Disadvantages of specialization

- sharing housework
- life cycle changes
- costs of interdependence
- tastes and bargaining power
- domestic violence

The neoclassical economic model

- This model ignores the internal decision-making structure of the family.
- Transaction costs approach focuses on the role of institutions in structuring relationships to maximize transactional costs.
- Bargaining power is determined by the threat point—the level of well-being that each would attain if they cannot reach a cooperative solution within marriage.

Does Marriage Matter?

- "Marriage typically provides important and substantial benefits."

Does Marriage Cause These Outcomes?

- Selectivity
  - I think that perhaps we have been too quick to assign all the responsibility to selectivity here, and not quick enough to consider the possibility that marriage causes some of the better outcomes we see for the married.

- The institution of marriage assumes a long-term contract
- Marriage assumes sharing of economic and social resources
- Married couples benefit from economies of scale
- Marriage connects people to other individuals, to other social groups, and to other institutions
Does Marriage Matter?

Causation vs selection

“Marriage is displacing both income and race as the great class divide of the new century.”
-- Jonathan Rauch, journalist

“The sole reason that welfare exists is the collapse of marriage.”
-- Robert Rector, Heritage Foundation

Marriage Initiatives

- Arkansas: Gov. Huckabee declared a "state of marital emergency" and started a campaign to halve the divorce rate;
- Florida instituted mandatory marriage and relationship classes for high school seniors;
- Utah has designated an official "marriage week" and has earmarked $600,000 for pre-wedlock projects, including a video;
- Oklahoma has used $10 million of welfare money to fund rallies and a year long tour of public appearances by a husband-and-wife team of "marriage ambassadors";
- West Virginia provides financial incentives to poor people who marry (each married couple of welfare has received a $100 monthly bonus since July 2000);
- Arizona will spend $1 million on marriage education, including funding for workshops and a handbook;

PREP

- Prevention and Relationship Enhancement Program (PREP) is at the heart of Oklahoma’s marriage promotion efforts.
- PREP is an educational approach available to both married and unmarried couples that emphasize strategies that help marriages succeed.
- Non-experimental studies of PREP suggest that couples can be recruited into the program and that couples who complete the program can improve their relationship skills.
- NIMH is currently funding a rigorous, large-scale evaluation to test the program’s effectiveness.

Becoming a Family

- Becoming a Family is a rare instance of a marriage promotion effort that has been rigorously evaluated (although not for disadvantaged couples);
- Couples were recruited from SF Bay area. The program is designed to promote communication between partners as they make the transition to parenthood.
- Couples who completed the program reported less decline in marital satisfaction in the 2 years post-birth; no separations or divorces among participating parents until children were 3, compared to 15% of couples in control group had divorced/separated; by the time children had completed kindergarten there were no significant differences in divorce, but the intervention couples who stayed together had maintained their marital satisfaction over the whole period, whereas satisfaction in the control group continued to decline.