



The National Marriage Project

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New Report: Falling Birth and Marriage Rates Linked to Global Economic Slowdown and to Seven Sectors of U.S. Economy

October 3, 2011 —Trends in marriage and fertility pose long-term risks to the financial and fiscal health of the world's wealthiest nations - from China and Japan to Germany and the United States - and are implicated in the recent global economic slowdown, according to a new report released today.

The Sustainable Demographic Dividend: What Do Marriage & Fertility Have To Do With the Economy? was released by the Social Trends Institute. Among the co-sponsors is the [National Marriage Project at the University of Virginia](#).

The study contends that the long-term fortunes of the modern economy rise and fall with the family. For instance, the report finds that men who get married and stay married work harder and earn more money than their unmarried peers. In much of the developed world, including much of East Asia and Europe, social welfare programs are straining to support surging dependent elderly populations, while productive working-age populations stagnate or shrink because fertility rates have fallen well below the replacement rate of 2.1 children per woman - the level needed to sustain the population over time.

"This report suggests that demographic trends in marriage and fertility play an underappreciated and important role in fostering long-term economic growth, the viability of the welfare state, the size and quality of the workforce, and the health of large sectors of the modern economy," said Bradford Wilcox, an associate professor of sociology at U.Va. and director of the National Marriage Project.

The report tracks global trends in fertility, marriage, divorce, cohabitation, single parenthood and child malnutrition, and includes new projections for U.S. birth rates in the wake of the Great Recession.

The report details how many of the world's leading economies will soon face major demographic challenges. Phillip Longman, senior fellow at the New America Foundation and a co-author of the lead essay in the report, *The Empty Cradle*, said, "On current course, China is headed for

demographic trouble, compared to other rising economic powers like India. Although marriage remains strong in China, persistent low fertility in China means that the Chinese workforce will be shrinking by mid-century, and this spells trouble for China's ability to compete on the global stage.

"Persistent low fertility is implicated in the current fiscal and financial crises now unfolding in Japan, Greece and Italy, and China will face its own challenges as its workforce begins to shrink in the next few decades."

Major findings of the report include:

- **Among developed countries, over the next two decades, the United States is one of only a few developed countries that will maintain fertility levels close to the replacement level of 2.1, and only if the U.S. economy does not stagnate or fall back into recession.** For most of the last 40 years, about 25 percent of the change in the U.S. fertility rate from one year to the next can be attributed to changes in the economy, and the report includes new projections for U.S. birth rates under three separate economic scenarios: a quick economic recovery, a slow economic recovery and no economic recovery. One reason U.S. fertility remains comparatively high is that Americans continue to value relatively large families, at least by the standards of the developed world. The average ideal family size in the U.S. is now 2.66 children, "an ideal that remains high despite the after-effects of the Great Recession," Wilcox said. "Indeed, because the U.S. total fertility rate fell to about 1.91 children per woman in 2010, the economic conditions in the U.S. have opened up a growing gap between people's fertility ideals and the number of children they are actually having."
- **The percentage of children born and raised in intact, married families, where they are more likely to acquire the human and social capital they need to become gainfully employed as adults, has sharply decreased.** More than 40 percent of children are born outside of marriage in much of the Americas and Europe - from Canada to Chile, and from the United States to the United Kingdom. (The report projects that by 2023, a majority of children in the U.S. will be born outside of marriage.) Asia and the Middle East are the exception to this trend; children there are much more likely to be born and raised in intact, married families. "There is no greater need in business today than human capital, and no greater source of those crucial skills and values than the family," said Carlos Cavalle, president of the Social Trends Institute and former dean of the IESE Business School in Barcelona, Spain. "Given the negative impact that nonmarital childbearing has on children and society at large, we are concerned that Chile's nonmarital childbearing rate now stands at 68 percent, up from 20 percent in 1970," added Claudia Tarud Aravena, the director of the Family Science Institute at the University of the Andes (Chile).
- **Seven sectors of the U.S. economy are linked to "marriage and the baby carriage."** Based on 2008 consumer spending data, in each of these seven sectors - child care, groceries, health care, home maintenance, household products and services, life/personal insurance and juvenile products - married parents spent at least 23 percent more per capita than childless singles.

Translated into household terms, married parents spent at least 2.46 times more than did households headed by childless singles.

"The Sustainable Demographic Dividend" is also co-sponsored by the Institute of Marriage and Family Canada, Universidad de los Andes (Chile), University of Asia and the Pacific (Philippines), Universitat Internacional de Catalunya (Spain), Universidad de la Sabana (Colombia) and the Universidad de Piura (Peru)

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For information go to www.sustaindemographicdividend.org, or to schedule an interview with the report's authors, contact Skip Burzumato at 434-321-8601 or marriage@virginia.edu.

The National Marriage Project, founded in 1997 at Rutgers University, is a nonpartisan, nonsectarian and interdisciplinary initiative now located at the University of Virginia. The project's mission is to provide research and analysis on the health of marriage in America, analyze the social and cultural forces shaping contemporary marriage and identify strategies to increase marital quality and stability. Directed by Wilcox, an associate professor of sociology at U.Va., the project's publications include the annual "State of Our Unions" report.

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