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RUNNING HEAD: Resource Receipt of New Mothers

The Economic Resource Receipt of New Mothers

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Abstract

U.S. federal policies do not provide a universal social safety net of economic support for women during pregnancy or the immediate postpartum period but assume that employment and/or marriage will protect families from poverty. Yet even mothers with considerable human and marital capital may experience disruptions in employment, earnings, and family socio-economic status post birth. We use the National Survey of Families and Households to examine the economic resources that mothers with children age two and under receive post birth including: employment, spouses, extended family/social network support, and public assistance. Results show that many new mothers receive resources post birth. Marriage or post birth employment does not protect new mothers and their families from poverty, but education, race, and the receipt of economic supports from social networks does.

Keywords: resource receipt, mothers, welfare reform, poverty, family policy

Resource Receipt of New Mothers

Current policy changes to limit the receipt of welfare benefits in the U.S. have been accompanied by funding to support programs that encourage the employment or marriage of mothers. The policy assumes that these other forms of support will adequately provide for the economic needs of families during childbirth and early child development. The policy also presumes that single parents who marry, or at least find employment, will no longer need welfare benefits (Coontz & Folbre, 2002; Harris, 2003), despite research that shows that mothers on welfare have traditionally relied on a variety of economic supports (Edin, 1991; Edin & Lein, 1997). Similarly, the Family and Medical Leave Act (FMLA) of 1993 assumes that new parents have savings, or ample income from spouses, to provide economic protections while taking unpaid leave.

The assumptions embedded in these policies are based on a traditional solution to the economic disincentives of caretaking: a gendered division of labor into paid market work (men's productive labor) versus non-paid family work (women's reproductive labor) through heterosexual marriage (Becker, 1991; Durkheim, 1972). According to this scenario, mothers choose to earn less or to not fully utilize their human capital because they can theoretically avoid poverty by relying on spousal earnings. However, it is also the case that few working class families have been able to realize the ideal of single breadwinner support (Modell, 1978; Statistical Abstract, 1998; Teachman, Tedrow, & Crowder, 2000), as marriage no longer provides the economic payoff it once did for women (Oppenheimer, 1997; Sweeney, 2002).

The need for economic resource support may be especially high at the time of the birth of a child, regardless of women's human capital or marital status. Pregnant women experience physical limitations and new life constraints. As new mothers, they must recover from childbirth

and many devote time that only they can provide for infant care and breast feeding. So even as newborn care potentially increases the need to generate economic resources, married and unmarried women may need to reduce work, and as a result significantly decrease their incomes post birth (Angrist & Evans, 1998; Budig & England, 2001; Chandler, Kamo, & Werbel, 1994; Waldfogel, 1998).

Further, current family policies do not acknowledge the poverty that exists in many dual-income families, which may be exacerbated during the potentially economically stressful perinatal period. A policy of an unpaid leave option for childbearing and subsequent child developmental activities does not address the long-term negative economic consequences for families associated with raising children: caretaking lowers economic status, wage growth, job experience, and career advancement (Petersen & Spilerman, 1990; Waldfogel, 1998).

Paradoxically, professional women with the greatest human capital and occupational resources have the highest likelihood of taking advantage of family leave policies, yet they suffer the most severe wage penalties for their use (Glass, 2004). Thus, the resource requirements for the unpaid work of reproduction and child care, given the economic realities of today, challenges the idea that women's human capital—or marital capital—can, in isolation, constitute adequate economic supports for families over the perinatal period and protect families from poverty.

In this paper we use a nationally representative sample from the National Survey of Families and Households (Waves 1 and 2) to study the receipt of economic resources by mothers after giving birth. Because these data were collected before the implementation of the FMLA and welfare reform, these analyses allow us to understand women's economic resource receipt before these changes. We ask the following questions: What types of resource supports do new

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mothers receive? To what degree is resource support a function of women's human capital, marital status, social network characteristics, and race/ethnicity? And, does employment, marriage, or the receipt of other resources reduce the risk that families with recent births will live in poverty post birth?

Economic Resource Receipt

Mothers may have access to an array of social and economic resources, ranging from: (1) their own employment, (2) spousal employment and income support, (3) financial and social assistance from family and friends, and (4) government assistance. The likelihood of receiving various types of resources, across the adult life course, is predicated on women's prior human and social capital, as well as her marital status, race/ethnicity, and social class (Eggebeen & Davey, 1998; Lee & Aytac, 1998; Rochelle, 1997). Also, these sources differ considerably in terms of if they will help protect families from poverty post birth. We discuss this research below but observe that little is known about resource receipt specifically connected to the birth of a child.

Employment and Marriage

Current changes in the welfare system for single parents requires employment in exchange for time-limited benefits and also encourages marriage under the assumption that this will prevent families from needing state-sponsored support (Hays, 2003). This policy presumes the sufficiency of, and so promotes, women's status roles as paid workers and/or spouses as a means to lower the risk of post-birth poverty. On the other hand, the FMLA, in a new breed of policy (Burnstein, Bricher, & Einwothner, 1995), or perhaps a policy exception—appears to address the needs of married new mothers by providing family leave and protecting women's

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employment status post birth (Marks, 1997). But this leave is not required to be paid. Thus, most women are only able to take advantage of the law if they have savings and/or spouses who are able to economically support the family during this time period (Klerman & Leibowitz, 1999; National Partnership for Families, 1999). Further, the rise in the proportion of families with two working parents and very young children who have fallen into poverty challenges the ideal that employment and/or marriage alone can economically protect families.

Human Capital

A number of factors contribute to the likelihood that a new mother will be employed after the birth of a child, including high human capital (such as education and job experience), age, race/ethnicity, marital status, and child care circumstances. High educational attainment indicates parental advantage and wealth (Duncan, Yeung, Brooks-Gunn, & Smith, 1998; Elman & O’Rand, 2004; Teachman, Paasch, & Carver, 1997). More highly educated mothers, non-white mothers who have a long history of paid labor to supplement household income (Goldin, 1981), and younger mothers are more likely to be employed post birth (Angrist & Evans, 1998; Greenstein, 1989; Smith & Banchu, 1999; Wenk & Garrett, 1992).

Yet mothers who do return to work may be subject to loss of income and employment opportunities post birth, despite a high level of educational and occupational attainment prior to the birth (England & Budig, 1999; Grindstaff, 1996; Jacobs, 1997; Korenman & Neumark, 1992; Miller, 1993; Waldfogel, 1997, 1998), and the addition of new family-work policies (Glass, 2004). In 1991 full-time employed women who did not have children made 90 cents for every dollar made by men, while full-time employed women with children in the household made only 73 cents (Waldfogel, 1998). Mothers lose approximately 14 percent of expected earnings over

their life courses due to child and home care, and because benefits are primarily based on earnings, women also lose out on Social Security and retirement benefits (Iams & Sandell, 1994; Laabs, 1999). Thus, human capital investments prior to childbirth may not protect mothers from wage loss or downward career mobility, and it is difficult to regain lost ground in wage acquisition when derailing life events impede the attainment process.

Marital Capital

The traditional model assumes that women “trade-off” these losses of human capital and wages with marital capital in the form of economic support from spouses. But a woman’s likelihood of being married is actually positively correlated with her level of human capital (Gaughan, 2002), her age, and is shaped by her race/ethnicity. The women who are most likely to marry have medium to high levels of education, are young, and European American (Bumpass & Lu, 1999) and have no children (Bane & Ellwood, 1986; Bennett, Bloom, & Miller, 1995; Driscoll et al., 1999). Women who do marry post birth have characteristics similar to women who marry prior to childbearing: they are more likely to be European American, under the age of 25, to have never received Aid to Families with Dependent Children (AFDC) as a child, and to have spent few years (if any) receiving AFDC (Driscoll et al., 1999).

Moreover, the traditional model does not deal well with circumstances of poverty (Coontz & Folbre, 2002). Even if married, mothers from working class families and/or members of racial minority groups are likely to experience at least one episode of poverty over their lifetimes largely because of their husbands’ low earnings. Men without college degrees have experienced declines in adjusted income over time (O’Neill & Polanchek, 1993; U.S. Census Bureau, 1998). Also, a wage gap by race remains: African American men typically earn 75

percent and Latino men 61 percent of what European American men earn (U.S. Census Bureau, 1998). As a result, to increase family earnings, nonwhite married mothers or mothers with low spousal incomes return to work more rapidly than do European American mothers or women whose husbands have high salaries (Angrist & Evans, 1998; Greenstein, 1989; Smith & Banchu, 1999; Wenk & Garrett, 1992). Thus, marriage may not necessarily protect families from low earnings and does not have the economic pay-off it once did for many mothers (Oppenheimer, 1997).

Resources From Outside the Nuclear Family: Social Network and Public Assistance

Social Capital and Networks

Beyond employment and marriage, the potential of one's social networks to provide economic resources depends on both the social characteristics of people within the networks and the nature of the relationships between network members (Aquilino, 2005; Wellman & Frank, 2001). Over 90 percent of U.S. families with children report that they can rely on families or friends if they need help (Boisjoly, Duncan, & Hofferth, 1995).

While it is common to receive assistance from members of one's kin network, the types of resources one might receive can vary greatly, ranging from cash assistance and shared housing to help with transportation and child care. For example, about 25 percent of adults surveyed in the first wave of the National Survey of Families and Households received a cash gift or loan and/or financial assistance with purchasing a home from someone in their extended kin network (Cooney & Uhlenberg, 1992). New parents are highly likely to receive gift or loan support during this potentially economically stressful time in their lives: adults raising pre-school children are 85 percent more likely to receive support from their own parent(s) than adults not

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raising pre-school children (Hogan, Eggebeen, & Clogg, 1993). Beyond cash assistance, shared living arrangements, and exchange of services (like child care and household duties) are important resources available from kin and other network members (Benin & Keith 1995; Rochelle, 1997).

The connection between parents and children, even when the children are adults, continues to be the strongest relationship among kin (Wellman & Wortley, 1990). The loss of a parent greatly decreases the likelihood that adult children will receive economic gifts or loans (Hao, 1995; Hogan, Eggebeen, & Clogg, 1993). Also, parents living further distances from their adult children tend to give less overall support (Rossi & Rossi, 1990), although distance does not appear to have an effect on the receipt of money (Litwak & Kulis, 1987). The presence of a larger number of siblings also reduces the level of parental resource support for each child (Downey, 1995).

The study of resource receipt from extended kin and social networks must also be understood in light of differences in family support by race/ethnicity that is debated in the literature. As Stack (1974) chronicled, frequent exchanges of limited economic resources occurred among both related and non-related individuals within the low-income, African American community she studied. Similarly, a national study in the early 1980's found that almost half of African American respondents received some type of financial support from kin (Hatchett & Jackson, 1993). However, recent research using the National Survey of Families and Households found greater resource exchange (especially of relatively large amounts of cash) among European American families than African American or Latino families (Lee & Aytac, 1998; Rochelle, 1997). Lee and Aytac (1998) found that 18 percent of European Americans and

six percent of both African Americans and Latinos received a monetary loan or gift of \$200 or more or co-resided with a family member or friend for some period of time.

Public Assistance

Beyond resources that can be gained through employment, marriage, and social networks, government assistance is another potential source of economic support post birth. Federal public assistance (AFDC or TANF as it is now known) has traditionally been provided only to single mothers with children. Not only is eligibility generally limited to single parents in extreme poverty (Piven & Cloward, 1993), but benefits do not raise a family out of poverty (Edin, 1991; Edin & Lein, 1997). Almost half of AFDC mothers do not have high school diplomas (U. S. Census Bureau, 1995) and they average around four years of work experience, mainly in the low-wage job market (Spalter-Roth, Hartmann, & Shaw, 1995).

Thus, given the documented disruptions to mothers' employment post birth and the declining financial benefits of marriage, we explore what types of resource supports new mothers receive, and if resource availability and use differs based on the human capital or marital status of the mother. We also assess whether women's employment, marriage, or other resource assistance reduces their risk—and that of their young children—of falling into poverty.

Data and Methods

The National Survey of Families and Households (NSFH) is a unique database in that it allows us to examine economic resources received from social networks as well as employment and public assistance. These data were collected in two waves: Wave one in 1987-88 (Sweet, Bumpass, & Call, 1988) and Wave two in 1992-94 (Sweet & Bumpass, 1996). The sample includes over 13,300 primary respondents with an over sampling of single-parent, step families,

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and recently married and cohabiting couples as well as African Americans, Puerto Ricans, and Mexican Americans (Sweet, Bumpass, & Call, 1988). The second wave includes 10,008 primary respondents, (77 percent of the original sample). This data set is well suited to our purpose; although other datasets have more recent data (such as the Panel Survey of Income Dynamics or the Survey of Income and Program Participation), they do not include indicators of the receipt of familial as well as governmental supports.

The sample for this study consists of women who gave birth in the 24 months prior to being interviewed at Waves one ($n=664$) and two ($n=381$) in the NSFH. Limiting the sample to women with children age two and under allows us to study how women manage economically during a typically intensive caretaking period in their children's lives. (See Desai and Waite [1991] who also examine women up to two years post birth.) One hundred and four women had a birth within 24 months of being interviewed at both Waves one and two. These women were deleted from the Wave two sample to ensure that there were no duplicate cases. The two samples were then combined and a variable created to identify the wave in which each person was interviewed. The final sample size consists of 941 women who gave birth within two years of being interviewed.

Data are weighted by linked wave final weights. *The final weights adjust for household and U.S. geographic (regional), race/ethnicity, age and sex sampling probabilities so that the NSFH sample distribution corresponds to the U.S. population distribution.* Logistic regression analyses is used to test whether

human, marital, and social capital variables predict the receipt of particular resources and to determine if employment, marriage, and resource receipt protect families from poverty.

Dependent Variables: Resources Received by New Mothers

Employment Post Birth

The variable “working post birth” is constructed to determine which women utilize their human capital as a resource post birth. This category includes women who continue working and/or those who return or begin full or part-time work at any time post birth. This group is compared to women who are not employed at any time pre and post birth or have not returned to work post birth by the time of the interview.ⁱ

Social Network Assistance

We examine three forms of support from social networks. The first is the receipt of \$200 or more in monetary loans or gifts from others. Gifts can be differentiated from loans in that they are not required to be repaid. In Wave one of data collection, participants are asked about the receipt of financial resources from parents, friends, and siblings in the past five years. In the second wave, participants are asked to talk about the largest monetary loans or gifts they received in the previous 12 months. Any loans or gifts smaller than \$200 are not reported and thus this measure likely under-represents the extent of monetary assistance received from family and friends who are only able to give small cash gifts or loans (Roschelle, 1997).

The second form of network support is help with a home purchase. Anyone who receives financial assistance from family or friends with buying a home, at any time prior to the interview is included. The third form of network support is shared housing. Similar to London (2000), shared housing is defined as living with parents, other family members, or non-family

who are not a spouse or cohabitating partner.

Public Assistance Post Birth

Respondents were asked if they received Aid to Families with Dependent Children (AFDC) and in which years they received assistance. Wave one respondents are asked about receipt of assistance from 1982 to 1988. At Wave two respondents are asked about receipt of assistance in the years 1988 through 1994. There are often fluctuations in the use of public assistance by families (Harris, 1993). To examine AFDC post birth, mothers who receive AFDC at some point post birth are counted as receiving this resource. In the regressions that predict AFDC receipt post birth and living above the poverty line we include a control variable that captures all those who used AFDC anytime during the three years prior to the birth.

Poverty Status Post Birth

Our final analysis explores the influence of employment, marriage, and the receipt of resources on predicting the poverty status of families post birth. The variable “above poverty post birth” is constructed using a computed variable in the data set at Wave one (similar to Amato and Zuo, 1992). The variable is computed by summing total family income (including salaries, social security, public assistance, child support, and other sources) for all members of the household divided by the poverty threshold for that sized family. Families with values of one and below on this measure are assigned a zero for this variable while families with values above one are assigned a one indicating that they live above the poverty line post birth. Only those respondents with a birth within two years of their Wave one interview are included in this analysis (n=664).

Independent Variables

Human Capital

The following human capital variables are used to predict mother's use of economic supports post birth: education, number of hours per week spent in paid employment, and job experience prior to the birth. Education is measured by the total number of years of school completed by the respondent at the time of the interview. The number of hours worked is used as a predictor of all types of resources except for employment post-birth, due to endogeneity. It is measured with a self-report of the actual number of hours mothers typically worked per week at the time of the interview. Job experience is measured by the actual number of months women spent in paid employment up to the date of the latest child's birth. Experience starts with the first reported job in which the respondent worked for pay for at least six months. All subsequent months of employment are added to the first job. Both full-time and part-time work are included. ⁱⁱ

Marital Capital

Marital capital is based on marital status, the number of children, the income of partners, and the existence of economic support from absent fathers. Married includes those who are married or cohabitating at the time of the birth. ⁱⁱⁱ The number of children in the household measures the actual number of children under age 18 living in the household as each child is considered "costly" or resource-intensive (Downey, 1995).

Because being married may only be an economic asset for women if their husbands or partners are employed, a variable that measures partner's wages from paid employment or self-employment in the past twelve months is included. Further, the added benefit of child support may provide economic assistance from fathers not living in the household. A dummy variable

is included for those who receive child support (married and unmarried women) referenced against those who did not receive any child support.

Social Capital

The social capital of the new mother is determined using a number of measures. These variables include the number of parents or parents-in-law who are living as well as how many live within sixty miles of the respondent. The latter is important because the extent of support offered by parents or in-laws may depend on their geographic proximity (Rossi & Rossi, 1990). The number of siblings the respondent has may increase the network of potential support, however having a large number of siblings may decrease the amount of help available from parents. The actual number of siblings a respondent has is included as a variable.

Similar to other studies, receipt of public assistance as a child as well as the education of the respondent's parents are included as proxies for the potential socioeconomic background of the family (Martinson & Bumpass, 1990) and thus the potential resources of the extended family during the respondent's adulthood. Having received public assistance as a child was coded as a dummy variable with a one representing those who reported ever receiving assistance as a child referenced against those who reported they had never received public assistance as a child. Because a number of respondents did not answer the question about the education level of their mothers and fathers, the sample mean was imputed and dummy variables for those with missing data on these variables are included in regression models to detect any significant patterns as a result of these missing data.^{iv} Finally, to capture the ways that social networks can be an economic drain, a dummy variable is included that asked if the respondent gave money to others in the past twelve months.

Race/Ethnicity and Control Variables

Because of differences in resource receipt by race/ethnicity found in previous studies (Hogan, Eggebeen, & Clogg, 1993; Lee & Aytac, 1998; Roschelle, 1997), race/ethnicity is measured using three dummy variables that allow a determination of any differential experiences between African American, Latina, and respondents from other racial or ethnic groups other than white/European Americans. European American is the reference group.

Three variables are included as controls in this study: age, time since birth to the interview (in months), and interview wave at which the birth took place. There have been significant age differences noted in who is likely to receive resources and support (Cooney & Uhlenberg, 1992). Age in this study is measured in actual years. The number of months since the most recent birth is also included and constructed by subtracting the interview date from the date of the latest birth. And the wave in which the birth occurred (one or two) is used to control for any potential bias that may result from combining respondents interviewed at two different waves. In addition, as discussed earlier, we also include the control variable—pre AFDC receipt—in the regression models predicting AFDC receipt post birth and poverty status.

The means and standard deviations for the key variables in this study are located in the Appendix. We first use descriptive statistics to examine the resource receipt of new mothers by employment status post birth, marital status, race/ethnicity, and poverty status.

Results

Overall Resource Receipt

The percentages of new mothers who used various types of economic resources are reported at the bottom of the table in the Appendix. About 44 percent of mothers with recent births are employed at some point post birth and 34 percent receive cash assistance from their

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personal network in the form of a loan or gift. Sixteen percent receive financial assistance with a home purchase, 11 percent share housing, and 15 percent receive public assistance at some point post birth. Women could have received multiple resources.

Resource Receipt by Employment and Marital Status

We next compare the resource use of women who are and are not employed post birth and are and are not married at the time of their latest birth. As demonstrated in Table 1, women who are employed at some point post birth, and so utilize their human capital, also have greater access to marital and family capital: they are more likely to be married at the time of the birth and have a higher likelihood of receiving financial support from kin. About 19 percent of mothers not employed after the birth of their latest child receive AFDC post birth.

INSERT TABLE 1

Regardless of marital status, a wide variety of economic resources are used, although marital status affects the types of resources used. Married women are slightly more likely to be employed at some point post birth, but also receive money from relatives or friends as well as financial assistance with a home purchase, foreshadowing that adequate resource receipt in a perinatal period may depend on having social capital. Unmarried women are much more likely to live in shared housing with friends or relatives (not partners) and/or to use public assistance.

Resource Receipt and Race/Ethnicity

Table 2 presents an analysis, by race/ethnicity, of the use of various types of resources by new mothers. Over half of mothers of Other race (which primarily includes Asian Americans) and almost half of African American and European American mothers, but only about a third of Latina mothers work post birth. Mothers of Other race are more likely to be married at the time

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of the birth (90%) while African American new mothers are the least likely (60%). A larger proportion of European American mothers receive monetary gifts of \$200 or more from someone in their social networks or financial assistance to buy a home. In contrast, African American and Latina new mothers are more likely to share housing and receive public assistance than are European American mothers.

INSERT TABLE 2 HERE

Resource Receipt and Poverty Status of Family

As shown in Table 3, new mothers who are above the poverty level post birth are more likely to be employed post birth, married at the time of the birth, and/or to receive monetary assistance (in the form of cash gifts, loans, and/or help with a home purchase) from family and friends. New mothers whose families are below poverty level are more likely to share housing post birth and much more likely to receive public assistance at some point post birth. Forty-six percent of mothers whose families are below the poverty level are married at the time of the birth.

INSERT TABLE 3 HERE

Capital and Receipt of Resources

Table 4 presents the results of logistic regression analyses that predict the receipt of various types of economic resources by new mothers, as a function of their human, marital, and social capital as well as their race/ethnicity. The regression coefficients presented in the table are the odds ratios (the exponentiated coefficients) for significant variables.

INSERT TABLE 4 HERE

Human Capital

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Education is a significant predictor of employment post birth as well as the receipt of money from family or friends, and assistance with a home purchase. Greater human capital, in the forms of higher education and job experience, increases the odds of post-birth employment by 29 percent for each year of school attainment and by two percent for each month of pre-birth job experience. Each year of schooling also increases the odds of receiving money from social networks by nine percent, and the odds of receiving help with a home purchase by 72 percent.

However, new mothers' human capital does not predict whether they share housing. This finding is contrary to other studies: low levels of education and work hours are generally important predictors of shared housing (DaVanzo & Goldscheider, 1990; White & Petersen, 1995). Perhaps these factors are not as important in determining shared housing when it comes to the situation of mothers with very young children.

Marital Capital

Perinatal access to marital capital resources involves being married or cohabitating, having fewer children, a partner with income, and receiving child support. We find that marital capital predicts three types of resource receipt: financial assistance with a home purchase, shared housing, and AFDC. The latter finding is consistent with U.S. welfare policy; AFDC was a response to widowed women's economic needs while raising children without fathers; in many states women were denied assistance if they lived with a male partner (Gordon 1994; Piven & Cloward, 1993). Yet it is the number of children and partner's income, not marriage alone, that makes a difference in predicting whether new mothers share housing and/or receive AFDC. Similar to Lee and Aytac's (1998) findings, women with more children are less likely to share housing. And marital capital does not influence the likelihood of employment post birth except

for those who receive child support, which increases their odds of employment by 77 percent, likely the result of the economic effects of prior marital disruption.

Social Capital

Social capital resources do not influence the likelihood of being employed, receiving financial assistance with a home purchase, or AFDC receipt post birth; although having more living parents or in-laws increases the chances of receiving money from family/friends and decreases the likelihood of sharing housing. Perhaps parents protect mothers with young children from having to share housing by providing other types of resources that allow them to live independently.

The variable that measures mothers giving \$200 or more to family or friends in the past is used as a proxy to capture the possibility of a lack of economic resources in mothers' kin networks. Mothers giving financial resources to kin can indicate that their kin network needs resources and thus that mothers may be less likely to receive resources from this network. However, giving cash to kin is a strong predictor of receiving the same type of resource from kin. This suggests that social networks trade monetary resources back and forth; financial assistance given by new mothers is recognized by their social network and reciprocated. However, mothers who are unable to give monetary support to kin may need the most help; and they are less likely to receive such support.

Race/Ethnicity and Other Characteristics

There are some differences by race/ethnicity in the receipt of resources. African American women are less likely to receive \$200 or more in cash assistance from kin, even with controls for education, age, number of children, marital status, and partner income. Also, as

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found in other studies, African American new mothers are more likely to return to employment (and return more quickly) than European American new mothers (Leibowitz & Klerman, 1995). Aside from African American mothers' reliance on paid labor, and European American mothers' receipt of monetary gifts from kin, there are no racial differences in terms of shared housing or receipt of AFDC.

A control variable, the individual characteristic of age, is also important in this study. Similar to studies of the resource use of women with older children, age predicts employment and shared housing post birth. Younger women are more likely to be employed and to share housing. In addition, a variable that measures the time elapsed between a woman's latest birth and the survey interview is a significant predictor of three types of resource use: the more time since the birth the more likely mothers are to become employed, receive help to buy a home, or receive AFDC at some point post birth. Not surprisingly, receiving AFDC before the birth increases the likelihood of receiving this same resource post birth.

Poverty Status

Table 5 examines whether employment, marriage, and the receipt of social network resources protect new mothers and their families from poverty. For new mothers with young children, work experience, employment status post birth, and marital capital (being married at the time of the birth and partner's income) are not significant predictors of being above poverty. Though education is a significant human capital predictor of being above the poverty line post birth. Education is part of a Mincerian (Mincer, 1970) conceptualization of "stock" of human capital and captures skill and potential workplace value to employers. Thus, it is the more enduring aspect of human capital associated with advantage in education that reduces the risk of

being in poverty post-birth, not the resources inherent in employment and marriage.

INSERT TABLE 5 HERE

Two social capital variables, proximity of parents and giving cash gifts, are related to poverty status post birth. Each parent that new mothers have within 60 miles reduces their risk of poverty while giving monetary gifts increases their chances of living in poverty. But it is the receipt of monetary gifts and loans from social networks that really protects mothers from poverty. Mothers who receive money from their social networks are twice as likely than mothers who don't receive this resource to live above the poverty line. African American mothers and new mothers of Other race/ethnicity are more likely to be in poverty post birth, regardless of their employment activities post birth or their marital status at the time of the birth. Receiving AFDC pre birth also increases mothers' chances of being in poverty.

Discussion and Conclusion

This study explores the resources that new mothers use around the time of a birth, and particularly whether employment and/or marital status protects new mothers from experiencing poverty post birth. According to our findings, new mothers' prior and more enduring human capital investments, via education and job experience, increase the likelihood of being employed while education alone protects against poverty. However, possession of these human capital resources does not significantly reduce new mothers' needs for state support (AFDC) nor does being employed post birth reduce new mothers' risk of poverty. Moreover, the finding that mothers' post-birth poverty is associated more with their low human and social capital, and not marital status, supports the contention by Coontz and Folbre (2002) that marriage does not serve as a "rescue" function.

While married new mothers are more likely to receive financial assistance from social networks to purchase a home, it is likely that it is their high levels of education passed on through the social capital of their parents and in-laws, rather than marriage per se, that is driving the receipt of this particular resource. The special status of home ownership has been shown to be correlated with economic stability (Retsinas & Belsky, 2002) and increased social class (Coleman, 1988). The contrast is mothers who are more disadvantaged—who are younger, have spouses with low wages, have more children, and fewer living parents—who are more likely to share housing post birth; a typically short-term, unstable arrangement that can have negative implications for child development in both the short and long terms (Evans, Saltzman, & Cooperman, 2001; Johnson, Ladd, & Ludwig, 2002). Most strikingly, it is the receipt of cash from social networks, not marriage or employment, that greatly reduces the chances of families being in poverty post birth.

Just as highly educated and economically secure children are more likely than those with low educations and incomes to receive social support and financial assistance from parents later in life (Hao, 1995; Hogan, Eggebeen, & Clogg, 1993; Parish, Hao, & Hogan, 1991; Rossi & Rossi, 1990), these results suggest that cumulative effects of human, marital, and social capital (Coleman, 1988; McClelland, 1990; Parcel & Dufur, 2001) appear to emerge over the perinatal period. Enduring effects, linked to mothers' prior education, are then filtered by class and race/ethnicity in ways that further entrench existent inequalities in the U.S. (Elman & O'Rand, 2004; Lin, 2000).

In terms of differences by race/ethnicity, in contrast to stereotyped categorizations of African American women as relying on welfare as a primary means of support (Moynihan, 1971;

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Murray, 1984), race/ethnicity is not a significant predictor of the likelihood of receiving AFDC post birth. Controlling for other factors, African American new mothers are more likely to be employed post birth, and are as likely to use state benefits as white mothers, but, perhaps because of resource scarcity in their social networks (Patterson, 1998), are less likely to receive cash from their social networks. And African American mothers are still more likely to live in poverty, even if married and employed post birth.

Mothers who work few hours and have spouses with low earnings have higher odds of AFDC use, which is not surprising given that AFDC rules limit receipt of resources to those who are unemployed and unmarried. While AFDC is used by few new mothers in the sample overall, those most likely to use it are African American and Latino new mothers, mothers who feel most strongly the economic disincentives of marriage and have the least resources available from their social networks. Limited access to social welfare benefits as a result of welfare reform may prove to be short-sighted and detrimental, especially for new mothers with the least economic assistance available from other sources. The enduring effects of race/ethnicity on these outcomes will further segregate those who have from those who do not have access to resources which could help support them during heavy caretaking years, contributing to continued inequality.

Most strikingly, employment post birth and marriage at the time of the birth does not protect mothers with young children and their families from poverty. Current welfare policies that assume that employment and/or marriage is the best means to move families out of poverty will fall short. Welfare coverage of a small proportion of new mothers, and the new TANF policies of time-limited coverage that emphasizes employment and marriage, place newborn

children at risk of poor nutrition, inadequate housing, and disadvantage in the accumulation of necessary human capital resources upon which to build future lives (Federman et al., 1996). And while the FMLA may provide job security for some, this may not be enough to ensure the economic well-being of families (Glass, 2004), especially families with limited economic resources and unstable work histories. Policies that emphasize education, reduce the enduring inequality that exists due to race/ethnicity, and make up for the lack of economic resources available in poor mothers' social networks will be more helpful in protecting families with young children from poverty and will more realistically respond to the economic situations of families with recent births.

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- i. To control for differences in birth and interview timing the variable “months since the birth” is included in the analyses.
 - ii. At Wave one only stops in employment for six or more months are recorded, at Wave two stops of two or more months are recorded.
 - iii. Only four percent of the sample reported being in a cohabitating relationship and there were no discernable differences in the resource receipt of mothers who were married versus those who cohabitated.
 - iv. For the other variables with few missing values, respondents with missing values were assigned the sample mean value.

PUT APPENDIX TABLE HERE