

Living Arrangements after marital dissolution: Findings from the European Community Household Panel

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1. Introduction

It is universally acknowledged that marital dissolution is one of the most stressful life events. It has important consequences on the life organization of the spouses involving the living arrangement, the lifestyle, the social network, the employment status and, sometimes, the health conditions.

The impact of divorce or separation on these fields for dissolved couples has been poorly explored by the literature. Most of the debate around the consequences of divorce is focused on the economic ones, on the risk of entering poverty, with a particular attention to gender bias (Jarvis & Jenkins 1999, Smock *et al.* 1999, Uunk 2004) and cross-country differences (Andreß *et al.*, 2004, Uunk 2004). However, it is not clear to what extent the financial deterioration of splitted couples is combined with the inevitable changes of the living arrangement and social network a divorce imply. Moreover, we have a scarce knowledge of prevalent strategies undertaken by individuals to cope with the necessity to find a new dwelling. These strategies may be different across countries, given historical, legislative, and cultural differences. We may expect, for instance, a high rate of return to parental home in Mediterranean countries, an option more rarely chosen in Northern Europe.

The new living arrangement after separation is in facts important even in determining the economic outcome. Provided that at least one member of the couple has to find a new allocation it is not known who is leaving (the man or the woman), whether he/she is moving to a single person household (or with other non-relatives) or to the parental home, and what is the quality of the new dwelling. A better understanding of these aspects of family life can shed more light on possible forms of social exclusions still ignored by the social state.

The social network is also an important resource for those experiencing a marital disruption, providing both material and psychological support. On the one hand we can register a persistent social stigma on individuals experiencing a marital split, especially in areas where marital dissolution has a low diffusion, spoiling the relationships with friends or relatives; on the other hand family and social solidarity can make increase the social relations of divorced individuals. Moreover the effects of separation on social network can be different by gender, occupational status, education level and number of children. Even on this field the existent literature is poor and with contrasting results (Bohannan, 1968; Lesly e Grady, 1985).

With this work we aim to analyze the impacts of marital separation on several outcomes of living arrangement and social relations in European countries using data from the European Community Household Panel (ECHP). In this abstract, we present preliminary results of descriptive and causal analysis just for the Italian sample but the next step of analysis is to make the same analysis for other countries in order to highlight cultural and/or structural differences across Europe.

2. Data

In this paper we use data from the European Household Panel Survey to investigate the relationship between marital disruption and the subsequent modification of living arrangement and social network. We provide both a descriptive and a causal analysis, the latter consisting of a Difference-in-Differences estimator combined with Propensity Score Matching techniques (DD-PSM). One technical issue is the definition of the event of interest provided the different regulation of divorces and separations in European countries. In Italy, for example couples can get legally

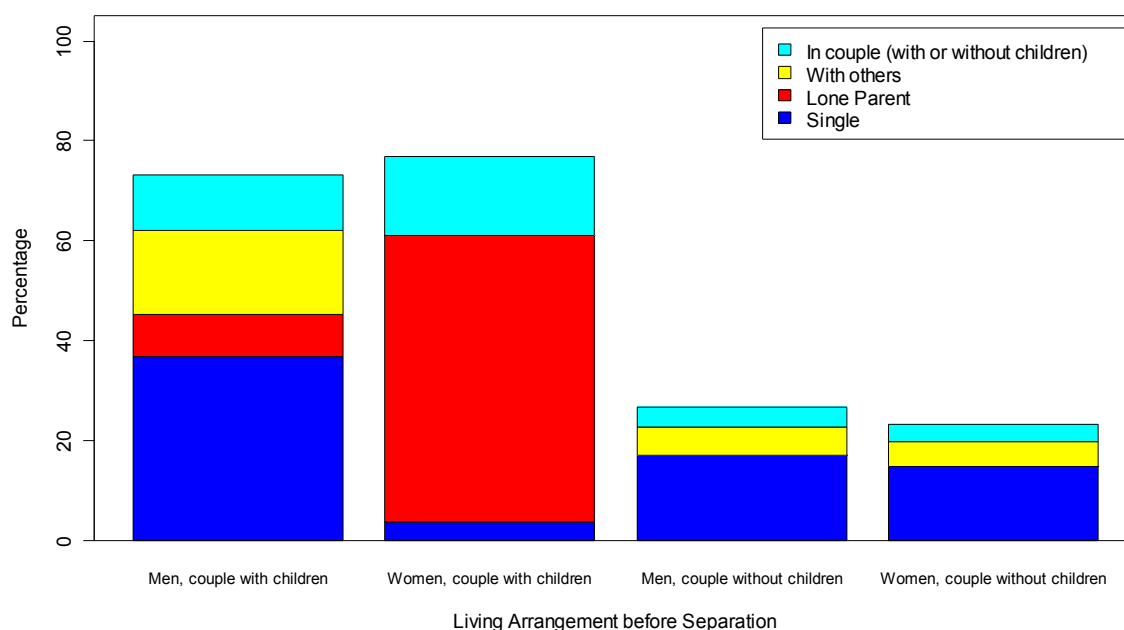
divorced only after at least three years of legal separation. Moreover it is not clear whether people are registered as “separated” only when their separation has been legally acknowledged or even when there is a consensual split of couple (without any legal acknowledgment). An alternative is disregarding the marital status and looking at the spouses' residence: if they stop living in the same household, they can be regarded as separated, but even in this case the definition has some drawbacks as phenomena like *living apart together* and *commuting marriages* may incorrectly be regarded as separations.

3. Preliminary results

We report the results from preliminary analysis based only on the first seven waves of ECHP and only for Italy.

The descriptive analysis suggest us that gender and the presence of children have a strong impact on the living arrangement where individuals live after separation. As suggested by figure 1, if the couple is without children both the spouses are highly likely to move in a single person household after the marital split.

Figure 1. Living arrangement of separated individuals one year before and one year after separation (Percentage, Separated men = 100, Separated women = 100)¹, Italy. Source: ECHP 1994-2000, own elaborations.



A small proportion, around 5%, of them start living with other adults (that in most of the cases are the parents) and an even smaller proportion (3-4%) are living in couple one year after separation. Thus, there is not a strong gender difference in the route the spouses take after marital dissolution. In the case the couple has one or more children these figures change dramatically: women are highly likely to live in a single parent household whereas men are more likely to move either into a single person household or to a household with other adults, which even in this case are mainly the parents. The probability of being in couple after the marital split is higher for women with children than for men with children.

Figure 2 examines the individuals living with parents and it shows that men are more likely to live with parents after the split than women. In any case for both genders there is a rise in the

¹ The category “with others” does not include those living with a partner or with a child *and* other persons. This means, for instance, that a low proportion (12% for men and 4% for women) of individuals classified as “Lone Parent” lives with children *and* other persons (mainly the parents).

proportion of people living with parents. Conversely, women are more likely than men to move into a rented house after the separation, though, even in this case, the proportion of tenants increases for both sexes.

Figure 2. Proportion of separated people living with parents before and after separation, Italy. Source: ECHP 1994-2000, own elaborations.

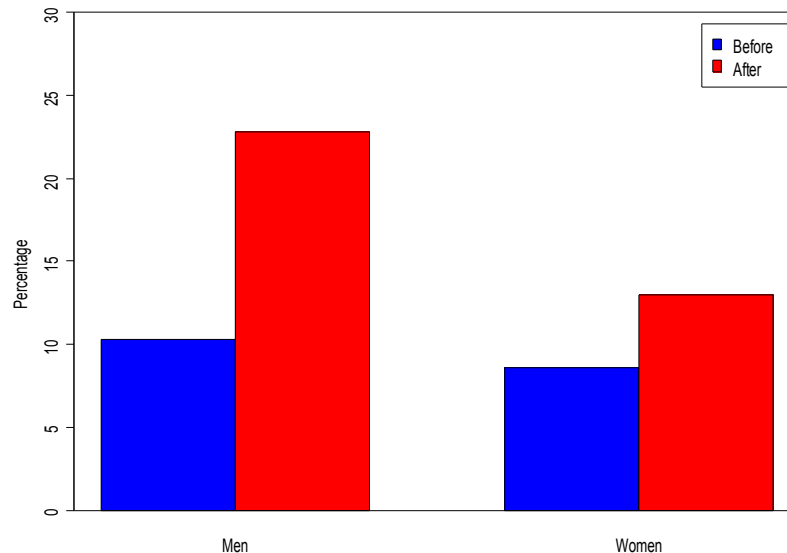


Table 1 explores the issue of social relations: there seems to be no evidence of social segregation of individuals incurring a marital dissolution as the frequency with which they talk with neighbors or they meet friends or relatives does not decline, on the contrary we can see a small rise of social relations.

Interpretation of these results has to be cautious since self selection can severely bias the true causal relationship between marital dissolution and living arrangement or social network. Individuals experiencing a marital split are in fact possibly different with respect those not incurring a separation in terms of other background characteristics such as age, education level, employment, income, living arrangement and social network prior the event. In order to control for this background variables we use a propensity score matching technique combined with a difference-in-differences estimator (see Rosenbaum and Rubin, 1983; 1985; Heckman *et al.* 1997).

TAB. 1 Frequency of social relations with neighbors, friends or relatives before and after separation, Italy. Source: ECHP 1994-2000, own elaborations.

	Men		Women	
	Before	After	Before	After
How often he/she talk to neighbors				
More than once in a week	58,3	66,7	73	71,3
Once or twice a month	33,4	25,0	22,6	20,9
Less often than once a month	8,3	8,3	4,4	7,8
How often he/she meets with friends or relatives:				
More than once in a week	77,1	79,2	76,5	79,1
Once or twice a month	18,7	20,8	20,0	20,0
Less often than once a month	4,2	0,0	3,5	0,9

The results we get are reported in table 2 and basically confirms the findings of descriptive analysis: men are highly likely to return the parental home after separation, more than women though the return home rate is significant also for them. Spouses are also more likely to move into a rented dwelling after the separation but this time the effect is stronger for women. Finally there is no

significant effect on the social relations: basically separated men and women have the same degree of interaction with neighbors, friends and relatives as before separation.

TAB. 2.. Effects of separation on several outcomes. Estimates with propensity score matching.

	MEN				WOMEN			
	Effect	St. Err.	t-value	N cases	Effect	St. Err.	t-value	N cases
Return rate to parental home (living without parents)	0,14	0,04	3,58	85	0,04	0,02	1,98	103
Moving to rented dwelling rate (only house owners)	0,10	0,04	2,43	59	0,15	0,04	3,58	78
Moving to owned dwelling rate (only tenants)	-0,03	0,07	-0,35	34	-0,03	0,06	-0,57	35
Frequency with which talk with neighbors	-0,13	0,13	-0,96	93	-0,22	0,12	-1,85	113
Frequency with which meet friends/relatives	-0,10	0,14	-0,73	93	0,12	0,1	1,17	113

These preliminary results need further analysis. We aim to get a complete picture of the living arrangement transitions after marital separation: who (the men or the women) is more likely to leave the conjugal dwelling, where he/she is more likely to move, and how children influence these transitions. Furthermore we intend compare Italy with other European countries taking advantage of the scope for comparability provided by ECHP data. We expect, for instance, to find a lower rate of return to parental home in Northern European countries such as Finland, Denmark or UK. This means that people experiencing a separation in these countries are more likely to move into a new (and probably of lower quality) dwelling.

Finally we want to see whether the effect of separation depends on socio-economic characteristics of individuals such as income and employment status.

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