

Modes of Interaction Between Divorced Parents*

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Abstract

It is not unusual for researchers as well as laypersons to refer to the behavior of noncustodial parents who comply with legally-determined child support obligations as “cooperative,” even though this term would not typically be appropriate from the perspective of formal models of expenditures on public goods [the children in this case]. We develop a model in which compliance with child support orders *is* synonymous with cooperative behavior. The child support order imposed by institutional agents serves as focal point for the problem of dividing the gains from cooperation. If the gains from cooperation exceed the value of noncooperation for both parents, compliance results. The model is estimated using administrative data from the State of Wisconsin. Using model estimates we show that increasing enforcement activities may have weak effects on the welfare of children of divorced parents.

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