# Family Structure and Children's Well-Being: The Relative Importance of Financial Resources and Parent-Child Relationship Quality

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Family life and family arrangements in advanced societies have changed dramatically over the last few decades. Whereas most families in the post-WW II era could be characterized as stable first-marriage nuclear families (i.e., two parents and their biological children) one-parent families and stepfamilies have since become increasingly common. The main reason for this development is the high number of parental separations. A large body of research has consistently reported that children growing up in one-parent and stepfamilies have less favorable cognitive, social, and health outcomes than children in nuclear families (Amato, 2010; Härkönen, Bernardi, & Boertien, 2017; McLanahan, Tach, & Schneider, 2013).

Theoretically, it is argued that (1) changes in family structure produce stress for both parents and children and that (2) the resources a child has access to are decreasing after biological parents' separation. These two mechanisms lead to lower levels of well-being among post-separation children. The effects of repartnering on child outcomes are complex because a new partner might change the situation in different respects. On the one hand, it can be expected that a family transition increases the discontinuity in children's lives, in family roles and likely disrupts daily routines (Magnuson & Berger, 2009). Such instability might lead to stress, conflict and thus lower levels of child well-being. On the other hand, a new partner might improve the financial situation (Dewilde & Uunk, 2008) and also the emotional well-being of single mothers (Blekesaune, 2008). Such support from a new partner might benefit children's well-being. However, how much each of these two mechanisms contributes to the effect of family structure on child well-being is not yet clear.

This study is devoted to the effect of family structure on child well-being and in how far this effect is mediated by financial resources and parent-child relationships. We analyze children living in stepfamilies or in single-parent households. The two groups are similar in the sense that their biological parents have separated. Empirically, it has been shown

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that there are (virtually) no significant differences between these two groups in terms of child outcomes (Ganong & Coleman, 2017). This finding contradicts the resource perspective. Because having a stepparent usually increases the resources a child has access to, we expect to find that children in stepfamilies do better than children in one-parent households (hypothesis 1). A stepparent may, for example, support the child directly by contributing to the household income and helping him/her through monitoring and caring tasks, or indirectly by supporting the biological parent. A counterargument is that children might have difficulties accepting the stepparent as a new authority figure. Such negative post-separation family relations are stressful and might cancel out the expected resource advantages enjoyed by stepchildren (hypothesis 2). However, such suppressing mechanisms have rarely been investigated. In the empirical analysis, mediation analytical tools will be used. Two questions will be addressed: First, how big is the direct effect of family structure on child wellbeing? Second, how big are the indirect effects via resources (measured in household income) and family relationships? In answering these questions, the proposed project will seek to disentangle the relative importance of these two factors, which are usually cited to explain disadvantages of children in post-separation families.

For our statistical analyses, we utilize waves 2 to 10 (2009-2017) of the German Family Panel pairfam's child data. The respondents were between 8 and 15 years old. The survey includes a self-reported *Strengths & Difficulties Questionnaire* (SDQ) to measure children's proneness to social behavior problems and emotional symptoms. Moreover, it provides the partnership histories of the mother. Based on factor scores calculated from the SDQ, we run OLS regressions. In order to identify age differences in the effects of family structure, we estimate multiple regressions for two different age groups: 8 to 11 and 12 to 15 year old children. We use mediation analytical tools. In the standard procedure, direct and indirect effects are assessed by analyzing changes in regression coefficients after adding the mediators to the model. The modern literature on causal inference states, however, that this approach does not always yield valid conclusions (VanderWeele, 2015). Thus, we use counterfactual definitions of direct and indirect effects in our analysis. This approach has the advantage that it allows for a correct decomposition into direct and indirect effects, even in the case of interactions of the treatment and the mediator.

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