



Munich Personal RePEc Archive

**Can the labor status of parents and the  
composition of the family influence the  
future labor situation of children?  
Evidence for Spain**

Morales, Marina

University of Zaragoza

15 July 2018

Online at <https://mpra.ub.uni-muenchen.de/87933/>  
MPRA Paper No. 87933, posted 16 Jul 2018 09:49 UTC

# **Can the labor status of parents and the composition of the family influence the future labor situation of children? Evidence for Spain**

**Marina Morales**

**University of Zaragoza, Spain**

## **Abstract**

The aim of this paper is to analyze whether family support, measured through the labor status of parents and the composition of the household during adolescence, may be an important determinant of unemployment in Spain. To address this issue, we follow the Quantity-Quality model of Becker-Lewis (Becker and Lewis, 1973), using data from the Survey of Living Conditions (2011). First, our results show that individuals living with both parents at home during their teenage years are less likely to be unemployed in the future. Second, we find evidence of the intergenerational transmission of unemployment outcomes, and that the unemployment status of the mother is strongly transferred to the child. Additionally, we extend this work to an analysis of the type of job, finding that household composition is an important determinant of self-employment and temporary employment. Our findings are robust to controls for observable and unobservable characteristics by region, and to the use of different subsamples.

**Keywords:** Household composition, Unemployment, Labor Market, Intergenerational transmission, Spain.

**JEL Codes:** D10, E24, I32

## 1. INTRODUCTION

Major social changes in the institution of the family in Western countries have resulted in a process of separation in the household, with rising divorce rates and growing numbers of single-parent families (Cherlin 2002; Manning et al. 2014).<sup>1</sup> Figure 1 shows the evolution of the proportion of single-family households and married and unmarried couples, in recent years in Spain. Although living with a partner still appears to be the favored state for Spanish individuals, the number of single-family households has increased during the period of study, and does not appear to be slowing down.<sup>2</sup> The relationship between household structure and economic well-being is obvious, since poverty rates vary dramatically, depending on family structure. In Spain, 42.2% of single families were at risk of poverty in 2016, while this percentage was just 25.5% in the case of married couples with children (Survey of Living Conditions 2016). These changes not only affect couples' well-being, but may also have implications for their children's well-being, who receive fewer parental inputs than their counterparts who live with both parents at home (Amato 2005; McLanahan and Sandefur 2009; Mencarini et al. 2017). Recent studies have focused on the importance of fathers, who are less likely to be involved in their children's lives when they are divorced, or not married (Hofferth 2006; Cabrera and Tamis-LeMonda 2014). Moreover, poverty entails challenges and situations that require a greater effort with only one available parent (Oliker 1995; Edin and Lein 1997). Thus, it is not beyond the bounds of possibility that family structure not only affects children's economic well-being during their childhood, but also in their adulthood.

The presence of both parents in the household is not the only characteristic of the family that may affect the child's future well-being. In the majority of developed countries, labor markets have also experienced changes. The recent financial and economic crisis has resulted in the destruction of jobs, evidenced by high unemployment rates. Since prior researchers has shown the persistence of economic status between generations, finding that the earnings and educational attainment of parents and their children are positively correlated across countries (Hertz et al. 2008;

---

<sup>1</sup>The institution of the family from different socioeconomic perspectives has been analyzed in detail by Molina (2011, 2013, 2014, 2015), among others.

<sup>2</sup>The proportion of single and couple households has been calculated using data from the Continuous Household Survey (ECH) provided by the Spanish Statistical Institute.

Solon 2002), this recent increase in unemployment rates may lead to future consequences for the children. Thus, the present research considers the influence of both emotional and tangible family support during adolescence on future unemployment outcomes, by studying not only whether the presence of both parents in Spanish households may affect the probability of becoming unemployed, but also the intergenerational transmission of unemployment outcomes. Although unemployment is a global problem, Spain provides an interesting case study, since it has one of the highest unemployment rates in the EU (Eurostat). Examining the determinants of unemployment is important, not only because of direct economic costs, like financing unemployment benefits or pursuing active labor market policies, but also due to the social impact of joblessness, manifested by increasing crime, mental health problems, violence, drug abuse, social exclusion, and decreasing life satisfaction (Aguilar-Palacio et al. 2015; Buonanno and Montolio 2008; Colell et al. 2015; Gallie 1999; Gallie and Russell 1998; Urbanos-Garrido and Lopez-Valcarcel 2015; Zorrilla 2009).

We contribute to the literature on the factors that can have an effect on unemployment. Prior researchers mainly focused on examining the impact of unemployment benefits (Blanchard and Jimeno 1995; Jenkins and García-Serrano 2004), monetary policies (Baccaro and Rei 2007), institutions (Nickell and Layard 1999), and individual characteristics, such as age, gender, and education (Azmat et al. 2006; Bell and Blanchflower 2011; Dolado et al. 2000; Kooreman and Ridder 1983; Gines et al. 2000; Nunez and Livanos 2010; Verick 2009). Although all this prior literature has contributed to understanding unemployment outcomes, it cannot explain one of the most important facts in unemployment research, that is, the existence of large differences in unemployment across regions of the same country (OECD 2005). Additionally, to our knowledge, there is no substantial literature focused on studying the consequences of family characteristics during childhood in labor markets. Our paper is also related to a new literature focused on examining what socio-economic characteristics are transmitted from generation to generation, and to what extent (Brügger et al. 2009; Gauly 2017; Giménez et al. 2017a; Giménez et al. 2017b; Marcén 2014; Molina 2014; Molina et al. 2011). We add to the question on intergenerational correlation of attitudes between parents and children by studying the vertical transmission of unemployment outcomes.

In our empirical strategy, we follow the conceptual Quantity-Quality model of Becker-Lewis (Becker and Lewis, 1973), using data from the Survey of Living Conditions (2011) provided by the National Statistical Institute (INE) for the Spanish economy, which is the latest year providing information about household composition, when young individuals were 14 years old. We find a negative and statistically-significant relationship between living with both parents at home when individuals are teenagers and the probability of being unemployed, and a positive and statistically significant relationship between the mothers' unemployment situation and the future unemployment outcomes of her children. These results suggest that both family structure and the labor status of parents can affect subsequent results in the labor market. Our results are maintained after adding controls for unobservable characteristics (including region fixed effects), using different subsamples and carrying out several robustness checks. To investigate this phenomenon further, we also extend our work to the study of the relationship between family support during adolescence and the type of employment, focusing on self-employment and temporary employment. Since both entrepreneurship and temporary unemployment rates are concerns for the Spanish Government, examining family characteristics as a possible determinant of these labor market outcomes may also lead to interesting conclusions. We find that those individuals living with both parents at home are less likely to be employed in a temporary capacity and more likely to be self-employed in the future.

The remainder of the paper is organized as follows. Section 2 presents the data. Section 3 describes the empirical strategy. Our results are discussed in Section 3, and Section 4 concludes.

## **2. DATA**

We use data from the Survey of Living Conditions (SLC) provided by the Spanish Statistical Institute (INE) for the year 2011, which is the latest year providing information about family characteristics when individuals were teenagers. The SLC provides rich information that allows us to identify individual work status, as well as the specific characteristics of each household during individuals adolescence, such as the composition of the household and the labor status of the parents. In a first analysis, our main explanatory variable is measured as both parents living in the household during individuals adolescence. In a second analysis, the variable is defined as the

unemployment status of the parents during the individual's adolescence. In this setting, our goal is to study whether individual behaviors in labor markets may be determined, although not exclusively, by the family support received during their teenager years. Our main sample contains 16,760 observations of Spanish individuals aged 26 to 60 years old, who report information about their household composition when they were teenagers.

Table 1 presents the summary statistics for the main variables by region. The first column shows large variations in the proportion of unemployed individuals across the Spanish regions, ranging from 10% in Navarra, Illes Balears, and País Vasco, to 26% in Canarias. More significant differences can be observed in the proportion of temporary employees by region, in the second column: an average of 24% of individuals report being a temporary employee, with this varying from 16% in País Vasco, to a high of 36% in Andalucía. Similarly, the third column shows dissimilarities among the proportions of the self-employed across regions. The lowest percentages are observed among those originating from Ceuta (4%), and the highest among those from Castilla-La Mancha (15%). The fourth column includes the proportion of individuals who were raised with both parents at home. However, by simply comparing this column with the previous three, we cannot deduce a clear relationship between these variables. The same occurs when we compare these columns with the fifth, which includes the proportion of individuals whose parents were unemployed during their adolescence. As can be seen, the majority of the households in our sample were formed by both parents, who were employed, when individuals were teenagers. The raw data also reveals slight dissimilarities across regions in gender composition, the age of the individuals, and the level of education. Male adults are 49% of the sample, with this varying from 46% in the case of Ceuta and Melilla, to 51% in the case of Castilla y León and Castilla-La Mancha. The age of the individuals in our sample is around 43 years, on average, with the youngest originating from Ceuta, at 41 years old, and the oldest from Castilla y León, at 45 years old, on average. Overall, 17% of individuals have completed primary school, with the lowest percentage being from Madrid (9%), and the highest from Ceuta (24%). Regarding those who have completed at least secondary school, the lowest percentages are observed among those from País Vasco and Navarra (41%), and the highest among those from Cantabria (58%). Finally, 32% of respondents report having

completed a university degree, with this ranging from just 17% in the case of individuals from Ceuta, to 49% in the case of those from País Vasco.

### 3. EMPIRICAL STRATEGY

Our goal is to analyze whether family support, measured through household composition and parents' unemployment status, when individuals were teenagers, can influence their current situation as adults in the labor market. Thus, if family characteristics do not play a role here, the presence of both parents in the household during adolescence or the parents' unemployment status should have no impact on individuals' current unemployment situation as adults. On the other hand, if family support does play a role in labor arrangements, we would expect to detect a relationship between the behavior of the respondents and that of their parents during their teenager years. To test this issue, we consider the Quantity-Quality methodology of Becker-Lewis (Becker and Lewis, 1973) and propose a Probit model (Bliss 1934) that emerges from an underlying model of latent variables. Formally, we use the following equation:

$$Y_{ik}^* = \beta_0 + \beta_1 FS_i + \mathbf{X}_{ik} \beta_2 + \delta_k + \varepsilon_{ik} \quad (1)$$

Where  $Y_{ik}^*$  is the unobservable subjective index of satisfaction that can be represented by a dichotomous variable that takes value 1 when individual  $i$ , of region  $k$ , reports being unemployed, and 0 otherwise. According to this, if the subjective index of satisfaction of the individual is greater than zero (or any other threshold), the individual will be unemployed. However, if this is less than or equal to zero, the individual will not be unemployed. Hence, we cannot know  $Y_{ik}^*$  through  $Y_{ik}$ , but we can know when it exceeds a certain threshold, which leads us to establish:

$$Y_{ik} = 1 \quad \text{if } Y_{ik}^* > 0 \leftrightarrow \text{individual } i \text{ is unemployed}$$

$$Y_{ik} = 0 \quad \text{if } Y_{ik}^* \leq 0 \leftrightarrow \text{individual } i \text{ is not unemployed}$$

Once the variable  $Y_{ik}$  has been defined, we can propose the Probit model to estimate as follows:

$$\text{Probit}(p_{ik}) = \beta_0 + \beta_1 FS_i + \mathbf{X}_{ik} \beta_2 + \delta_k + \varepsilon_{ik} \quad (2)$$

Where  $p_{ik}$  is the probability that individual  $i$  of region  $k$  reports being unemployed. The definition of our variable of interest, that is, family support ( $FS_i$ ), changes depending on

the objective of our analysis. First, to capture the effect of the household composition during adolescence, we define our main explanatory variable as a dummy variable that takes value 1 when both parents were living in the household when individual  $i$  was a teenager, and 0 otherwise. And second, to measure the effect of the parents' unemployment status, we define a dummy variable that takes value 1 when at least one of the parents was unemployed when individual  $i$  was a teenager, and 0 otherwise. The vector  $X_{ik}$  includes individual characteristics, such as gender, age, and level of education. As prior research has shown, educational differences in unemployment status do exist (Gines et al. 2000; Nunez and Livanos 2010). The higher the level of education, the lower the probability of being unemployed. Since our sample includes individuals of a variety of educational attainments, the coefficient picking up the impact of family structure could be capturing educational differences, in addition to, or rather than, the household composition effect. To address this issue, we incorporate three dummies to control for the level of education of the individuals (Primary school, Secondary school, and University degree). Other research indicates that the age of the individuals and their gender can have an effect on unemployment status, for reasons independent of family structure (Azmat et al. 2006; Bell and Blanchflower 2011; Dolado et al. 2000; Kooreman and Ridder 1983; Verick 2009). Then, their inclusion in our estimations is also necessary. Although the Survey of Living Conditions reports other individual characteristics, we have not considered them in the analysis because of endogeneity concerns. In any case, a more complete estimation enlarging the set of individual characteristics can be seen in the robustness check section. Because many programs to fight unemployment vary by region, we also include a full set of region fixed effects denoted by  $\delta_k$ .

We note that our work is not limited to the analysis of that relationship only, since we also focus on the effect of household composition on the type of employment. To address this issue, we redefine our main dependent variable using information about whether individuals are temporary employees or self-employed. This methodology is discussed in detail in subsection 4.3.

## **4. RESULTS**

### **4.1 The effect of household composition on the probability of being unemployed**

Table 2 presents the estimates for our analysis of the effect of household composition on the unemployment outcomes of children in the future. As can be seen in column 1, the impact of age appears as a U-shape, which is consistent with the literature suggesting that young individuals are more likely to be unemployed (Bell and Blanchflower 2011; Dolado et al. 2000; Gines et al. 2000; Kooreman and Ridder 1983; Nunez and Livanos 2010; Verick 2009). Since young people lack skills, work experience and abilities to find a job, they are more likely to be unemployed or employed in more precarious positions. Surprisingly, the estimates for the education level only show a statistically-significant effect of having a University degree. Having completed Primary and Secondary school does not appear to have a significant effect. In any case, our results are consistent with the literature, since reaching a high level of education decreases the probability of being unemployed (Gines et al. 2000; Nunez and Livanos 2010). Our results also show that men are more likely to be unemployed than women. At first sight, these results can be surprising, since prior research has shown discrimination against women in labor markets in Mediterranean countries (Azmat et al. 2006). However, by simply looking at the Spanish employment rate, no differences can be found between the rates of male and female unemployment in our period of study (Labour Force Survey 2011). Additionally, this result could be explained in terms of female education. Given that young women who participate in the labor market tend to be more educated than men (Labour Force Survey 2011), their probability of being unemployed is supposed to be less. In any case, the gender differential is not our objective here.

With respect to our variable of interest, the estimated coefficient on the household composition (FS) indicates that living with both parents at home when individuals were teenagers is related to a lower probability of being unemployed in the future. We find that the presence of both parents in the household decreases the probability of being unemployed in the future by around 4.4%. In the second column, region fixed effects are added to control for unobserved characteristics that may vary at the region level. Although the effect of the presence of both parents is slightly smaller than that obtained before, we still find a negative association between both variables. It is also worth noting that a separate gender analysis has been considered, to mitigate the concerns that

gender issues may generate. Our results point to the household composition when individuals were young being an important factor for women and men, separately, and the magnitude of the effect is quite similar, suggesting that gender issues are not driving our results (see columns 3 and 4).

In terms of robustness, we consider whether our findings are maintained when utilizing different subsamples and incorporating additional observable characteristics at the region level. For further evidence that our results are not affected by heterogeneity across regions, we have repeated the analysis by including controls for observable characteristics of the regions, which may affect participation in labor markets. Our results are maintained after adding GDP per capita and the unemployment rate, by region (see column 5).<sup>3</sup> We also run some simple robustness checks, including and excluding those regions with the highest number of observations and with the highest and lowest proportion of individuals living with both parents in the household during their adolescence. In the sixth column, we drop Andalusians from our sample, because they are the largest group. In columns 7 and 8, we repeat the analysis without those from Extremadura and Murcia, representing the highest proportion, and without those from Galicia, with the lowest proportion, respectively. Our findings do not vary. It is comforting that any changes appear to be found after running our estimations without Ceuta and Melilla, which, despite constituting part of the national territory, are considered autonomous cities (see column 9). All the results described in this section suggest that the unemployment situation of individuals may be determined by their household composition during their adolescence.

#### **4.2 Intergenerational transmission of unemployment outcomes**

We find that family support measured through both parents living in the household during adolescence does play a role in the individuals' future labor situation. Our findings in this section concern another way by which parents can affect their children's future labor status, that is, the cultural transmission of unemployment. It is widely accepted that cognitive and non-cognitive skills are important determinants of labor market outcomes (Heckmann et al. 2006). But how do individuals obtain their attitudes and abilities? And to what extent are those attributes similar to the attitudes and abilities

---

<sup>3</sup>Data for unemployment rate and GDP pc by region comes from the Spanish Statistical Institute for the year 2011.

of their parents or forebears? Prior research has found a positive correlation between the earnings and educational attainment of parents and that of their children (Hertz et al. 2008; Solon 2002) and this correlation may be partly explained by the cultural transmission of attitudes and skills from parents to their children (Bowles and Gintis 2002; Gauly 2017). Then, it seems plausible to analyze whether unemployment outcomes during adulthood are determined by the previous unemployment situation of their parents.

In this section, we focus on a specific country, in our case Spain, to study the transmission of unemployment status over two generations by analyzing the impact of the labor status of parents on the future labor situation of children. Given the restrictions in the data, the inclusion of a third generation is not possible. As explained above, we define our main explanatory variable as a dummy variable that takes value 1 when at least one of the parents was unemployed when individual  $i$  was a teenager, and 0 otherwise. Thus, our goal here is to show that the behavior of individuals in our sample is similar to the behavior of their parents and other members of their family. Then, if there is inter-generational transmission of unemployment outcomes, we would expect that individuals whose parents were unemployed will be more likely themselves to be unemployed.

Table 3 presents the results.<sup>4</sup> In the first column, we show evidence of parents' unemployment status during the individual's adolescence as an important factor in future unemployment outcomes of children, but this effect is only statistically significant at the 10% level. Moreover, our results are maintained when we control for observable characteristics, but no effect is discerned when we control for unobservable characteristics (see columns 2 and 3). In the rest of the columns, we examine father's and mother's unemployment status separately. In columns 4 to 6, we analyze the transmission of unemployment outcomes through fathers to their children. As can be observed, the fathers' unemployment situation does not appear to play a role in their children's labor market status. However, different results are found in the case of mothers. Our results show a significant role of inter-generational transfer of unemployment through mothers to their children, at least from first- to second-generation (see columns 7 to 9). We find that the fact that the mother was unemployed

---

<sup>4</sup>The variation in our sample size is due to the restriction of those individuals reporting information about parents' labor status during their adolescence.

during the individual's adolescence increases their probability of being unemployed during adulthood by almost 18%. Although there are variations in the magnitude of the effect, our conclusions are maintained after running certain robustness checks. It is reassuring that the impact of the mother's unemployment status remains statistically significant and positive after adding the fixed effects at region level and controls for observable characteristics. Of course, one interesting issue for further research in reducing the sustained social inequality arising from the intergenerational transmission of economic status is an exploration of the mechanisms through which unemployment status is transmitted from parents to children. In any case, it is comforting that our results suggest that individuals are sensitive to their mothers' unemployment situation, which gives us additional empirical evidence that household characteristics can affect the children's future labor status.

#### **4.3 The effect of family support on the type of employment**

So far, we have focused on studying the consequences of family support in terms of levels of employment. Nevertheless, since the Spanish government liberalized temporary contracts by extending their use to hiring employees doing regular activities, and involving much lower dismissal costs than regular permanent contracts, the quality of employment is also very much a concern. To tackle this issue, we re-estimate equation (2), by redefining the dependent variable as the probability of being a temporary employee. Table 4 presents the results. While the unemployment status of parents does not appear to have an effect on the probability of being a temporary employee (see column 1), living with both parents at home when individuals were young has a negative and statistically-significant effect on the probability of being a temporary employee in the future (see column 2). In particular, there is a decrease of 4.1% in that probability. However, in this case, we find gender differences. While men do not appear to be affected by household composition, our results are maintained when we only include women in our sample, and the magnitude of the effect is somewhat greater than that obtained earlier (see columns 3 and 4). We find that family support, captured through the presence of both parents in the household, decreases women's probability of being a temporary employee in the future by around 5.6%. These findings are consistent with prior literature suggesting that women rely more on family support than do men for increasing their self-efficacy and learning skills (Chu 2010). Since both

emotional and tangible family support appear to play a bigger role in women's educational attainments, compared to men, our results are considered to be reasonable.

Similarly, we extend our work to the study of the effect of family support on the probability of being self-employed. Since policy-makers and researchers alike consider self-employment as an alternative to unemployment and a path out of poverty, this analysis may lead us to interesting results. A recent paper by Saridakis et al. (2018) shows that current family circumstances can be predictors of self-employment choices. We extend this work by examining whether these choices may also be determined by their family characteristics during their adolescence. As before, parents' unemployment status does not seem to play a major role, since the effect is only statistically significant at the 10% level (see column 5). However, our findings point to family structure as being one of the channels through which entrepreneurial activity can be promoted in Spain. We find that the presence of both parents in the household increases the probability of being self-employed in the future by around 2.5% (see column 6). Our results on self-employment also suggest that family structure is an important factor in female entrepreneurial decisions, but not in the case of males (see columns 7 to 8). All these results reinforce our conclusions, suggesting that household composition when individuals were teenagers can influence their current situation as adults in the labor market.

## 5. CONCLUSIONS

The aim of this paper is to show how recent changes suffered by Spanish households can affect the future unemployment situation of children. The dramatic consequences for the Spanish labor market after the recent economic crisis show the importance of studying patterns of unemployment, and how they can affect subsequent generations. Additionally, it is increasingly common to find single-parent or divorced families, and prior research has found negative consequences for children's well-being of not living with both parents at home. In our study, we focus on children's future well-being. We find that individuals' success in labor markets may be determined by their family support when they were teenagers. Specifically, our results show that those individuals living with their parents during childhood are less likely to become unemployed in the future, and those whose mother was unemployed during their adolescence are more likely to be unemployed. Thus, we find evidence of the effect of household composition

on the future unemployment outcomes of children, as well as of the existence of the intergenerational transmission of unemployment outcomes through mothers to their children.

For further evidence that the future of children in labor markets can be determined by the characteristics of the household during individuals' adolescence, we extend our work to an examination of the possible effects of family support on the type of job. Our results point to household composition as an important factor in the type of employment for women, since those living with both parents at home are less likely to be employed in a temporary capacity and more likely to be self-employed in the future.

Examining the determinants of unemployment is important because governments frequently devise and apply policies to reduce it. Thus, our results may be interpreted as evidence of one of the mechanisms through which unemployment can be reduced. Additionally, since single-parent families are presumed to be at greater risk of poverty, and unemployment outcomes are vertically transmitted, we can also interpret our results as evidence of the Intergenerational Transmission of Poverty in Spain. In this setting, policy-makers should consider these results, in order to combat the social inequality emanating from intergenerational persistence of socio-economic status, by promoting households formed by both parents, as well as couples' involvement in their children's lives. Moreover, protection against poverty could be facilitated by simply analyzing family characteristics in terms of household composition and parents' unemployment status. In short, despite the limitations of the data, this study can be considered as first evidence of the effect of family support during adolescence on the Spanish labor market.

## **REFERENCES**

- Aguilar-Palacio, I., Carrera-Lasfuentes, P., and Rabanaque, M. J. (2015). "Youth unemployment and economic recession in Spain: influence on health and lifestyles in young people (16–24 years old)", *International journal of public health*, 60(4), 427-435.
- Amato, P. R. (2005). "The Impact of Family Formation Change on the Cognitive, Social, and Emotional Well-Being of the Next Generation", *Future of Children*, 15(2): 75–96.

Azmat, G., Güell, M., and Manning, A. (2006). "Gender gaps in unemployment rates in OECD countries", *Journal of Labor Economics*, 24(1), 1-37.

Baccaro, L., and Rei, D. (2007). "Institutional determinants of unemployment in OECD countries: Does the deregulatory view hold water?", *International Organization*, 61(3), 527-569.

Becker, G., and Lewis, H.G. (1973). "On the interaction between the quantity and quality of children", *Journal of Political Economy*, 81: S279-S288.

Bell, D. N., and Blanchflower, D. G. (2011). "Young people and the Great Recession", *Oxford Review of Economic Policy*, 27(2), 241-267.

Blanchard, O., and Jimeno, J. F. (1995). "Structural unemployment: Spain versus Portugal", *The American Economic Review*, 85(2), 212-218.

Bliss, C. I. (1934). "The method of probits-a correction", *Science*, 79(2053), 409-410.

Bowles, S., and Gintis, H. (2002). "The inheritance of inequality", *The Journal of Economic Perspectives*, 16(3), 3-30.

Brügger, B., Lalive, R., and Zweimüller, J. (2009). "Does culture affect unemployment? Evidence from Röstigraben", *IZA Discussion Papers 4283. Institute for the Study of Labor (IZA)*.

Buonanno, P., and Montolio, D. (2008). "Identifying the socio-economic and demographic determinants of crime across Spanish provinces", *International Review of Law and Economics*, 28(2), 89-97.

Cabrera, N. J., and Tamis-LeMonda, C. S. (Eds.) (2014). "Handbook of Father Involvement: Multidisciplinary Perspectives", Mahwah, NJ: Lawrence Erlbaum Associates.

Cherlin, A. (2002). "The Marriage Problem: How Our Culture Has Weakened Families", *Population and Development Review*, 28(3), 566-568.

Chu, R. J. C. (2010). "How family support and Internet self-efficacy influence the effects of e-learning among higher aged adults—Analyses of gender and age differences", *Computers & Education*, 55(1), 255-264.

Colell, E., Sánchez-Niubò, A., Delclos, G. L., Benavides, F. G., and Domingo-Salvany, A. (2015). "Economic crisis and changes in drug use in the Spanish economically active population", *Addiction*, 110(7), 1129-1137.

Dolado, J. J., Felgueroso, F., and Jimeno, J. F. (2000). "Youth labour markets in Spain: Education, training, and crowding-out", *European Economic Review*, 44(4-6), 943-956.

Edin, K., and Lein, L. (1997). "Making Ends Meet: How Single Mothers Survive Welfare and Low Wage Work", New York: Russell Sage Foundation.

Eurostat <http://ec.europa.eu/eurostat/data/database>

Gallie, D. (1999). "Unemployment and social exclusion in the European Union", *European Societies*, 1(2), 139-167.

Gallie, D., and Russell, H. (1998). "Unemployment and life satisfaction: A cross-cultural comparison", *European Journal of Sociology*, 39(2), 248-280.

Gauly, B. (2017). "The Intergenerational Transmission of Attitudes: Analyzing Time Preferences and Reciprocity", *Journal of Family and Economic Issues*, 38(2), 293-312.

Giménez, J.I., Molina, J.A., and Ortega, R. (2017a). "Like my parents at home? Gender differences in childrens' housework in Germany and Spain", *Empirical Economics*, 52(4), 1143-1179.

Giménez, J.I., Molina, J.A., and Zhu, Y. (2017b). "Intergenerational mobility of housework time in the United Kingdom", *Review of Economics of the Household*, forthcoming. DOI: 10.1007/s11150-017-9374-0.

Gines, J., Garcia, J., and Garcia, A. (2000). "Higher education and graduate employment in Spain", *European Journal of Education*, 35 (2), 229-237.

Heckmann, J. J., Stixrud, J., and Urzua, S. (2006). "The effects of cognitive and non-cognitive abilities on labor market outcomes and social behavior. *Journal of Labor Economics*, 24(3), 411-482.

Hertz, T., Jayasundera, T., Piraino, P., Selcuk, S., Smith, N., and Verashchagina, A. (2008). "The inheritance of educational inequality: International comparisons and fifty-year trends", *The B.E. Journal of Economic Analysis & Policy*, 7(2).

Hofferth, S. L. (2006). "Residential Father Family Type and Child Well-Being: Investment Versus Selection", *Demography*, 43(1): 53–77.

INE (2011). "Labour Force Survey", *Madrid: Spanish Statistical Institute*.

INE (2011). "Survey of Living Conditions", *Madrid: Spanish Statistical Institute*.

INE (2016). "Survey of Living Conditions", *Madrid: Spanish Statistical Institute*.

INE (2014, 2015, 2016, 2017). "Continuous Household Survey", *Madrid: Spanish Statistical Institute*.

Jenkins, S. P., and García-Serrano, C. (2004). "The relationship between unemployment benefits and re-employment probabilities: evidence from Spain", *Oxford Bulletin of Economics and Statistics*, 66(2), 239-260.

Kooreman, P., and Ridder, G. (1983). "The effects of age and unemployment percentage on the duration of unemployment: Evidence from aggregate data," *European Economic Review*, 20(1-3), 41-57.

Manning, W. D., Brown, S. L., and Payne, K. K. (2014). "Two Decades of Stability and Change in Age at First Union Formation", *Journal of Marriage and Family*, 76, 247–260.

Marcén, M. (2014). "The role of culture on self-employment", *Economic Modelling*, 44(1), s20-s32.

McLanahan, S., and Sandefur, G. (2009). "Growing up with a single parent: What hurts, what helps", *Harvard University Press*.

Mencarini, L., Pasqua, S., and Romiti, A. (2017). "Single-mother families and the gender gap in children's time investment and non-cognitive skills", *Review of Economics of the Household*, 1-28.

Molina, J.A. (2011). *Household Economic Behaviors*, Editor, Springer.

Molina, J.A. (2013). "Altruism in the household: in-kind transfers in the context of kin selection", *Review of Economics of the Household*, 11, 309-312.

Molina, J.A. (2014). “Altruism and monetary transfers in the household: inter- and intra generation issues”, *Review of Economics of the Household*, 12 (3), 407-410.

Molina, J.A. (2015). “Caring within the family: reconciling work and family life”, *Journal of Family and Economic Issues*, 36, 1-4.

Molina, J.A., Navarro, M., and Walker, I. (2011). “Intergenerational well-being mobility in Europe”, *Kyklos*, 64, 253-270.

Nickell, S., and Layard, R. (1999). “Labor market institutions and economic performance”, *Handbook of labor economics*, 3, 3029-3084.

Nunez, I., and Livanos, I. (2010). “Higher education and unemployment in Europe: an analysis of the academic subject and national effects”, *Higher Education*, 59(4), 475-487.

OECD (2005). “Employment Outlook”, OECD: Paris.

Oliker, S. J. (1995). “The Proximate Contexts of Workfare and Work: A Framework for Studying Poor Women’s Economic Choices”, *Sociological Quarterly*, 36(2): 251–272.

Saridakis, G., Mohammed, A. M., García-Iglesias, J. M., and Torres, R. I. M. (2018). “Economy and Divorces: Their Impact Over Time on the Self-Employment Rates in Spain”, *Journal of Family and Economic Issues*, 1-14.

Solon, G. (2002). “Cross-country differences in intergenerational earnings mobility”, *The Journal of Economic Perspectives*, 16(3), 59–66.

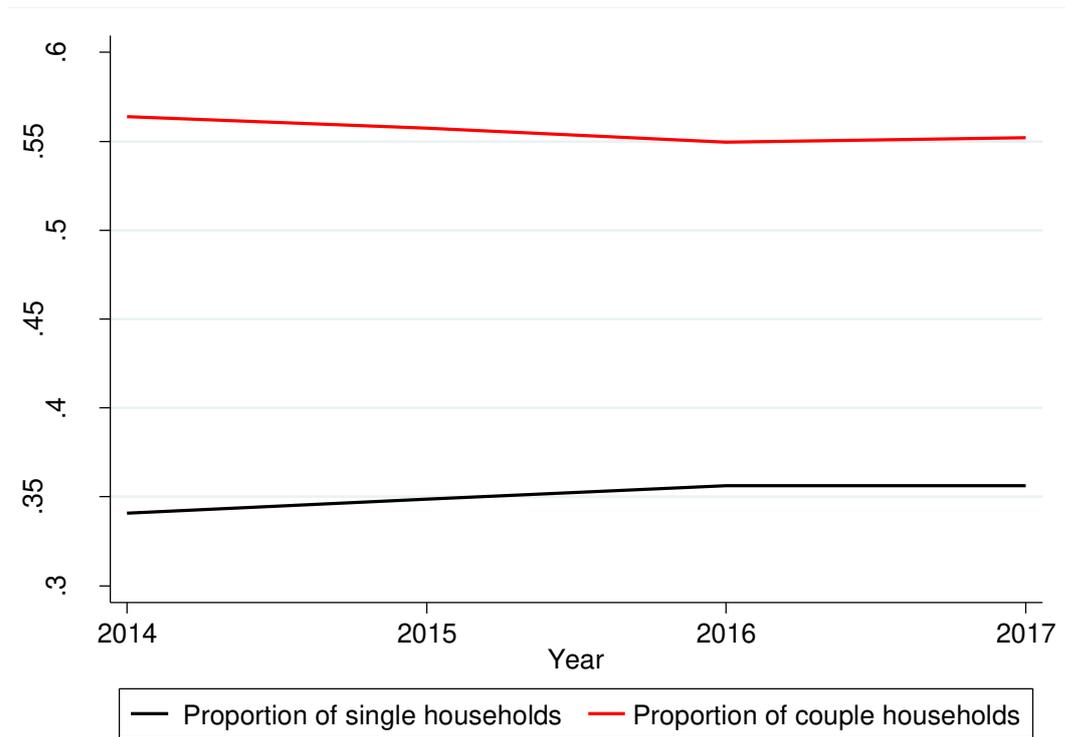
Urbanos-Garrido, R. M., and Lopez-Valcarcel, B. G. (2015). “The influence of the economic crisis on the association between unemployment and health: an empirical analysis for Spain”, *The European Journal of Health Economics*, 16(2), 175-184.

Verick, S. (2009). “Who Is Hit Hardest during a Financial Crisis? The Vulnerability of Young Men and Women to Unemployment in an Economic Downturn (No. 4359)”, *Institute for the Study of Labor (IZA)*.

Zorrilla, B., Pires, M., Lasheras, L., Morant, C., Seoane, L., Sanchez, L. M., and Durbán, M. (2009). “Intimate partner violence: last year prevalence and association with

socio-economic factors among women in Madrid, Spain”, *European Journal of Public Health*, 20(2), 169-175.

**Figure 1: Proportion of single and couple households from 2014 to 2017**



Notes: Data come from the Continuous Household Survey (ECH) provided by the Spanish Statistical Institute. The proportion of single and couple households represented in this figure has been calculated for all the period with available data.

**Table 1: Summary statistics**

Region	Proportion of unemployed	Proportion of temporary employed	Proportion of self-employed	Both parents living in the household	Unemployed parents	Age	Man	Primary school	Secondary school	University degree	Observations
Andalucía	0.25	0.36	0.08	0.89	0.01	43.41	0.49	0.22	0.47	0.28	2,041
Aragón	0.11	0.21	0.11	0.92	0.01	43.95	0.5	0.13	0.52	0.34	785
Asturias	0.14	0.21	0.10	0.89	0.01	44.24	0.47	0.12	0.56	0.31	696
Illes Balears	0.10	0.21	0.12	0.88	0.01	43.28	0.47	0.21	0.52	0.25	505
Canarias	0.26	0.33	0.08	0.87	0.01	43.38	0.47	0.19	0.48	0.27	843
Cantabria	0.11	0.24	0.12	0.88	0.01	44.47	0.45	0.10	0.58	0.32	526
Castilla y León	0.12	0.22	0.12	0.89	0.00	44.65	0.51	0.16	0.51	0.32	1,015
Castilla - La Mancha	0.14	0.26	0.15	0.91	0.00	43.36	0.51	0.18	0.55	0.26	948
Cataluña	0.13	0.17	0.09	0.92	0.01	43.42	0.50	0.20	0.44	0.32	1,748
Comunitat Valenciana	0.17	0.23	0.09	0.92	0.00	42.93	0.47	0.13	0.57	0.30	1,360
Extremadura	0.20	0.34	0.12	0.94	0.01	44.61	0.50	0.22	0.48	0.26	640
Galicia	0.15	0.24	0.12	0.86	0.01	43.97	0.48	0.21	0.46	0.31	1,067
Madrid	0.14	0.19	0.07	0.89	0.00	43.48	0.47	0.09	0.47	0.43	1,607
Murcia	0.20	0.31	0.08	0.94	0.00	42.67	0.49	0.23	0.54	0.20	641
Navarra	0.10	0.19	0.10	0.92	0.00	43.71	0.48	0.16	0.41	0.43	513
País Vasco	0.10	0.16	0.11	0.89	0.01	44.35	0.48	0.11	0.41	0.49	891
La Rioja	0.12	0.18	0.14	0.88	0.00	43.61	0.49	0.15	0.53	0.31	569
Ceuta	0.18	0.33	0.04	0.89	0.02	41.44	0.46	0.24	0.53	0.17	206
Melilla	0.14	0.28	0.08	0.91	0.00	42.19	0.46	0.20	0.43	0.23	159
Mean	0.16	0.24	0.10	0.90	0.01	43.62	0.49	0.17	0.49	0.32	
Std. Dev.	0.36	0.43	0.30	0.30	0.08	9.55	0.50	0.37	0.50	0.47	

Notes: Data come from the Survey of Living Conditions (SLC) provided by the Spanish Statistical Institute for the year 2011. The sample contains 16,760 observations of individuals aged 26 to 60.

**Table 2: The effect of household composition on the probability of being unemployed**

Dependent variable: Probability of being unemployed	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
FS	-0.177*** (0.054)	-0.177*** (0.054)	-0.169** (0.075)	-0.186** (0.076)	-0.184*** (0.054)	-0.210*** (0.060)	-0.182*** (0.058)	-0.179*** (0.057)	-0.177*** (0.054)
Age	-0.048*** (0.015)	-0.051*** (0.015)	-0.067*** (0.021)	-0.036 (0.022)	-0.051*** (0.015)	-0.055*** (0.017)	-0.049*** (0.017)	-0.050*** (0.016)	-0.052*** (0.015)
Age2/100	0.037** (0.018)	0.041** (0.018)	0.062** (0.025)	0.022 (0.026)	0.041** (0.018)	0.047** (0.020)	0.039** (0.019)	0.041** (0.019)	0.042** (0.018)
Man	0.098*** (0.032)	0.104*** (0.032)			0.101*** (0.032)	0.129*** (0.035)	0.115*** (0.035)	0.115*** (0.033)	0.104*** (0.032)
Primary school	0.135 (0.101)	0.138 (0.104)	0.045 (0.140)	0.266 (0.162)	0.152 (0.103)	0.199 (0.125)	0.072 (0.109)	0.137 (0.105)	0.135 (0.105)
Secondary school	-0.138 (0.097)	-0.118 (0.101)	-0.304** (0.136)	0.120 (0.158)	-0.092 (0.100)	-0.104 (0.121)	-0.166 (0.105)	-0.109 (0.102)	-0.121 (0.101)
University degree	-0.476*** (0.101)	-0.442*** (0.105)	-0.663*** (0.142)	-0.184 (0.163)	-0.404*** (0.103)	-0.408*** (0.125)	-0.511*** (0.110)	-0.452*** (0.106)	-0.444*** (0.105)
Uemploymentn trate					0.038*** (0.005)				
GDP pc					0.006 (0.005)				
Marginal effects									
BPH	-0.044*** 0.014	-0.043*** 0.013	-0.043** 0.019	-0.042** 0.017	-0.045*** 0.013	-0.047*** 0.013	-0.043*** 0.013	-0.043*** 0.014	-0.043*** 0.013
Region fixed effects	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Observations	16,760	16,760	8,130	8,630	16,760	14,719	14,412	15,693	16,395

Note: The sample, obtained from Spanish Living Conditions Survey (2011), consists of individuals aged 26 to 60. We restrict our sample to those individuals reporting information about parents' labor status during their adolescence. Column 3 only incorporates men, and column 4 only incorporates women. Column 5 includes observable characteristics at region level. Those individuals from Andalucía have been excluded in column 6. In column 7 and 8 we run the analysis without those from Extremadura and Murcia, which presents the highest BPH, and without those from Galicia, having the lowest BPH, respectively. Individuals from Ceuta and Melilla have been excluded in the last column. Estimates are weighted. Robust standard errors, clustered by region, are in parentheses. \*\*\* Significant at the 1% level, \*\* Significant at the 5% level, \* Significant at the 10% level.

**Table 3: Intergenerational transmission of unemployment**

Dependent variable: Probability of being unemployed	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Father or mother unemployed	0.348* (0.183)	0.305 (0.197)	0.324* (0.195)						
Unemployed father				0.221 (0.213)	0.195 (0.234)	0.207 (0.230)			
Unemployed mother							0.726** (0.307)	0.613** (0.301)	0.659** (0.300)
Age	-0.043*** (0.016)	-0.047*** (0.016)	-0.046*** (0.016)	-0.043*** (0.016)	-0.047*** (0.016)	-0.046*** (0.016)	-0.043*** (0.016)	-0.047*** (0.016)	-0.046*** (0.016)
Age2/100	0.031* (0.019)	0.037* (0.019)	0.036* (0.019)	0.032* (0.019)	0.037** (0.019)	0.036* (0.019)	0.031* (0.019)	0.037* (0.019)	0.036* (0.019)
Man	0.086** (0.034)	0.090*** (0.034)	0.088*** (0.034)	0.086** (0.034)	0.090*** (0.034)	0.088*** (0.034)	0.085** (0.034)	0.090*** (0.034)	0.088*** (0.034)
Primary school	0.054 (0.104)	0.037 (0.107)	0.055 (0.106)	0.050 (0.104)	0.035 (0.107)	0.052 (0.106)	0.042 (0.104)	0.027 (0.107)	0.045 (0.106)
Secondary school	-0.188* (0.100)	-0.183* (0.104)	-0.153 (0.102)	-0.193* (0.100)	-0.187* (0.104)	-0.158 (0.102)	-0.202** (0.100)	-0.195* (0.104)	-0.167 (0.102)
University degree	-0.525*** (0.104)	-0.504*** (0.108)	-0.463*** (0.106)	-0.530*** (0.104)	-0.508*** (0.108)	-0.467*** (0.106)	-0.542*** (0.104)	-0.518*** (0.108)	-0.478*** (0.107)
Unemployment rate			0.039*** (0.005)			0.039*** (0.005)			0.039*** (0.005)
GDP pc			0.005 (0.006)			0.005 (0.006)			0.005 (0.006)
Marginal effects									
Unemployed mother							0.178** 0.075	0.146** 0.072	0.158** 0.072
Region fixed effects	No	Yes	No	No	Yes	No	No	Yes	No
Observations	15,660	15,660	15,660	15,660	15,660	15,660	15,660	15,660	15,660

Note: The sample, obtained from Spanish Living Conditions Survey (2011), consists of individuals aged 26 to 60. In columns 1, 3 and 5 we study the intergenerational transmission of unemployment through fathers to their children. In columns 2, 4 and 6 we study the intergenerational transmission of unemployment through mothers to their children. Estimates are weighted. Robust standard errors, clustered by region, are in parentheses. \*\*\* Significant at the 1% level, \*\* Significant at the 5% level, \* Significant at the 10% level.

**Table 4: The effect of family support on the type of employment**

Dependent variable	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Probability of being a temporary employee	Probability of being self-employer						
Unemployed parents	-0.038 (0.184)				-0.382* (0.226)			
Both parents living in the household		-0.137*** (0.047)	-0.093 (0.072)	-0.176*** (0.062)		0.162** (0.067)	0.143 (0.094)	0.197** (0.084)
Age	-0.054*** (0.014)	-0.053*** (0.014)	-0.066*** (0.020)	-0.039** (0.019)	0.089*** (0.019)	0.089*** (0.019)	0.104*** (0.024)	0.062** (0.029)
Age2/100	0.028* (0.016)	0.026 (0.016)	0.035 (0.024)	0.016 (0.022)	-0.084*** (0.021)	-0.083*** (0.021)	-0.098*** (0.027)	-0.056* (0.033)
Man	-0.210*** (0.029)	-0.207*** (0.029)			0.466*** (0.036)	0.464*** (0.036)		
Primary school	0.006 (0.102)	0.009 (0.101)	-0.080 (0.144)	0.116 (0.144)	0.288 (0.187)	0.295 (0.187)	0.262 (0.247)	0.379* (0.220)
Secondary school	-0.226** (0.098)	-0.223** (0.098)	-0.391*** (0.138)	-0.036 (0.139)	0.461** (0.185)	0.470** (0.185)	0.468* (0.246)	0.506** (0.209)
University degree	-0.551*** (0.099)	-0.545*** (0.099)	-0.753*** (0.142)	-0.323** (0.140)	0.427** (0.187)	0.437** (0.187)	0.402 (0.248)	0.525** (0.211)
Marginal effects								
Both parents living in the household		-0.041*** 0.014	-0.026 0.020	-0.056*** 0.020		0.025** 0.011	0.029 0.019	0.022** 0.021
Regionfixedeffects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	16,760	16,760	8,130	8,630	16,760	16,760	8,130	8,630

Note: The sample, obtained from Spanish Living Conditions Survey 2011, consists of individuals aged 26 to 60. We study the effect of family structure on the probability of being a temporary employee in columns 1 to 4. The effect of family structure on the probability of being self-employed has been analyzed in columns 5 to 8. Columns 3 and 7 only incorporates men, and columns 4 and 8 only incorporates women. Estimates are weighted. Robust standard errors, clustered by region, are in parentheses. \*\*\* Significant at the 1% level, \*\* Significant at the 5% level, \* Significant at the 10% level.