          | 0.16 |
| Mother Black                           | 0.64        | 0.48  | –             | –    |
| Father is Black                        | 0.65        | 0.48  | 0.92          | 0.27 |
| Father Involved (at the Child's Birth) | 0.91        | 0.29  | 0.94          | 0.24 |
| Interaction effects                    |             |       |               |      |
| Mother Black*Father Black              | 0.59        | 0.49  | 0.92          | 0.27 |
| Mother Black*Father Involved           | 0.60        | 0.49  | 0.94          | 0.24 |

Data: FFCWS

percentage of Black mothers without formal child support orders is about the same as the general analysis sample, still over 50% receive informal cash and nearly 70% receive in-kind contributions. Consequently, informal child support contributions may well play a vital role in alleviating child poverty and improving child wellbeing in the Black female-headed households.

### Empirical strategy

To investigate the effect of Black female-headship on informal cash and in-kind contributions, I estimate a simple logistic regression model of the form:

$$P(S_{ict}^j = 1 | \cdot) = T_{ct}\alpha_1 + X_{ict}\alpha_2 + \alpha_3 \mathbf{Mother\ Black}_{ic} + e_{ict} \quad (1)$$

**where**  $j = \{cash, in-kind\}$

where  $i$  indexes individual,  $c$  indexes the FFCWS city, and  $t$  indexes interview-year.  $S$  is the binary indicator for any informal (cash or in-kind) child support contributions received.  $T$  is a vector of state-specific variables including child support enforcement (CSE) expenditures per capita (std.), average TANF benefit levels for a family of three, male and female average wages.  $X$  is a vector of child and parental characteristics: child's age, birth order and gender; parents' age, education, father's race and involvement measured at the baseline interview. The variable of interest is the mother's racial identity measured by a binary indicator for Black race.

#### Interaction effects

To pinpoint more clearly differential effects of Black female-headship on informal child support contributions, I include interaction effects in the logistic regression model given by:

$$P(S_{ict}^j = 1 | \cdot) = T_{ct}\beta_1 + X_{ict}\beta_2 + \beta_3 \mathbf{Mother\ Black} + \beta_4 \mathbf{Mother\ Black*Father\ Black} + \beta_5 \mathbf{Mother\ Black*Father\ Involved} + u_{ict} \quad (2)$$

**where**  $j = \{cash, in-kind\}$

Qualitative studies have illustrated that families choose informal child support arrangements in lieu of formal child support orders due to sporadic employment of non-resident fathers, formal child support orders may be too high or encumber strong family cohesion (Edin 1995; Pate 2002; Waller and Plotnick 2001). The advantages of the informal child support regime may thus appeal to both Black mothers and fathers, thereby increasing informal child support cash and in-kind contributions in a substantial way.

Father involvement is expected to be positively associated with child support contributions (Johnson 2001; Nepomnyaschy 2007). As such, the interaction effect of Black female-headship and father's involvement will determine whether allowing fathers to be more involved in their children's lives increases the child support contributions the Black mother receives.

## Discussion

Table 2 presents marginal effects from the logistic regression model given by Eq. (1). The general model indicates that firstborn children are more likely to receive informal child support transfers; however, as children get older, they are less likely to receive informal child support transfers. Parental education also increases the likelihood a mother receives informal child support cash and in-kind contributions. If a mother has at least some college education, this increases the probability she receives informal child support cash contributions by at least 6 percentage points relative to mothers with high school diplomas. Moreover, non-resident fathers who are high school dropouts are less likely to make any informal cash and in-kind transfers by 5–8 percentage points compared to fathers with high school diplomas.

Father's involvement significantly increases the probability of receiving informal cash and in-kind contributions. Mothers are approximately 30 percentage points more likely to receive informal cash and about 40 percentage points more likely to receive informal in-kind contributions when non-resident fathers are involved in their children's lives. This finding suggests that father involvement is a complement rather than a substitute for child support transfers.

Black mothers are also significantly more likely to receive informal child support relative to other mothers. Columns (1) and (3) indicate that Black mothers have a higher probability of obtaining informal cash contributions by 9 percentage points and a higher probability of obtaining informal in-kind contributions by 8 percentage points. Estimating Eq. (2) illustrates important differential effects of Black female-headship. When both parents are black, Columns (2) and (4) indicate that the likelihood of informal child support cash and in-kind receipts increases substantially. Black mothers are now more than three times as likely to get informal cash and 50% more likely to get in-kind contributions when non-resident fathers are also Black.<sup>1</sup>

This finding reinforces prior works that have concluded that formal child support orders are not a “one-size-fits-all” panacea (Bassi and Lerman 1996; Edin 1995; Pate 2002; Waller and Plotnick 2001). With trite unemployment and sporadic employment within the Black community, Black mothers may eschew formal child support orders in favor of more flexible informal child support arrangements. This study clearly illustrates that while a large percentage of mothers have not established child support orders, they do receive informal cash and in-kind contributions. As such, informal child support contributions play a vital role in improving the economic wellbeing of children living with Black single mothers.

Policies implemented to help reduce child poverty in low-income families through child support, should examine the informal child support regime more closely. If non-resident fathers are consistently incapable of paying child support, a formal child support order is a less effective solution to child poverty. As Black male unemployment continues to rise, programs that serve to augment informal cash and

<sup>1</sup> The interaction effect between Black mothers and father involvement is not statistically different from zero, signifying that the positive effect of father involvement is not unique to Black female-headed households. Other interaction effects (not shown) such as mother's race interacted with education do not yield statistically significant findings.

**Table 2** Logit marginal effects on informal child support cash and in-kind contributions

| Variables                              | (1)<br>Informal (Cash) | (2)<br>Informal (Cash) | (3)<br>Informal (In-Kind) | (4)<br>Informal (In-Kind) |
|--|------------------------|------------------------|---------------------------|---------------------------|
| Male                                   | -0.004<br>(0.022)      | -0.003<br>(0.022)      | 0.001<br>(0.022)          | 0.001<br>(0.022)          |
| Firstborn                              | 0.131***<br>(0.029)    | 0.129***<br>(0.029)    | 0.120***<br>(0.029)       | 0.119***<br>(0.029)       |
| Focal Child's Age (in months)          | -0.005***<br>(0.001)   | -0.005***<br>(0.001)   | -0.002***<br>(0.001)      | -0.002***<br>(0.001)      |
| Std. CSE Expenditure (per capita)      | -0.010<br>(0.017)      | -0.009<br>(0.017)      | 0.010<br>(0.017)          | 0.011<br>(0.017)          |
| Average State Wages – Female           | 0.201<br>(0.232)       | 0.150<br>(0.232)       | 0.139<br>(0.234)          | 0.115<br>(0.234)          |
| Average State Wages – Male             | -0.041<br>(0.209)      | 0.017<br>(0.211)       | 0.040<br>(0.209)          | 0.063<br>(0.210)          |
| State TANF Benefits                    | -0.031<br>(0.048)      | -0.027<br>(0.048)      | -0.028<br>(0.049)         | -0.025<br>(0.049)         |
| Mother's Age at Child's Birth          | 0.003<br>(0.003)       | 0.002<br>(0.003)       | 0.005*<br>(0.003)         | 0.004*<br>(0.003)         |
| Father's Age at Child's Birth          | -0.003<br>(0.002)      | -0.003<br>(0.002)      | -0.003*<br>(0.002)        | -0.003*<br>(0.002)        |
| Mother is HS Dropout                   | -0.018<br>(0.026)      | -0.017<br>(0.026)      | -0.025<br>(0.026)         | -0.025<br>(0.026)         |
| Mother has some College                | 0.063**<br>(0.031)     | 0.072**<br>(0.031)     | 0.028<br>(0.030)          | 0.031<br>(0.030)          |
| Mother has college or beyond           | 0.144**<br>(0.058)     | 0.146**<br>(0.057)     | 0.035<br>(0.072)          | 0.034<br>(0.071)          |
| Father is HS Dropout                   | -0.075***<br>(0.025)   | -0.079***<br>(0.025)   | -0.055**<br>(0.025)       | -0.057**<br>(0.025)       |
| Father has some College                | 0.061*<br>(0.032)      | 0.065**<br>(0.032)     | -0.002<br>(0.031)         | 0.000<br>(0.031)          |
| Father has College or beyond           | -0.010<br>(0.065)      | 0.001<br>(0.065)       | -0.044<br>(0.072)         | -0.039<br>(0.071)         |
| Mother Black                           | 0.091***<br>(0.035)    | 0.009<br>(0.107)       | 0.080**<br>(0.038)        | -0.002<br>(0.097)         |
| Father Black                           | -0.007<br>(0.036)      | -0.142***<br>(0.048)   | 0.010<br>(0.037)          | -0.050<br>(0.050)         |
| Father Involved (at the child's birth) | 0.305***<br>(0.032)    | 0.330***<br>(0.047)    | 0.402***<br>(0.036)       | 0.398***<br>(0.053)       |
| Both Parents Black                     |                        | 0.259***<br>(0.066)    |                           | 0.126*<br>(0.072)         |
| Mother Black*Father Involved           |                        | -0.066<br>(0.098)      |                           | 0.012<br>(0.088)          |
| Log-Likelihood                         | -1999.583              | -1990.323              | -2011.986                 | -2009.619                 |
| Pseudo R <sup>2</sup>                  | 0.08                   | 0.08                   | 0.07                      | 0.07                      |
| Observations                           | 3126                   | 3126                   | 3251                      | 3251                      |

Robust-clustered standard errors in parentheses

\*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$ 

Data: FFCWS

in-kind child support contributions would be a more viable option for improving the welfare of children in Black female-headed families.

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