

These notes refer to the slides for Class 8 – Divorce

Stevenson-Wolfers (2007) and Stevenson-Isen (2010)

Figure 1

Marriage and divorce are affected by socio-economic forces. While marriage rate has fluctuated around stable mean, divorce rate has risen.

Marriage rose and spiked during and in aftermath of WWII (but earlier fell in Great Depression), then rebalanced to trend in 1960s. **Then marriage started to decline from 1970s...it is now at its lowest point in USA history, below 1860 numbers.**

Divorce per 1000 people (and per 1000 married people) shows a clear spike in aftermath of WWII, and then rebalances below the trend and rises sharply in 1970s....

But since 1980 divorce rates have been falling, reverting back to usual trend. Divorce rate now is lower than in 1970s, similar to late 1960s... and is declining.. So it looks that mid-XXc was an out of equilibrium phenomenon...turbulence...

In mid-century, especially after the war, people might have married into old-style specialization and production based marriages. But terms of marriage have been evolving. So from the old stock of married people a lot of them preferred to exit and enter a modern consumption-based marriage – hence rise in divorce in 1970s.

Then since 1980s divorce rates are falling because the old stock marriages are less likely to dissolve at late stage if still married; but new marriages made since 1980s are already different, reflecting modern and more appropriate matching, hence less prone to divorce.

Figure 2

It shows marital histories as function of time of marriage – again probability of divorce spiked for people married in 1970s (50% of those would be divorced eventually); but it was already lower in 1980s and is starting to look lower for 1990s. It is an indication that less marriage people (not population in general) are divorcing - meaning once married they are increasingly prone to remain married.

Concern with high divorce for cohort married in 1970s?

- Welfare of children
- But in 1969 average number of children involved in divorce was 1.34; in 1995 it was 0.91, and it seems to decline (because fertility falls)
- True that divorced households (including children) fare worse than intact households on number of indicators, but it does not mean that children would have been better off in unhappy marriage – comparison is flawed – you cannot compare happily married households with divorced households (which were unhappily married households and hence dissolved)
- Also, types of parents/households that dissolve might be different to start with, leading to worse child outcomes even during marriage – more emotionally volatile parents, less economically stable, etc.
- Also there might have been other/third shocks that led to divorce and worse child outcomes (like WWII).

Figure 3

Except 1960 and 2000, the proportion of population married has been very stable since end of XIXc!!!

1960s were unusual – time in history when people married earliest!

Recent data of year 2000 suggest later marriage – less young people married (rise in age at first marriage from 22 to 26 for women and from 26 to 27 for men since XIX c); but also more older people married...Why?

- People marry later so stay married till later age
- Less widowhood – people marry people of similar age, all people live longer, and longevity gap men/woman is closing
- People divorce but remarry in later age
- Later age of marriage and remarriage points to the decline of fertility as reason for marriage

Table 1

This table shows life cycle of people born in early 1940s and in early 1950s.

People born in early 1940s are currently in their early 70s.

People born in early 1950s are currently in their early 60s.

People born in 1940s married in 1960s (young marriage period).

People born in 1950s married in 1970s and had the highest risk of divorce eventually.

Recall from the class on marriage:

- marriage has fallen for everybody – men and women, but especially for uneducated, of all races – both men and women.
- Initially white educated women had much lower rate of marriage than uneducated – there was a big gap
- then marriage fell, but most for uneducated women, therefore the gap by education in marriage rate has shrank
- the fall has been dramatic for uneducated black women, so educated black women are now more likely to be married than the uneducated one (reverse to the whites)

- the fall has been stronger for white women than white men
- earlier all white males tended to marry, regardless of education; now they still do marry more than women, but the educated ones are visibly more likely to be married than uneducated ones – so the fall in marriage for white men was strongest for uneducated males
- earlier also all black males ended up married; but the fall for all has been dramatic; especially for uneducated black males the fall was shocking!

- **General**

Over time, the life cycle has changed. There is not just marriage and divorce, but also cohabitation and remarriage. Cohorts that were in marriageable age in 1970s were the first ones really revolutionary. They had the highest marital turnover. Since that time, marital turnover is decreasing for younger generations.

1950s cohort had lower probability of being married at all and married later (higher age at first marriage). They were much more likely to divorce. Then they remarried with similar probability, but were much more likely to divorce again, and more likely to remarry yet again.

- **By gender (born in early 1950s)**

Women tend to have higher rates of divorce on average than men in their cohort (they marry men not from own cohort!)

But women are less likely to remarry for second or third time (maybe because of custody of children?), which is consistent with Beckerian theory.

If remarried, then they are again more likely than remarried men to divorce.

But looking both by **gender and education**:

- educated women are **less likely** to remarry than educated men
- uneducated women are **as likely** to remarry as uneducated men
- and educated women are **less likely** than uneducated women to remarry.

So contrary to conventional wisdom – most equipped to cope with life after divorce (educated) are not remarrying...Those that most need to remarry, do so (uneducated).

- **By race**

There is a stark racial divide. **Whites marry more than blacks** (Becker said that it is due to the fact that the specialization gap between black woman and black men was smaller – that is larger fraction of black women comparing to white women worked in the market, hence married less, historically).

But if blacks divorce at similar rate as whites, they remarry far less than whites. Again due to slower entry into marriage in general for blacks.

- **By education**

Here it is not about rate of marriage – similar; but about rate of divorce in first or subsequent marriages. Less educated people simply divorce more – it is consistent with theory that such people have less to gain/offer from marriage so probability of dissolution is higher.

Less educated also remarry more, again and again – so again those who need to remarry do!

But remember again that division by education masks division by gender:

- educated women are **less likely** to remarry than educated men
- uneducated women are **as likely** to remarry as uneducated men
- and educated women are **less likely** than uneducated women to remarry.

Figure 5

It shows by race that whites overtook blacks in marriage. Then marriage fell for all, but more for blacks. And remarriage has been higher for whites as of late.

Figure 6

Now divorce – there is an inverted U-pattern by education, for all genders and races. Very low educated divorce little; very high educated divorce least; those in the middle divorce most. Why? Most educated has most to gain from marriage so they divorce least.

On the other hand, the unfinished schooling might mean lower endurance, patience and stamina that might be needed for durable marriage. On the other hand this group has enough resources to afford divorce.

Least educated might be well matched for each other – they can only match with least educated realistically; they might also be least able to afford divorce.

White women

- divorce for all education groups went up until 1970s
- but thereafter the divorce rate of the most educated women started to decline first; first for married in 1980s, then for married in 1990s
- for least educated married in 1990s there is also a recent drop
- but there is no drop for mid-educated
- so there is difference in degree and timing of decline across education

Black women

- huge rise in divorce for all married until 1980s, especially strong for uneducated blacks

- recent decline in divorce most for the educated, then for uneducated, and somehow small for mid-educated

Figure 7

Also for black and white men – inverted U-pattern by education, same logic as for women above (Figure 6).

- white men mirror what happened to white women by education (rise in divorce for married until 1970s, then drop largest for educated men, followed by uneducated men, and least pronounced drop for mid-educated men)
- recent cohorts married in 1990s show again a slightly lower divorce tendency
- black men mirror black women in the sense that divorces are highest for most for those married in 1980s
- but the rise in divorce for black mid-educated men is shockingly strong
- then the fall in divorce for those married in 1990s, but biggest for the educated

Table 1 – see numbers for divorce

College educated people are less likely to divorce but also experienced largest decline in divorce in recent years!

Figure 8

Remarriage rates for white women:

- remarriage rates for low educated have always been highest!
- remarriage has fallen for everybody!
- remarriage fell most for educated women

Fall in remarriage might reflect the age at first marriage – educated women simply marry later.
Fall in remarriage might reflect rise in cohabitation.

Figure 9

For black women remarriage fell for all but especially for uneducated. Now educated black remarry more than uneducated blacks. It goes in line – for some reasons – with the trend of black educated women to flock (relatively more) into marriage.

Figure 10

Historically all men remarried more than women. Remarriage fell for them too but less than for women on average.

For black and white men – in the past more educated tended to remarry more; now more similar patterns, although more gap for the blacks.

Table 3 and 3 (for all women only) – see number for remarriage

Everybody remarries less over time – people marry later, are better matched, have longer marriages statistically (less divorce since 1980s), and this explains decline in remarriage.

Table 2 – International comparisons

First, a word on cohabitation – it has risen.

Prior to marriage the majority of people cohabit. But it is also true that much of cohabitation DOES NOT end up in marriage.

Rise of cohabitation might explain rise at age at first marriage.

It may also explain the recent decline in divorce as people become more knowledgeable about partner prior to marriage.

But also cohabitation might have replaced marriage to a certain extent, as the value of the institution of marriage has declined. The value of marriage is lower if tax codes are unfavorable to couples (USA) or if divorce is unilateral or if prenuptial agreements become common and reduce the role of family law.

In any case, data on cohabitation is quite scarce...More next semester.

International comparisons

- Americans marry, divorce and remarry at higher rates than other nations! (Like in the labor market, there is more turnover.)
- Marriage is cherished in the USA – marry a lot, cohabit less, and few believe that marriage is an outdated institution.
- Italy similar in low on cohabitation and high on values
- But Italy has low divorce and remarriage rates
- Swedish marriage rates are low, cohabitation is high, but fertility is quite high too (especially non-martial fertility)
- Other countries – Canada, UK, France, Germany – are more similar to Sweden than USA.
- Age at first birth is high everywhere, but lowest of all in USA!
- Low fertility, but high non-martial births point to the decline of the institution of marriage; also as children are not so important the age at marriage for woman has risen