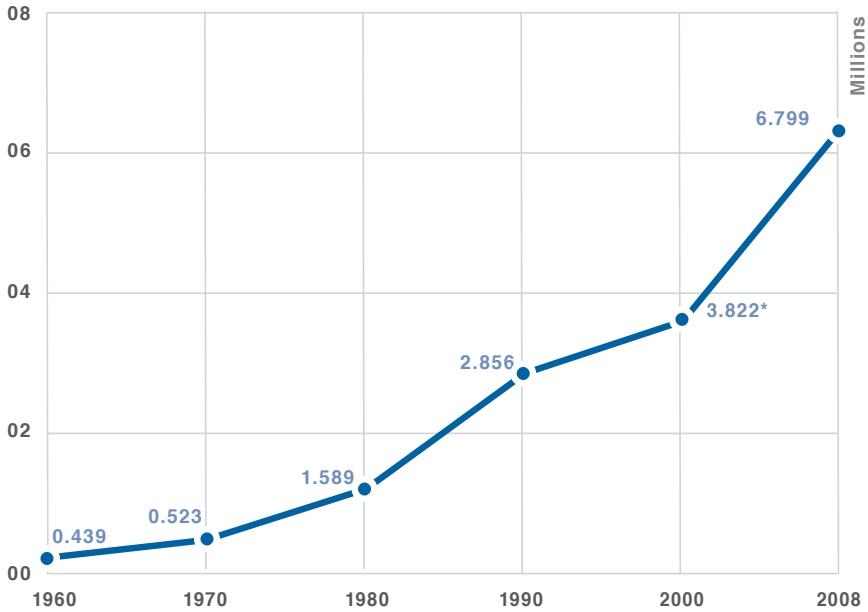


UNMARRIED COHABITATION

FIGURE 7. NUMBER OF COHABITING, UNMARRIED, ADULT COUPLES OF THE OPPOSITE SEX, BY YEAR, UNITED STATES



SOURCE: U.S. Bureau of the Census, Current Population Reports, Series P20-537; America's Families and Living Arrangements: March 2000; and U.S. Bureau of the Census, Population Division, Current Population Survey, 2008 Annual Social and Economic Supplement (www.census.gov/population/socdemo/hh-fam/cps2008.html).

* Prior to 1996, the U.S. Census estimated unmarried-couple households based on two unmarried adults of the opposite sex living in the same household. After 1996, respondents could identify themselves as unmarried partners.

KEY FINDING: The number of unmarried couples has increased dramatically over the past four decades, and the increase is continuing. Most younger Americans now spend some time living together outside of marriage, and unmarried cohabitation commonly precedes marriage.

Between 1960 and 2008, as indicated in Figure 7, the number of unmarried couples in America increased more than twelvefold. Unmarried cohabitation—the status of couples who are sexual partners, not married to each other, and sharing a household—is particularly common among the young. It is estimated that about a quarter of unmarried women age 25 to 39 are currently living with a partner and an additional quarter have lived with a partner at some time in the past. Well over half of all first marriages are now preceded by living together, compared to virtually none 50 years ago.¹

For many, cohabitation is a prelude to marriage, for others, simply an alternative to living alone, and for a small but growing number, it is considered an alternative to marriage. Cohabitation is more common among those of lower educational and income levels. One study found that among women in the 19 to 44 age range, 60 percent of high school dropouts have cohabited compared to 37 percent of college graduates.² Cohabitation is also more common among those who are less religious than their peers, those who have been divorced, and those who have experienced parental divorce, fatherlessness, or high levels of marital discord during childhood. A growing percentage of cohabiting couple households, now over 40 percent, contain children.

The belief that living together before marriage is a useful way “to find out whether you really get along,” and thus avoid a bad marriage and an eventual divorce, is now widespread among young people. But the available data on the effects of cohabitation fail to confirm this belief. In fact, a substantial body of evidence indicates that those who live together before marriage are more likely to break up after marriage.

This evidence is controversial, however, because it is difficult to distinguish the “selection effect” from the “experience of cohabitation effect.” The selection effect refers to the fact that people who cohabit before marriage have different characteristics from those who do not, and it may be these characteristics, and not the experience of cohabitation, that leads to marital instability. There is some empirical support for both positions. Also, a recent study based on a nationally-representative sample of more than one thousand married men and women concluded that premarital cohabitation, when limited to the period after engagement, is not associated with an elevated risk of marital problems; however, this study also found that couples who cohabited prior to engagement were more likely to have marital problems and less likely to be happy in their marriages.³ What can be said for certain is that no evidence has yet been found that those who cohabit before marriage have stronger marriages than those who do not.⁴

1 Larry Bumpass and Hsien-Hen Lu, “Trends in Cohabitation and Implications for Children’s Family Contexts in the U. S.,” *Population Studies* 54 (2000), 29-41.

2 Bumpass and Lu, 2000.

- 3 Galena K. Rhoades, Scott M. Stanley, and Howard J. Markman, “The Pre-Engagement Cohabitation Effect: A Replication and Extension of Previous Findings.” *Journal of Family Psychology* 23 (2009), 107-111.
- 4 For a full review of the research on cohabitation see: Pamela J. Smock, “Cohabitation in the United States,” *Annual Review of Sociology* 26 (2000), David Popenoe and Barbara Dafoe Whitehead, *Should We Live Together? What Young Adults Need to Know About Cohabitation Before Marriage—A Comprehensive Review of Recent Research*, 2nd Edition (New Brunswick, NJ: The National Marriage Project, Rutgers University, 2002) and Anne-Marie Ambert, “Cohabitation and Marriage: How Are They Related?” (Ottawa, Ont.: The Vanier Institute of the Family, 2005).

THE SURPRISING ECONOMIC BENEFITS OF MARRIAGE

When thinking of the many benefits of marriage, the economic aspects are often overlooked. Yet the economic benefits of marriage are substantial, both for individuals and for society as a whole. Marriage is a wealth-generating institution. Married couples create more economic assets on average than do otherwise similar singles or cohabiting couples. A 1992 study of retirement data concluded that “individuals who are not continuously married have significantly lower wealth than those who remain married throughout their lives.” Compared to those continuously married, those who never married have a reduction in wealth of 75 percent and those who divorced and didn’t remarry have a reduction of 73 percent.^a

One might think that the explanation for why marriage generates economic assets is because those people who are more likely to be wealth creators are also more likely to marry and

stay married. And this is certainly true, but only in part. The institution of marriage itself provides a wealth-generation bonus. It does this through providing economies of scale (two can live more cheaply than one), and as implicitly a long-term personal contract it encourages economic specialization. Working as a couple, individuals can develop those skills in which they excel, leaving others to their partner.

Also, married couples save and invest more for the future, and they can act as a small insurance pool against life uncertainties such as illness and job loss.^b Probably because of marital social norms that encourage healthy, productive behavior, men tend to become more economically productive after marriage; they earn between 10 and 40 percent more than do single men with similar education and job histories.^c All of these benefits are independent of the fact that married couples receive more work-related and government-provided support, and also more help and support from their extended families (two sets of in-laws) and friends.^d

Beyond the economic advantages of marriage for the married couples themselves, marriage has a tremendous economic impact on society. Marriage trends have a big impact on family income levels and inequality. After more than doubling between 1947 and 1977, the growth of median family income has slowed over the past 20 years, increasing by just 9.6%. A big reason is that married couples, who fare better economically than their single counterparts, have been a rapidly decreasing proportion of total families. In this same 20 year period, and largely because of changes in family structure, family income inequality has increased significantly.^e

Research has shown consistently that both divorce and unmarried childbearing increase child poverty. In recent years the majority of children who grow up outside of married families have experienced at least one year of dire poverty.^f According to one study, if family structure had not changed between 1960 and 1998, the Black child poverty rate in 1998 would have been 28.4 percent rather than 45.6 percent, and the White child poverty rate would have been 11.4 percent rather than 15.4 percent.^g The rise in child poverty, of course, generates significant public costs in health and welfare programs.

Marriages that end in divorce also are very costly to the public. One researcher determined that a single divorce costs state and federal governments about \$30,000, based on such things as the higher use of food stamps and public housing as well as increased bankruptcies and juvenile delinquency. The nation's 1.4 million divorces in 2002 are estimated to have cost the taxpayers more than \$30 billion.^h

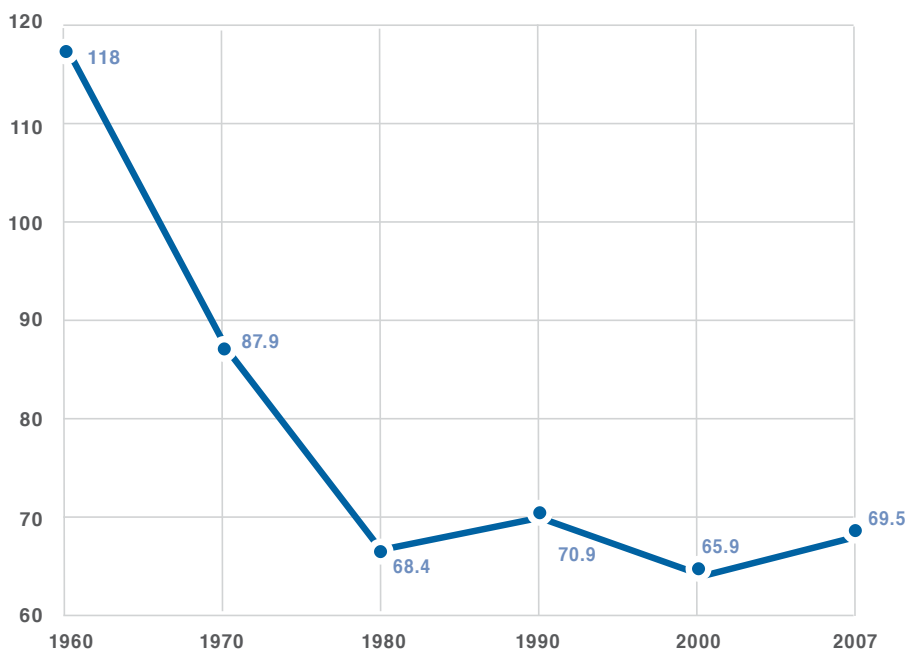
A Janet Wilmoth and Gregor Koso, "Does Marital History Matter? Marital Status and Wealth Outcomes Among Preretirement Adults," *Journal of Marriage and the Family* 64 (2002), 254-68.

B Thomas A. Hirschl, Joyce Altobelli, and Mark R. Rank, "Does Marriage Increase the Odds of Affluence? Exploring the Life Course Probabilities," *Journal of Marriage and the Family* 65-4 (2003), 927-938; Joseph Lupton and James P. Smith, "Marriage, Assets and Savings," in Shoshana A. Grossbard-Schechtman (ed.) *Marriage and the Economy* (Cambridge: Cambridge University Press, 2003), 129-152.

- C Jeffrey S. Gray and Michael J. Vanderhart, "The Determination of Wages: Does Marriage Matter?," in Linda Waite, et. al. (eds.) *The Ties that Bind: Perspectives on Marriage and Cohabitation* (New York: Aldine de Gruyter, 2000), 356-367; S. Korenman and D. Neumark, "Does Marriage Really Make Men More Productive?" *Journal of Human Resources* 26-2 (1991), 282-307; K. Daniel, "The Marriage Premium," in M. Tomassi and K. Ierulli (eds.) *The New Economics of Human Behavior* (Cambridge: Cambridge University Press, 1995), 113-125.
- D Lingxin Hao, "Family Structure, Private Transfers, and the Economic Well-Being of Families with Children," *Social Forces* 75 (1996), 269-292.
- E U.S. Bureau of the Census, Current Population Reports, 60-203, *Measuring 50 Years of Economic Change Using the March Current Population Survey*, U.S. Government Printing Office, Washington, DC, 1998; John Iceland, "Why Poverty Remains High: The Role of Income Growth, Economic Inequality, and Changes in Family Structure, 1949-1999," *Demography* 40-3 (2003), 499-519.
- F Mark R. Rank and Thomas A. Hirschl, "The Economic Risk of Childhood in America: Estimating the Probability of Poverty Across the Formative Years," *Journal of Marriage and the Family* 61 (1999), 1058-1067.
- G Adam Thomas and Isabel Sawhill, "For Richer or For Poorer: Marriage as an Antipoverty Strategy," *Journal of Policy Analysis and Management* 21 (2002), 4.
- H David Schramm, "Individual and Social Costs of Divorce in Utah," *Journal of Family and Economic Issues* 27 (2006), 1.

LOSS OF CHILD CENTEREDNESS

FIGURE 8. FERTILITY RATES, 1960-2007, NUMBER OF BIRTHS PER 1,000 WOMEN AGE 15 THROUGH 44, UNITED STATES



A The number of births that an average woman would have if, at each year of age, she experienced the birth rates occurring in the specified year. A total fertility rate of 2.110 represents “replacement level” fertility under current mortality conditions (assuming no net migration).

SOURCE: National Vital Statistics Report, 1993, Pages 1, 2, 10 and 11; National Vital Statistics Report, 2001, 49:1; and U.S. Bureau of the Census, Statistical Abstract of the United States, 1999, Pages 75, 76 and 78, Tables 91, 93 and 96. Martin, J., et al. Births: Preliminary Data for 200, National Vital Statistics Report, 57:12, Mar 18, 2009, p. 6, Table 1.