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Childhood Family Structure and Schooling Outcomes: Evidence for Germany

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German Institute
for Economic Research

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**Marco Francesconi
Stephen P. Jenkins
Thomas Siedler**

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Discussion Papers 610

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**Childhood Family Structure and Schooling Outcomes:
Evidence for Germany**

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Abstract*

We analyse the impact on schooling outcomes of growing up in a family headed by a single mother. Growing up in a non-intact family in Germany is associated with worse outcomes in models that do not control for possible correlations between common unobserved determinants of family structure and educational performance. But once endogeneity is accounted for, whether by using sibling-difference estimators or two types of quasi-experiments, the evidence that family structure affects schooling outcomes is much less conclusive. Although almost all the point estimates indicate that non-intactness has an adverse effect on schooling outcomes, confidence intervals are large and span zero.

JEL codes: C23, D13, I21, J12, J13

Keywords: Childhood family structure, lone parenthood, educational success; sibling differences; instrumental variables; treatment effects

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1 Introduction

No parent wishes to see their child do badly at school and the support for policies directed at improving children's attainments and avoiding disadvantageous outcomes is widespread. At the same time, the public debate about the extent to which family breakdown during childhood affects individual's life chances is intense in many countries. Given the substantial interest in these topics and the growing availability of intergenerational data sources, it is unsurprising that there is a burgeoning literature about the extent to which growing up in a single parent family has deleterious consequences for educational attainments. Most existing evidence concerns the USA, however. In this paper we provide new evidence about the impact of childhood family structure on schooling outcomes in Germany.

We offer two contributions. The first is methodological. Like many previous studies we recognise that correlations between childhood family structure and child outcomes may reflect the impact of unobserved factors. Unlike many previous studies, we seek a robust picture of the causal impact of childhood family structure by combining results from different estimation methods because each relies on different and potentially complementary identification strategies. We estimate propensity score matching models, mother fixed effects and quasi experimental models, and models based on comparisons between individuals whose fathers died, divorced, or remained married. The principal schooling outcome analysed is whether an individual has educational qualifications to university entrance level or higher, but we also consider other measures of schooling outcomes. We use various definitions of childhood family structure, and check robustness in several other aspects.

Our second contribution is substantive. This is one of the first studies of the effect of childhood family structure on schooling outcomes for young adults in Germany. A distinctive feature of our research is that we compare results for three samples: individuals who grew up in a family from the former West Germany headed by a native German; individuals who grew up in a family from the former West Germany headed by a guestworker; and individuals who grew up in a family from the former East Germany headed by a citizen of the former German Democratic Republic. The samples provide an opportunity to explore the extent to which the effects of family structure may differ within different social and cultural environments.

Family structure patterns differed between the former East Germany and West Germany: the extra-marital birth rate, the divorce rate and the proportion of lone parent families among all families were all higher in the former (ZUMA 2004). So too were the labour force participation rates of mothers and state support for families (Szydlik 2000). The guestworker sample adds a further contrast. Sample members grew up in the former West Germany, but their family was headed by someone from Turkey, Greece, the former Yugoslavia, Spain or Italy. In other words, there was substantial ethnic and religious diversity compared to the native German sample members, likely to be reflected in different styles of child-raising and attitudes to the family, and thence one might expect the impact of growing up in a non-intact family and schooling outcomes also to differ.

We find that the conclusions to be drawn about the impact of growing up in a non-intact family depend crucially on whether unobservable family background characteristics are controlled for, whereas differences in estimation sample or definitions of outcome or childhood family structure matter less. Estimates that ignore the endogeneity associated with family structure suggest that experience of life in a non-intact family during childhood has a large and statistically significant adverse impact on schooling outcomes. In contrast, the various models accounting for endogeneity also produced point estimates indicating an adverse impact, but the associated standard errors were also large. Put another way, the confidence intervals for estimated effects were wide so the data were consistent with the impact of family structure being zero as well as adverse.

These conclusions held broadly true for all three samples (West German, East German, or Guestworker), and for each schooling outcome with one exception. According to the sibling-difference estimates, being in the top secondary school track at age 14 is significantly less likely for West Germans who experienced life in a non-intact family during childhood. This result is sensitive to the method used to account for family structure endogeneity, however. It was not detected by estimators that exploit father's death or changes in the divorce law as sources of exogenous variation in family structure.

The rest of the paper is organized as follows. Section II reviews relevant previous literature and outlines our empirical strategy. Section III presents the data, and the definitions of schooling outcomes, family structure, and other control variables. Section IV discusses our main findings and Section V contains a summary and concluding remarks.

2 Identifying the Effect on Attainment of Growing Up in a Lone Parent Family

2.1 Related Literature

An extensive body of research, mostly based on US data, has identified childhood family structure as a key determinant of children's later achievements (McLanahan and Sandefur 1994; Haveman and Wolfe 1995). Most studies have found that growing up without a biological parent is negatively associated with schooling attainments and also with a number of other indicators of later economic success (such as employment, earnings, income, and wealth). There is disagreement, however, about whether the impact of family structure is causal (Manski et al. 1992). Arguably lone parenthood may be correlated with other socio-economic disadvantages, and so inferior outcomes may arise from (potentially unobserved) factors other than a parent's absence. Researchers have employed several methods to account for the influence of these other factors.

Sibling-difference (fixed effects) models take account of the fixed unobservable endowments that are shared by siblings and half-siblings from the same family or, more usually, the same mother. Recent studies of educational outcomes using these methods are Case et al. (2001), Ermisch and Francesconi (2001), Gennetian (2005), and Ginther and Pollak (2004).

A number of studies have compared children's attainments before and after the divorce of their parents (e.g. Cherlin et al. 1991; Painter and Levine 2000; Piketty 2003). The hypothesis is that the poorer schooling attainment of children from non-intact families does not reflect the lack of investment of both biological parents, rather it reflects pre-existing disadvantages of the family (e.g. higher parental conflict) or youth (e.g. lower ability).

There are also quasi-experimental studies. One type has used parental death as an exogenous source of parental absence (see, among others, Biblarz and Gottainer 2000; Corak 2001; Lang and Zagorski 2001). A second type has used comparisons of educational outcomes for children who were exposed to different divorce laws during childhood. Examples include Gruber (2004) who exploited variation across US states and over time in changes in divorce regulation and Piketty (2003) who exploited the increase in separation rates following a divorce law change in France.

A novel and distinctive feature of our research is that we intend to provide a robust picture of the impact of childhood family structure on schooling outcomes by using different methods (which impose different identifying assumptions), studying several schooling outcomes and employing several different definitions of family structure (e.g. not only the occurrence of non-intactness but also its duration).

Another distinctive feature is that we study Germany, a country for which the evidence available about the association between family structure and child's education is limited.¹ Mahler and Winkelmann (2004) found that growing up in a lone-mother family slightly reduced the probability of being in the *Gymnasium* secondary school track, but also argued that most of this adverse effect was due to lone mothers' lower incomes. Jenkins and Schluter (2002) stated that measures of family breakdown (and re-partnering) had no association with school track, while Bohrhardt (2000) reported that there was no impact of experience of parental marital dissolution on the probability of getting a school-leaving certificate.

One problem with this research for Germany is that it uses "cross-section" (or "level") estimators which assume that every family background variable, including family structure, is uncorrelated with family- and child-specific unobservables. But a weak correlation between family structure and child's education obtained from levels estimators cannot be taken as conclusive evidence that family structure is determined independently of child or family unobservables. By supplementing level estimators with models that make weaker identifying assumptions, and exploring robustness in many additional directions, we aim to understand better whether there is a causal effect running from childhood family structure to children's schooling outcomes in Germany.

2.2 Econometric Modelling

Given data for a sample of individuals about schooling outcomes and parental marital histories, the effects of childhood family structure can be modeled in the following way (Lang and Zagorski 2001; Page and Stevens 2004; Painter and Levine 2000; Ruhm 2004):

$$S_{ij} = F_{ij}\beta + X_{ij}\gamma + \alpha_j + u_{ij}, \quad (1)$$

¹ Most of the evidence discussed above is the for United States. Exceptions include Jonsson and Gähler (1997) and Björklund et al. (2004) for Sweden, Cherlin et al. (1995), Hobcraft and Kiernan (2001) and Ermisch and Francesconi (2001) for Britain, Corak (2001) for Canada, and Piketty (2003) for France.

where S_{ij} represents a schooling outcome for individual i from family j , F_{ij} is a vector of childhood family structure variables, and X_{ij} is a vector of child- and family-specific variables that may be fixed (e.g. mother's education) or vary over time (e.g. the individual's age) and that may be correlated with the schooling performance. (The variables included in F_{ij} and X_{ij} are explained in the next section.) The error term has two components, a family-specific fixed effect, α_j , and a random idiosyncratic component, u_{ij} .

We use four econometric methods.² First, we estimate level regressions based on the assumption that observed determinants of attainment (F_{ij} and X_{ij}) are uncorrelated with unobservable determinants α_j and u_{ij} . This assumption is implausible because it is likely that an individual's schooling performance is affected by mother-specific unobserved influences α_j (e.g. ability and motivation) which are partly inherited in the form of genetic and cultural endowments.³ Despite this, many of the findings reported in the literature have been obtained from level regressions, and so level estimates provide an important reference point.

Second, we estimate propensity score matching models. For consistent estimation of β , this method – as well as the previous one – requires that there be no unobservable differences between children who grew up in a non-intact family (“treatment” group) and children who grew up in an intact family (“control” group) after conditioning on X_{ij} (the “conditional independence” or “selection on observables” assumption). However, compared to the level-type regressions, with their assumptions on linearity and additivity that can only unsatisfactorily be relaxed in full, matching provides a method by which no functional form restrictions on the relation between S_{ij} , F_{ij} , and X_{ij} need be made (Moffitt, 2004).

Third, we estimate mother fixed-effect (sibling difference) models, which take account of the fact that siblings and half-siblings share many family-specific characteristics that are relevant to the attainment process. Estimation of these models leads to consistent estimates of β if parents respond equally to each of their children's idiosyncratic endowments (Rosenzweig and Wolpin 1995; Ermisch et al. 2004) – arguably a weaker assumption than the selection on observables imposed by the level regression models. Mother fixed-effects models can only be estimated on families for which we observe at least two children and the intergenerational

² Besides such methods, we also computed Manski bounds using a subset of variables in X_{ij} (such as age, sex, and mother's education) to create subgroups of respondents (Manski 1990). All the point estimates presented in Section IV fell within the bounds and thus the bounds are not shown for simplicity. They can be found in Francesconi et al. (2005).

³ See Behrman et al. (1994), Rosenzweig and Wolpin (1995), and Ermisch et al. (2004).

transmission process may differ between single- and multi-child families. We address this issue in our sensitivity analysis (Section IV.F).

Fourth, we estimate variants of equation (1) using two quasi experimental methods, each relying on a different source of exogenous variation in family structure. The first involves individuals whose father died when they were a child. If an individual's idiosyncratic endowments do not depend on whether his/her parents split up, or whether his/her father died (i.e. paternal loss via death is exogenous), then schooling outcomes of individuals whose father died during their childhood provide a benchmark against which to assess the endogeneity of parental loss through parental separation or divorce. We implement this method by using as regressors in (1) family structure variables that distinguish individuals who ever lived with a separated or divorced mother from individuals who experienced the death of their father during childhood and individuals whose mother was unmarried when they were born. As with estimation of mother fixed-effects models, the sample sizes are small, since paternal death during childhood is a relatively rare event in contemporary Germany.

The second quasi-experimental method involves individuals whose childhood spanned the mid-1970s, the period when changes to West German divorce law eliminated "fault" grounds for divorce. We exploit the variation between the former East Germany and West Germany and variation over time in the ease of getting divorced associated with changes in divorce law. After World War II, the two Germanies followed different approaches to family law. In 1955, the German Democratic Republic (GDR) introduced the Family Law Code which regulated divorce on the no-fault principle of irretrievable breakdown of marriage. As a consequence, divorce with the consent of just one rather than both partners became legal, and this law remained unchanged and effective until reunification (Wagner 1997). In contrast, the Federal Republic of Germany (FRG) introduced a law in 1953 that eased consensual (and fault) divorce. This was replaced by the First Marriage Law and Family Law Reform Act in June 1976, implemented one year later. This introduced the concept of irretrievable breakdown of marriage and unilateral divorce became possible. Since October 1990, a uniform family law based on the FRG's 1976 Reform Act has applied to the whole of Germany (Martiny and Schwab 2002).

To implement this second method, we model school outcomes using a before-after design, with the treatment effect given by the coefficient on the interaction between an indicator for

having experienced parental divorce in the FRG and time. The variants of equation (1) that we estimate take the form:

$$S_{it} = \delta_0 + \delta_1 d_{1i} + \delta_2 d_{2i} + (\delta_3 + \delta_4 W_{it}) \lambda_t + \beta_1 T_{1it} + \beta_2 T_{2it} + Z_{it} \gamma + \varepsilon_{it}, \quad (2)$$

where i indexes children and t indexes survey years. The term d_{1i} is a dummy variable equal to one for individuals who ever lived with a divorced mother in the FRG during childhood and zero otherwise; d_{2i} is the corresponding variable for the GDR; W_{it} is equal to one if i lived in the FRG at time t , and zero otherwise; λ_t is a full set of year dummies; T_{1it} is a dummy variable equal to one if parental divorce for child i in the FRG occurred during the post-reform period and zero otherwise; T_{2it} is the corresponding variable for the GDR; vector Z_{it} contains child/family characteristics (potentially different from those included earlier in X_{it} in equation (2)); and ε_{it} is an i.i.d. disturbance term.⁴ The parameter of prime interest is β_1 which measures the effect on S_{it} of parental divorce under the post-1976 unilateral divorce regime for individuals from the FRG sample (i.e. the difference-in-differences between individuals with divorced and married parents). The key assumption here for the identification of this treatment effect is that child endowments (subsumed in ε_{it}) do not depend on the specific divorce law in force.

It is worth emphasizing that the economic and statistical assumptions required to justify the use of each of the previous models are different. One set of assumptions neither implies nor is implied by the other. In general, however, level and matching models assume that conditioning on observables eliminates selection bias. One benefit of this strong assumption imposed by matching is weaker assumptions about other features of the underlying economic model: in fact, matching (but not level) models do not require exogeneity of regressors or exclusion restrictions, provided valid conditioning sets are known (Heckman and Vytlacil 2004). On the other hand, sibling difference and quasi experimental methods model selection bias directly. But the estimates from each of these methods are likely to identify different local average treatment effects, in the sense that they may be valid for different individuals located in different points of the distribution of ε_{it} . We do not intend to impose strong priors as to what method should be preferred but, as part of our robustness exercise, we want to see whether the estimates differ substantially across methods.

⁴ Further details of the empirical specification of equation (2) are provided in Section IV.D.

3 Data

3.1 The German Socio-Economic Panel and the Three Samples

Our data come from the German Socio-Economic Panel Study (SOEP), combining information from the first nineteen annual interview waves (1984–2002) and the retrospective lifetime employment, marital and fertility histories (which span the pre-panel period for most respondents).⁵ Each year since 1984, the SOEP has interviewed a sample of nearly 17,000 individuals in approximately 6,000 native German and guestworker households from the former FRG. In June 1990, the SOEP was expanded to the territory of the former GDR, including nearly 2,200 new households.

Our analysis is based on three different samples. The first consists of individuals who belonged to households that were part of the original SOEP West German sample, i.e. sample ‘A’, and with a German head of household (‘West German sample’). The second sample includes individuals who belonged to households that were part of the original SOEP West German Guestworker sample, i.e. SOEP sample ‘B’ (‘Guestworker sample’). Guestworker households are private households headed by someone who came to Germany under the guestworker programmes of the 1960s and 1970s (Gang and Zimmermann 2000). The third sample comprises individuals belonging to households located in the former GDR before 1990 and whose head was a GDR citizen (‘East German sample’). Panel data is available for the West German and Guestworker samples from 1984 and for the East German sample from 1990 onwards.⁶

3.2 Sample Selection Criteria

Our analysis dataset consists of individuals who: (a) were aged 18 or less in the first year first observed as SOEP members; (b) were living with their mother for at least one year between

⁵ The SOEP is documented at <http://www.diw.de/english/sop/service/index.html>.

⁶ Sample membership refers to the location when the household was originally sampled, and not current location because of subsequent mobility between the former East Germany and West Germany. Foreign children, other than those from Guestworker families, were excluded from the analysis due to small sample sizes: nine children from the West German sample and one from the East German sample were dropped.

1984 and 2002; (c) were not disabled;⁷ and (d) had mothers who provided complete family and employment histories over the first ten years of the child's life.⁸

Condition (a) was imposed to avoid overrepresentation in the sample of individuals who had left their parents' home at late ages. Although, in principle, the condition may lead to sample selection bias if educational outcomes and co-residence with one's mother share unobserved determinants, we believe the problem is not serious. By age 18, only seven percent of German children have left their parental home (Iacovou 2002). Condition (b) enables us to match children to mothers who are SOEP respondents themselves. This allows us to derive information about the mother (and the family) directly from the mother, e.g. her age, education, and income sources. Condition (c) reduces problems arising if parents choose family structure patterns (and other behaviour, such as employment) on the basis of their child's health. Maternal fixed-effects models identify the parameter of interest by assuming that there are no intra-family responses and this would be hard to justify if disabled children had been included in the sample. Condition (d) means that we have full information on our key variable of interest (childhood family structure) and on maternal employment, a family background variable that has been seen as an important determinant of children's attainments (Ruhm 2004).⁹

The sample selection criteria resulted in a sample of approximately 1,400 individuals for the West German sample, 700 for the Guestworker sample, and 600 for the East German sample. Sample sizes are smaller than those derived from administrative sources (e.g. Björklund et al. 2004; Corak 2001; Piketty 2003) but compare favourably to existing studies that use SOEP data (e.g. Jenkins and Schuter 2002; Mahler and Winkelmann 2004) or survey data from other countries (e.g. Ermisch and Francesconi 2001; Ginther and Pollak 2004; Painter and Levine 2000).

⁷ Disability status had to be measured during the survey period because retrospective information prior to 1984 is not available.

⁸ Father-only families were excluded from the sample: only 75 children (or 2 percent of individuals in our final sample) were dropped.

⁹ The reason for stopping family structure and maternal employment histories at age 10 of the child is related to institutional conditions concerning school track choice (see Section III.C). This guarantees that family disruptions are always measured before the child outcome of interest is determined. However, we also changed condition (d) and performed the whole analysis after restricting the sample to those individuals whose mothers provided complete family and employment histories over their entire childhood (i.e. from birth to the child's sixteenth birthday). The results, which are similar to those shown here, are briefly discussed in Section IV.F.

3.3 The German School System and the Measures of Schooling Outcomes

Before introducing our measures of schooling outcomes, we need to explain the structure of the German school system.¹⁰ Schooling begins with voluntary pre-school kindergarten. Compulsory school attendance starts at age six, and ends at age 18. Primary school covers the first four years. Around the age of 10, pupils are channelled into three main types of secondary school: secondary general school (*Hauptschule*), intermediate school (*Realschule*), and grammar school (*Gymnasium*). *Hauptschule* offers the lowest level of secondary education and ends after five or six years at the age of 15–16, potentially with a formal leaving certificate. *Hauptschule* graduates typically proceed to vocational training which combines a three- or four-year apprenticeship with attendance at a technical training college. *Realschule* leads to a formal degree after six years (when students are aged 16), and is usually followed by attendance at a further education college combined with an apprenticeship or, rarely, a move to a *Gymnasium*. *Gymnasium* is the most academic and prestigious track. Schooling ends at age 18–19 after 13 years of formal schooling and leads to the *Abitur* certificate, the highest secondary-school qualification, and entitles holders to enter universities and other institutions of higher education.¹¹ Since education is a responsibility of the states, and not of the federal government, details of this description vary from state to state. The differences are mainly related to the age of entering or leaving a specific school track, and are not large. State dummies are included in almost all regressions, in any case.

We use three measures of schooling outcomes. Our primary measure is a dichotomous variable equal to one if the individual's educational attainment is *Abitur* or higher and zero otherwise. Attainment is measured in the final year in which an individual aged 19 or more was observed in the SOEP. Almost 35 percent of the West German sample and 32 percent of the East German sample have qualifications to *Abitur* or higher, but only 20 percent of the Guestworker sample (see Table 1). However, within each sample, there is a clear gap in educational achievement between individuals who spent their entire childhood in an intact family

¹⁰ See Dustmann (2004) for further details.

¹¹ This discussion refers to West Germany. After reunification, East Germany adopted the educational system of West Germany (Jeschek 2000). But, even before 1990, the GDR had a similar school system, albeit with some differences in the length of the various secondary school tracks (e.g. completion of the *Gymnasium* track required eight rather than nine years). Such differences are inconsequential for the measurement of our dependent variables. They only marginally affect our measures of parental education, but this does not drive any of the differences in results for the East German and West German samples (see section III.E) and, of course, are irrelevant for the estimation of sibling difference models.

and those individuals who did not. For example, in the West German sample, some 38 percent of the former group had *Abitur* or higher qualifications but only 24 percent of the latter group. The differentials are even higher for the Guestworker sample (20 percent compared with 9 percent) and the East German sample (37 percent and 19 percent).

Table 1:

Means of the outcome variables by sample and childhood family structure

	West German sample		Guestworker sample		East German sample	
	Non-intact Family	Intact Family	Non-intact Family	Intact Family	Non-intact Family	Intact Family
<i>Abitur</i> or higher qualification	0.238	0.377	0.087	0.207	0.193	0.368
<i>N</i>	286	1116	69	673	166	397
<i>Gymnasium</i> attendance at age 14	0.267	0.401	0.152	0.167	0.316	0.454
<i>N</i>	303	1263	79	778	231	518
Secondary school scores						
Proportion with high scores (1, 2)						
German	0.312	0.314				
Mathematics	0.325	0.360				
First foreign language	0.351	0.284				
Proportion with low scores (5, 6)						
German	0.013	0.020				
Mathematics	0.052	0.049				
First foreign language	0.091	0.040				
<i>N</i>	77	303				
Grade repetition (primary school)	0.105	0.074				
<i>N</i>	38	351				

Note: *N* is the number of individuals.

The other outcomes analyzed are: the school track followed at age 14; and secondary school test scores in Mathematics, German, and first foreign language.¹² We examine the probability of *Gymnasium* attendance because it is widely seen as the top track; indeed, there are sizeable wage advantages over the life cycle associated with it (Dustmann 2004). The age at which pupils move from primary to secondary school varies between states, from a minimum of 10 (e.g. Baden-Württemberg, Bavaria, Hamburg, and Hesse) to a maximum of 14 (e.g. Berlin, Brandenburg, and Bremen). Thus measuring school track at age 14 gives us a good measure of the route followed. Analysis of this outcome is based on a slightly different sample from

¹² We also analyzed the probability that a child repeated a grade (i.e. whether he/she was ever held back in school) during primary school years. The results of this analysis were similar to those found for test scores and are, therefore, not reported. They can be found in Francesconi et al. (2005).

that used to analyse the first schooling outcome: we require valid information about school track attended at age 14 as well as childhood family structure variables covering the first 14 years of their lives (rather than 16 years, as elsewhere in the analysis).¹³ In the West Germany sample, some 40 percent of individuals from an intact family had attended *Gymnasium*, whereas only 27 percent of individuals from a non-intact family had. For the East German sample, there was a similar differential, but none for Guestworker sample members.

The SOEP Youth Questionnaire (first administered in 2000) and the ‘BIOSOC’ supplement to the main questionnaire contain information about the scores obtained in secondary school for Mathematics, German, and the first foreign language. The data refer to the final year at school, and so scores are measured at different ages depending on the school track. Assessments are on a six-point scale on which a score of 1 represents the highest mark and a score of 6 is the lowest mark. The outcomes modelled are the probability of achieving a high score (1 or 2), and the probability of achieving a low score (5 or 6). Due to small sample sizes, analysis of these outcomes had to be restricted to individuals in the West German sample ($N = 380$). The differences in scores between individuals from intact families and non-intact families are not statistically significant for German and Mathematics, whether we look at the top or the bottom of the distribution. For the first foreign language, individuals from non-intact families are significantly more likely to have a high score and to have a low score.

3.4 Measures of Family Structure During Childhood

We use five different family structure measures, each of which was constructed from the mother’s marital history files. The first measure takes the value zero if the individual lived continuously with both biological (or adoptive) parents up to his/her sixteenth birthday, and one otherwise.¹⁴ Thus, an individual would have spent time in a non-intact family if he/she ever lived with a biological or adoptive mother who was not married before his/her sixteenth birthday either because of a partnership dissolution (through divorce or father’s death) or

¹³ Information on secondary school track at 14 was obtained from parents. For this outcome, we restricted our analysis to children who were enrolled at one of the three main types of secondary school (*Hauptschule*, *Realschule* and *Gymnasium*).

¹⁴ Ginther and Pollak (2004) have distinguished children reared in “blended” families – stepchildren and their half-siblings who are the biological children of both parents – from children reared in traditional intact families as well as from children reared in other family structures. Because of small sample sizes, however, our measures do not make this distinction.

because the person was born outside of marriage and the mother did not subsequently marry the biological father.¹⁵ A number of earlier studies have reported different impacts of the experience of a non-intact family depending on how old the child was when the dissolution occurred (Wojtkiewicz 1993; Hill et al. 2001). Our second measure therefore breaks down the first measure into two, each corresponding to a childhood stage: early childhood (birth to age 5), and middle childhood (ages 6–10).

Our third measure distinguishes between individuals whose mother was unmarried at their birth from individuals who ever lived with a separated/divorced mother and individuals who experienced the death of their father during childhood.¹⁶ This measure is used in our first quasi-experiment: the experience of individuals who experienced the death of their father during childhood provides a benchmark from which to judge the endogeneity of divorce.

The fourth and fifth family structure measures focus on the duration of non-intactness rather than simply its occurrence (as in the first three measures): the proportion of childhood years that an individual lived in a non-intact family, and the proportion of childhood years that an individual lived with a mother who was unmarried at the individual's birth, with a separated/divorced mother, and with a widowed mother.

The family structure measures are summarised in Table 2. One in five individuals in the West German sample experienced life in a non-intact family during childhood, which is about 30 percent fewer than in the East German sample and twice as many as in the Guestworker sample. The major types of family structure also differ by sample. For example, divorce was the most common reason for non-intactness in the West German and Guestworkers samples (especially the former), with unmarried motherhood and divorce parents equally common in the East German sample. About 50 percent of family disruptions in the West German sample, and 70 percent in the East German sample, occurred between ages 0–5, mainly because of the substantial fraction of unmarried mothers. The proportions of years spent in a non-intact

¹⁵ For children born outside of a partnership before 1983 and for the mother's marital histories prior to 1983, we cannot know exactly whether the mother cohabited with or married the biological father. For the 255 children (nine percent of the individuals in the three samples pooled) whose mother partnered within one year, we assumed that she moved in with the biological father. (Ermisch and Francesconi (2001) made a similar assumption.) Similarly, divorces before 1983 refer to breakdowns of legal marriages, whereas during the panel years they cover both legal marriage and cohabitation disruptions.

¹⁶ We also experimented with another measure that further distinguished mothers who repartnered after divorce or husband's death from mothers who did not. We do not report the results for such a measure because of the small size of the samples on which this analysis was performed, especially for the East German and Guestworker samples.

family shown in Table 2 were computed using the whole sample (i.e. including those who always lived with both biological parents). On average, individuals spent 8 percent, 3 percent and 12 percent of their childhood in a non-intact family in the West German, Guestworker, and East German samples respectively. If the samples are restricted to individuals who lived in a non-intact family, the proportions become 39, 35 and 42 percent.

Table 2:
Childhood family structure, by sample

	West German sample	Guestworker sample	East German sample
Ever lived in a non-intact family	0.204	0.093	0.294
Born to unmarried mother	0.054	0.034	0.147
Parents divorced	0.113	0.046	0.135
Father died	0.037	0.013	0.012
Ever lived in a non-intact family at ages:			
0–5	0.099	0.050	0.206
6–10	0.049	0.019	0.042
11–16	0.056	0.024	0.046
Proportion of childhood years lived in a non-intact family	0.080 (0.204)	0.033 (0.131)	0.120 (0.242)
Proportion of childhood years lived with unmarried mother	0.022 (0.118)	0.011 (0.078)	0.050 (0.167)
Proportion of childhood years lived with divorced mother	0.047 (0.159)	0.018 (0.089)	0.062 (0.166)
Proportion of childhood years lived with widowed mother	0.011 (0.074)	0.004 (0.047)	0.008 (0.068)
<i>N</i>	1402	742	563

Note: *N* is the number of individuals. Standard deviations are in parentheses.

3.5 Additional Control Variables

We use an extensive set of control variables corresponding to those that have been used in previous research: the individual's age, year of birth, and sex, whether the individual is an only child or not, measures of birth order, the number of brothers and sisters, and the region of residence (federal states). We also include controls for the individual's mother's character-

istics: her age when the individual was born, highest educational attainment, and (in some models) the number of years worked part time and full time during the individual's first ten years of life and childhood family income (post-government household income averaged over all childhood years for which income information was available).

Descriptive statistics for the control variables are provided in Table 3. There are equal numbers of men and women. Members of the West German and Guestworker samples are about 2–3 years older than those in the East German sample, and their mothers also are about 2–3 years older. Guestworker sample members come from larger families, having more brothers and sisters and fewer are only children. For West German and Guestworker sample members, the most common maternal education level is the lowest one, and only 4–6 percent have mothers with university degrees. In contrast, among East German sample members, about 55 percent have mothers with intermediate school qualifications and 26 percent with university degrees.¹⁷ East German mothers also have the strongest labour market attachment, with nearly 13 years of full-time experience and three years of part-time experience, as opposed to three and five years respectively among West German mothers and six and two years respectively among Guestworker mothers. Average childhood family income was greatest for the West German sample, around € 34,000 per year, which was about 17 percent and 14 percent greater than for children in the Guestworker and East German samples.

¹⁷ The maternal education variable has four categories, in ascending order: general secondary school qualifications or less, intermediate school qualifications, *Abitur*, technical college and university degree. We used the same broad categories for each sample (in order to simplify cross-sample comparisons) though qualifications in the former FRG were different from those in the former GDR, and qualifications in Germany differ from those obtained abroad by mothers in the Guestworker sample. Using an alternative categorisation of educational qualifications for mothers, i.e. distinguishing between mothers with engineering and technical college degrees from mothers with university degrees, did not change our key results presented in the next section.

Table 3:
Summary statistics, by sample

	West German sample	Guestworker sample	East German sample
Age	25.261 (5.000)	24.631 (4.498)	22.160 (2.425)
Age < 22	0.314	0.317	0.456
Age 22–25	0.268	0.321	0.423
Age > 25	0.418	0.362	0.121
Year of birth	1973.76	1973.62	1979.01
Female	0.492	0.474	0.502
Mother's highest educational attainment			
No degree or secondary general school certificate	0.654	0.935	0.158
Intermediate school certificate	0.256	0.019	0.552
Grammar school certificate (<i>Abitur</i>)	0.027	0.005	0.034
Technical college or university degree	0.063	0.041	0.256
Mother's age at birth	26.934 (5.564)	26.326 (5.948)	24.364 (4.472)
Only child	0.126	0.047	0.154
Number of brothers ^a	0.809	1.224	0.663
Number of sisters ^a	0.779	1.203	0.595
Birth order ^{a,b}			
First child	0.386	0.311	0.489
Second child	0.393	0.314	0.418
Third child or more	0.221	0.375	0.092
Average post-government household income during childhood years ^c	34,410 (16,109)	29,320 (8,883)	30,099 (10,121)
Mother's employment during childhood years:			
Number of years full-time employed	3.181 (4.870)	6.345 (6.341)	12.639 (4.909)
Number of years part-time employed	4.705 (5.257)	2.315 (3.933)	2.802 (4.134)
<i>N</i>	1402	742	563

Notes: Figures are sample means with standard deviations in parentheses.

^a Includes adopted and foster children.

^b Computed for children with siblings only.

^c Computed for all childhood years for which positive household income was available.

Household income was deflated using the Consumer Price Index and is expressed in Euros (year 2000 prices).

4 Results

4.1 Basic Estimates for the West German Sample

In Table 4 we show the effect of childhood family structure on the probability of having educational qualifications to *Abitur* or higher for the West German sample. The first three columns show estimates from three level regressions with progressively more control variables. The next column reports estimates from propensity score models which use biweight kernel matching,¹⁸ and the last two columns present mother fixed-effects estimates obtained from linear probability models and conditional logit models. All regression estimates are expressed as marginal effects evaluated at sample mean values of the other regressors. For brevity, the estimated coefficients for explanatory variables besides family structure during childhood are not shown (see Francesconi et al. 2005).

Panel A indicates that there is a negative association between having lived in a non-intact family during childhood and the probability of attaining *Abitur* or higher qualifications. The largest estimate ($\beta = -0.133$) is obtained from level regression specification [1]. The level estimates become smaller in magnitude as we move from specification [1] to specification [2] which also includes childhood family income as a regressor, to specification [3] which also includes maternal employment. Apparently non-intactness has effects also – but not exclusively – through parental income and employment. Even in specification [3], having experienced life in a non-intact family is associated with a statistically significant reduction of the chances of achieving *Abitur* or higher qualifications by 6 percentage points (but this is statistically significant only at the 10 percent level). A causal interpretation of the estimate is questionable, however, because the selection-on-observables assumption is hard to justify (Section II.B).

¹⁸ Similar results were obtained when we used local linear regression matching models, which are therefore not reported.

Table 4
**Childhood family structure and the probability of achieving *Abitur* or higher qualification:
 West German sample**

	Manski's Bounds ^a		Level (logit) Estimates ^b			Mother FE Estimates ^c	
	Largest Lower	Smallest Upper	[1]	[2]	[3]	Linear Probability	Conditional Logit
<i>Panel A</i>							
Ever lived in a non-intact family	-0.153 (0.099)	0.171 (0.063)	-0.133 (0.031)	-0.090 (0.035)	-0.064 (0.037)	-0.067 (0.087)	-0.049 (0.147)
<i>Panel B</i>							
Born to unmarried mother	-0.103 (0.056)	0.375 (0.175)	-0.127 (0.046)	-0.104 (0.051)	-0.081 (0.056)	-0.115 (0.128)	-0.127 (0.348)
Parents divorced	-0.103 (0.058)	0.171 (0.064)	-0.129 (0.038)	-0.082 (0.044)	-0.056 (0.046)	-0.076 (0.111)	-0.068 (0.220)
Father died	-0.224 (0.054)	0.111 (0.109)	-0.131 (0.060)	-0.092 (0.072)	-0.072 (0.080)	0.182 (0.251)	0.027 (0.082)
<i>Panel C</i>							
Ever lived in a non-intact family at ages:							
0–5	-0.103 (0.054)	0.200 (0.072)	-0.133 (0.038)	-0.101 (0.043)	-0.073 (0.046)	-0.062 (0.097)	-0.057 (0.169)
6–10	-0.103 (0.056)	0.167 (0.089)	-0.114 (0.053)	-0.060 (0.064)	-0.034 (0.067)	-0.092 (0.131)	-0.025 (0.109)
11–16	-0.151 (0.063)	0.111 (0.107)	-0.129 (0.048)	-0.090 (0.055)	-0.069 (0.059)	-0.071 (0.137)	-0.002 (0.072)
<i>Panel D</i>							
Proportion of childhood years lived in a non-intact family			-0.195 (0.078)	-0.106 (0.082)	-0.051 (0.081)	0.023 (0.157)	-0.015 (0.063)
<i>Panel E</i>							
Proportion of childhood years lived with unmarried mother			-0.112 (0.117)	-0.059 (0.126)	-0.007 (0.132)	-0.429 (0.540)	-0.137 (0.402)
Proportion of childhood years lived with divorced mother			-0.256 (0.104)	-0.148 (0.104)	-0.092 (0.101)	-0.083 (0.172)	-0.026 (0.094)
Proportion of childhood years lived with widowed mother			-0.177 (0.208)	-0.073 (0.220)	-0.014 (0.227)	0.768 (0.402)	0.194 (0.761)

Notes: Standard errors in parentheses.

^a Computed using 48 groups based on individual's age (two groups: age ≤ 24 years, aged > 24 years), sex (two groups), mother's highest educational attainment (two groups: mother has at least intermediate school qualifications, mother has less than intermediate school qualification), mother's age at the child's birth (three groups: mother aged ≤ 24 years, aged 25–27, aged ≥ 28 years), year of birth (two groups: born before 1974, born in 1974 and later). Standard errors are obtained with 500 bootstrap replications.

^b Figures are marginal effects from logit regressions computed at average values of all the variables used. Other variables are age groups, sex, year of birth, mother's highest educational attainment, mother's age at the child's birth, whether the respondent is an only child, number of brothers and sisters, birth order, regional dummy variables, a linear time trend, and a constant. Specifications [2] and [3] also include the average income during childhood years. Specification [3] also includes the number of years of maternal part-time and full-time and part-time employment during the respondent's childhood. Standard errors allow for arbitrary serial correlation.

^c Figures are marginal effects computed at average values of all the variables used.

FE = fixed effects. Other regressors used were the (sibling) differences in gender, age, mother's age at the child's birth, whether the respondent is the first-born and a constant. Standard errors are robust to any form of correlation between siblings.

The sibling-difference estimator relies on weaker assumptions for identification. The point estimates from these models are again negative, with $\beta = -0.067$ in the linear probability model (column [4]) and -0.049 in the conditional logit model (column [5]). But both estimates are imprecisely estimated. A 95 percent confidence interval indicates that the data are consistent with there being a large adverse effect of growing up in a non-intact family or with the effect being non-existent. That statistical significance is smaller for sibling-difference estimates than for corresponding level estimates has also been reported in related studies (e.g. Björklund et al. 2004). Small sample sizes may be a concern here (although they cannot be the reason for the lack of significance in the Björklund and colleagues' study on Sweden, since they use large samples drawn from population registers). We try to address this issue in the sensitivity checks (see Section IV.F).

There could be another simple explanation for the large standard errors. We explored whether the imprecision arose from differential and offsetting effects associated with different types of non-intactness (panel B). The difference between the estimated coefficients on 'Parents divorced' and on 'Father died' can also be given a causal interpretation assuming the father's death provides exogenous variation in parental loss. Level estimates indicate a significantly lower probability of achieving *Abitur* or higher qualification for individuals whose mothers were not married at their birth and for children of divorced mothers, even after controlling for family income (specification [2]), by 10 percentage points and 8 percentage points respectively. However, when we also control for childhood maternal employment, the estimates become smaller in magnitude and statistically insignificant. The fixed-effects estimates reveal that having been born to an unmarried mother reduced the chances of achieving *Abitur* or higher qualifications by 11–13 percentage points, while death of one's father's increased such chances by 2–18 percentage points. Such estimates never differ significantly from zero, however. This is in line with the results reported by Corak (2001) and Lang and Zagorsky (2001), although their analyses covered different outcomes. The results in panel B suggest that there is some variation in the effects of different types of childhood family structure, with the worst outcomes emerging among children of unmarried mothers. But when we control for childhood maternal employment in level regressions, or account for mother-specific unobservables or the endogeneity of family breakdown, there is no clear-cut evidence that any type of childhood family structure significantly affects children's later educational achievements.

Next we consider whether the impact of non-intactness varied with the age at which it was experienced (panel C). The results here echo those in Panel A. The estimates from sibling-difference models have a negative sign (in all but one case) and are imprecisely estimated. We can never reject the hypothesis that the estimated effect is equal to zero irrespective of the childhood stage in which the non-intactness occurred.

Finally we switch from occurrence to duration measures. Panels D and E show the estimates obtained for the proportion of childhood years in any type of non-intact family and also broken down by types of non-intact family. According to level regression [1], panel D, there is a significant negative association between time spent in a non-intact family and the outcome, but the estimates become much smaller in magnitude and statistically insignificant as controls for childhood family income and maternal employment are added. There were no statistically significant estimates when duration was broken down by family type (panel E). The same conclusions can be drawn from the fixed-effects models.

Taken together, the estimates in Table 4 suggest that we cannot conclude with confidence that experience of life in a non-intact family during childhood has a detrimental impact on the probability of achieving *Abitur* or higher qualifications for West German young adults. An adverse effect is suggested by the level regressions but, once correlated unobserved background characteristics are accounted for, the magnitude of the effect becomes smaller and imprecisely estimated.

4.2 Guestworker Sample and East German Sample

We repeated the analysis for the Guestworker and East German samples but, for brevity, only report estimates for two measures of family structure and from linear probability fixed-effects models.¹⁹ The results are presented in Table 5.

Despite the differences in family structure and educational attainment between three sample groups discussed earlier, the results shown in Table 5 are remarkably similar to those for the West German sample. In particular, the level estimates imply that growing up in a non-intact family has a large and statistically significant adverse effect, reducing the probability of *Abi-*

¹⁹ As in Table 4, the conditional logit estimates are typically smaller in absolute value than those obtained from the fixed-effects linear probability models shown in the table, and are never statistically significant. Similarly, the results for the other three family structure measures do not alter the picture presented here. In general, these patterns about fixed-effects logit regressions and various family structure measures also emerged in other analyses, including those not shown.

tur or higher qualifications by about 9 percentage points for both East German sample members and Guestworker sample members, even after controlling for family income and maternal employment. As for the West German sample, the largest negative associations are estimated for children of unmarried mothers.²⁰ But, again as before, the differences in outcomes for individuals whose father died and children who grew up with a divorced mother are never statistically significant at the 5 percent level. These findings are corroborated by the sibling-difference estimates.

Table 5:
Childhood family structure and the probability of achieving *Abitur* or higher qualification: Guestworker and East German samples

	Manski's Bounds		Level (logit) Estimates			Mother FE Estimates
	Largest Lower	Smallest Upper	[1]	[2]	[3]	Linear Probability
<i>Guestworker sample</i>						
Ever lived in a non-intact family	-0.136 (0.079)	0.250 (0.224)	-0.101 (0.034)	-0.098 (0.035)	-0.088 (0.035)	-0.068 (0.103)
Born to unmarried mother	-0.111 (0.045)	0.250 (0.197)	-0.126 (0.037)	-0.124 (0.038)	-0.124 (0.036)	-0.058 (0.142)
Parents divorced	-0.156 (0.054)	0.333 (0.273)	-0.103 (0.042)	-0.101 (0.042)	-0.083 (0.045)	-0.021 (0.158)
Father died	-0.091 (0.048)	0.667 (0.064)	-0.008 (0.101)	-0.002 (0.105)	0.011 (0.111)	-0.513 (0.324)
<i>East German sample</i>						
Ever lived in a non-intact family	-0.181 (0.119)	0.111 (0.108)	-0.114 (0.044)	-0.093 (0.047)	-0.094 (0.047)	-0.068 (0.169)
Born to unmarried mother	-0.167 (0.158)	0.250 (0.222)	-0.137 (0.049)	-0.119 (0.052)	-0.119 (0.052)	-0.069 (0.194)
Parents divorced	-0.167 (0.144)	0.111 (0.103)	-0.078 (0.056)	-0.058 (0.065)	-0.060 (0.065)	-0.068 (0.279)
Father died ^a	-0.167 (0.154)	0.545 (0.156)	-0.097 (0.146)	-0.072 (0.142)	-0.077 (0.135)	

Notes: Standard errors in parentheses. For definitions and comments, see notes to Table 4.

^a Due to small sample sizes, the reference category in the mother FE regression for the East German sample includes children whose father died.

²⁰ As a robustness check, we reestimated the model for the Guestworker sample also including a set of dummy variables for mothers' and fathers' nationality. The estimates on the family structure variables were very similar to those reported in Table 5, while the nationality dummies were jointly statistically insignificant.

4.3 Other Schooling Outcomes

Family structure effects might be statistically insignificant because educational qualifications may be measured many years after the family disruption. A number of studies by developmental psychologists and sociologists have found that parents and children gradually adjust to divorce, with parents' childrearing skills improving and parental conflict tapering off (Amato 1993). If this is the case, children's well-being after marital dissolution will improve with the passage of time, and inferior outcomes will be concentrated at (early) stages of life closer to the time of family breakdown. For this reason, we consider other schooling outcomes which are observed at younger ages, such as *Gymnasium* attendance at age 14 and secondary school scores.

The estimated effects of 'ever lived in a non-intact family' are shown in Table 6. For brevity, we report only level estimates from the specification that includes childhood family income and maternal employment, and mother fixed-effects estimates obtained from linear probability models. The results from conditional logit regressions and from using other family structure measures are not reported but are discussed. Models for secondary school scores could be estimated only using level models and for the West German sample because of small sample sizes and insufficient variation between siblings.

Table 6
The impact of ‘ever lived in a non-intact family’ on additional educational outcomes, by sample

	West German sample		Guestworker sample		East German sample	
	Level	FE	Level	FE	Level	FE
<i>Gymnasium</i> attendance at age 14	−0.065 (0.041)	−0.154 (0.072)	−0.059 (0.030)	0.048 (0.078)	−0.081 (0.047)	0.008 (0.094)
High scores ^a						
German	0.025 (0.066)					
Mathematics	−0.008 (0.068)					
First foreign language	0.099 (0.073)					
Low scores ^a						
German	−0.0001 (0.012)					
Mathematics	−0.005 (0.007)					
First foreign language	0.016 (0.019)					
Grade repetition (primary school) ^b	−0.015 (0.025)					

Note: The control variables are as in Table 4 with the exception of age dummies.

‘Level’: logit regression. ‘FE’: mother fixed-effects regression (linear probability model estimates).

^a Each regression also controls for school track attended. High and low test scores are defined in the main text.

^b Regression does not include federal state dummies. According to the timing of the transition from primary to secondary school in federal states, we used the first four or six years of schooling when measuring grade repetition in primary school.

Federal states in West Germany in which transition from primary school to secondary school occurs after four years of primary education are Baden-Württemberg, Bayern, Hamburg, Hessen, Nordrhein-Westfalen, Rheinland-Pfalz, and Saarland. Transition to secondary school after six years of primary education occurs in Berlin (West), Schleswig-Holstein, Niedersachsen, and Bremen (Sekretariat der Ständigen Konferenz der Kultusminister der Länder in der Bundesrepublik Deutschland 2003).

For the West German sample, the fixed-effects estimate implies that experience of life in a non-intact family significantly lowers the probability of attending *Gymnasium* at age 14: the marginal effect is a reduction of some 15 percentage points. (The level estimate is a seven percentage point reduction, and significant only at the 10 percent level.) The sibling-difference estimate appears mainly to reflect the adverse effects of divorce when children were aged 6–14 and of father’s death when children were aged 11–14 (estimates not shown). The conditional logit estimate of the fixed-effects model led again to an effect that was negative and statistically significant, but substantially smaller in magnitude ($\beta = -0.038$, t -value =

–2.13). However, the probability of attending *Gymnasium* at age 14 for individuals who experienced father’s death was not statistically different from that of children who lived in an intact family, and is higher than the probability for children of divorced parents. Thus the finding that family non-intactness has an adverse causal effect on *Gymnasium* attendance is not robust across methods that differently account for family structure endogeneity.

For the Guestworker sample, the estimated effects of non-intactness are negative but are statistically significant only in the level model. There is also no evidence of a significant impact among children in the East German sample. In the models of the probabilities of being at the top of the score distributions in German, Mathematics and first foreign language, it turns out that estimated family structure impacts are all close to zero, and not statistically significant.

All in all, we have found no clear-cut evidence that childhood family structure has an adverse impact on schooling outcomes. One exception concerns *Gymnasium* attendance at age 14, which was substantially lower for individuals who lived in a non-intact family during childhood according to the fixed-effects estimators.²¹ However this effect was not detected by the estimator using fathers’ death as the instrument. We return to this point in Section 4.5.

4.4 Difference-in-Difference Estimates from a Before and After Design

We implemented the before-after design described by equation (2), comparing East German sample members and West German sample members.²² Guestworker sample members were excluded in order to reduce observed heterogeneity between treatment and control groups. (Estimation with them included did not alter our conclusions.) The analysis concerned the probability of achieving *Abitur* or higher qualifications and the probability of *Gymnasium* attendance at age 14. We defined the post-reform period as 1977 and afterwards, and the pre-reform period as the years up to and including 1976, since the June 1976 family law reform

²¹ One explanation of how this finding concerning family structure and *Gymnasium* attendance may be reconciled with the insignificant impact on the probability of having *Abitur* or higher qualification was offered at the beginning of this section. We might expect inferior outcomes to be concentrated at stages of life that are closer to the time of family breakdown, and age 14 is well before the age at which we measure highest educational qualification (around 19 at least, and usually much later). For more discussion and further explanations, see Francesconi et al. (2005).

²² Before 1990 migration between the former GDR and FRG was virtually inexistent. Since then migration is allowed but there is one uniform legal code applied to the whole of Germany. Hence our results are unlikely to suffer from selective migration bias whereby migration decisions are related to divorce regimes.

was implemented only in June 1977 and because dates for divorces that occurred before the start of the SOEP (1984) are recorded in years.²³ The vector Z_{it} in equation (2) contained variables summarizing socio-demographic characteristics such as maternal and paternal education, age of mother at child birth, number of children, and family income, a full set of regional dummies identifying either when the divorce occurred (if the divorce occurred after 1984) or at the first wave the mother is observed (if the divorce occurred before 1984), plus a full set of year-region interactions.²⁴

Linear probability estimates for five different subsamples are summarised in Table 7.²⁵ The five subsamples account in different ways for the fact that, since 1990, there has been one uniform family law for the whole of Germany, and hence β_1 is identified only through variation over time in divorce law rather than variation over time and across states. In addition, two specifications are shown corresponding to whether or not state-specific (FRG and GDR) time trends were excluded, i.e. whether δ_3 and δ_4 and the year-region interactions in Z_{it} were set to zero or not. With the introduction of state-specific time trends we try to control for the possibility that changes in the divorce law could be correlated with other time-varying state-specific characteristics that affect child outcomes.

Regardless of specification and subsample, there was no statistically significant impact of unilateral divorce on the probability of having *Abitur* or higher qualification. The point estimates are positive suggesting that a potentially lower parental conflict experienced by children whose parents go through unilateral divorce might improve their performance on this school outcome. The point estimates of β_1 in the equation for *Gymnasium* attendance at age 14 are negative and range between 11 and 14 percentage points in absolute terms. They are similar in magnitude to the fixed-effects estimate for the West German sample shown in Table 6, but are statistically insignificant.

²³ Excluding parents who divorced in 1976 and 1977 from the West German sample meant dropping 13 observations, i.e. four percent of all divorced mothers in the sample (or 0.5 percent of all mothers). Importantly, for the estimation of *Gymnasium* attendance, 1976 and 1977 are included as pre-reform years for individuals from the former GDR; otherwise the control group would not have information on the pre-reform period.

²⁴ The different timing of the region variables is because the SOEP does not ask respondents about housing and residential location prior to their joining the panel.

²⁵ In all specifications, the power of the instrument in explaining variation in family structure is large in terms of both F statistics and partial R^2 statistics.

Table 7:
Difference-in-difference estimates

	<i>Abitur</i> or higher qualification	<i>Gymnasium</i> atten- dance at age 14
<i>Panel A (all sample)</i>		
No time trends	0.079 (0.093)	-0.139 (0.111)
With time trends	0.124 (0.097)	-0.138 (0.110)
<i>N</i>	1735	2041
<i>Panel B (divorces in 1990–1992 in East Germany dropped)</i>		
No time trends	0.078 (0.093)	-0.140 (0.111)
With time trends	0.123 (0.097)	-0.139 (0.111)
<i>N</i>	1730	2035
<i>Panel C (all divorces in 1990–1992 dropped)</i>		
No time trends	0.069 (0.094)	-0.120 (0.112)
With time trends	0.095 (0.092)	-0.116 (0.112)
<i>N</i>	1713	2011
<i>Panel D (divorces after 1990 in East Germany dropped)</i>		
No time trends	0.068 (0.094)	-0.113 (0.111)
With time trends	0.111 (0.098)	-0.110 (0.111)
<i>N</i>	1703	1981
<i>Panel E (all divorces after 1990 dropped)</i>		
No time trends	0.075 (0.093)	-0.117 (0.119)
With time trends	0.121 (0.098)	-0.118 (0.120)
<i>N</i>	1694	1929

Notes: Table shows estimates of β_1 (cf. equation (2)) obtained from separate linear probability model regressions.

Standard errors allowing for arbitrary serial correlation are shown in parentheses.

The variables in *Z* are year of birth, sex, birth order, number of brothers, number of sisters, mother's age at birth, mother's highest educational qualification, average childhood family income, number of years of maternal part-time and full-time employment during childhood, and a full set of interaction terms between federal state dummies and year dummies.

When *Abitur* or higher qualification was the dependent variable, the regressors also included child's age.

The East and West German samples each contain children with a German-born mother only.

Overall these results reinforce our previous conclusion that once one turns from simple level regression models to models accounting for endogeneity, it is difficult to find any clear-cut effect of childhood family structure on schooling outcomes.

4.5 Robustness Checks

We made a number of robustness checks.²⁶ First, because mother fixed-effects models can only be estimated using data from families with at least two siblings and these families could be a nonrandom subgroup of the population of families with children, we re-estimated the (level) logit regressions for the probability of achieving *Abitur* or higher using data for two subsamples. The first subsample included individuals with siblings (i.e. only-children were excluded) and the second consisted of siblings for whom we have valid information on whether or not they achieved *Abitur* or higher qualifications (i.e. the same sample as that used earlier for the fixed-effects regressions). In the absence of any bias, we expect the results based on these two new subsamples to be comparable to the level estimates in Tables 4 and 5. Indeed, the point estimates from the two new subsamples were quite similar to our previous results.²⁷

Second, arguably the non-significance of our fixed-effects regressions may have arisen because they were based on small samples, especially in the case of the East German and Guestworker samples. To investigate this, we combined the three original samples into one. With this new sample, we re-estimated the probability of having *Abitur* or higher qualifications using level and fixed-effects regressions, also including sample dummies and interactions between family structure variables and sample dummies. As before, the level estimates indicated a significant negative association between measures of family non-intactness and attainment probabilities. But, again, sibling-difference models provided scant evidence that childhood family structure significantly affects children's schooling outcomes.

Third, because the SOEP does not collect a full history of housing tenure and residential mobility before the panel began, we cannot fully control for geographic location during childhood years for a large number of individuals in our sample. If the residential patterns of non-intact families are systematically different from those of intact families, one mechanism

²⁶ For brevity, the detailed estimates are not reported, but are available from the authors.

²⁷ The smaller size of these subsamples reduced the precision of some of such estimates, however.

through which children's lives may be affected is undetected (Pribesh and Downey 1999). The only reliable information that we can use for all individuals in our samples is the number of years they have lived in their current address during childhood. In level regressions for the probability of achieving *Abitur* or higher qualifications, adding this variable (expressed as a proportion of childhood years) to the regressor list did not alter the results shown in Tables 4 and 5, and this variable was never statistically significant. In particular, the point estimates on the family structure measures did not change much for all three samples but, in the Guestworker sample, standard errors became larger and the corresponding estimates lost statistical significance.

Fourth, despite the similarity of results across samples, one might be concerned that the relationship between school outcomes and family structure differs between the East German sample on the one hand and the West German and Guestworker samples on the other hand because the data for East and West Germany span different time periods. For example, if the stigma of divorce fell over time, we may expect to see even smaller associations of non-intactness with school outcomes among individuals in the West German and Guestworker samples. To address this issue, we re-estimated our level and fixed-effects regression models for the probability of attaining *Abitur* or more using individuals from the West German and Guestworker samples from 1990 onwards, i.e. the same time period covered by the East German sample. This strategy did not change any of our findings.

5 Conclusions

Does experience of life in a non-intact family during childhood affect schooling outcomes in Germany? According to level regression models, growing up in a non-intact family is generally associated with worse outcomes. However, when the endogeneity of family structure is accounted for, using a variety of estimators, there is little evidence that family structure significantly affects schooling outcomes.

These conclusions hold true regardless of how old the child was when the non-intactness occurred, and for all three samples. This is remarkable given the substantial differences across samples in socioeconomic institutions (especially between West German and East

German samples) and in social and cultural milieux (West German and Guestworker samples). Moreover, similar findings arise regardless of which schooling outcome measure is considered, whether the probability of having *Abitur* or higher qualifications, of being at the top or the bottom of the distributions of secondary school scores, or of repeating a grade during primary school. One exception concerns the probability of *Gymnasium* attendance at age 14 for West German children. In this case, the fixed-effects estimates indicate a large and statistically significant adverse impact of experience of life in a non-intact family at earlier ages. But this effect was not detected by difference-in-difference estimators and is thus not robust. In sum, our findings suggest that the evidence for a causal effect running from family breakdown to schooling outcome is weak.

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