

Couples Marital Status and Children's Welfare: a test of Marriage efficiency

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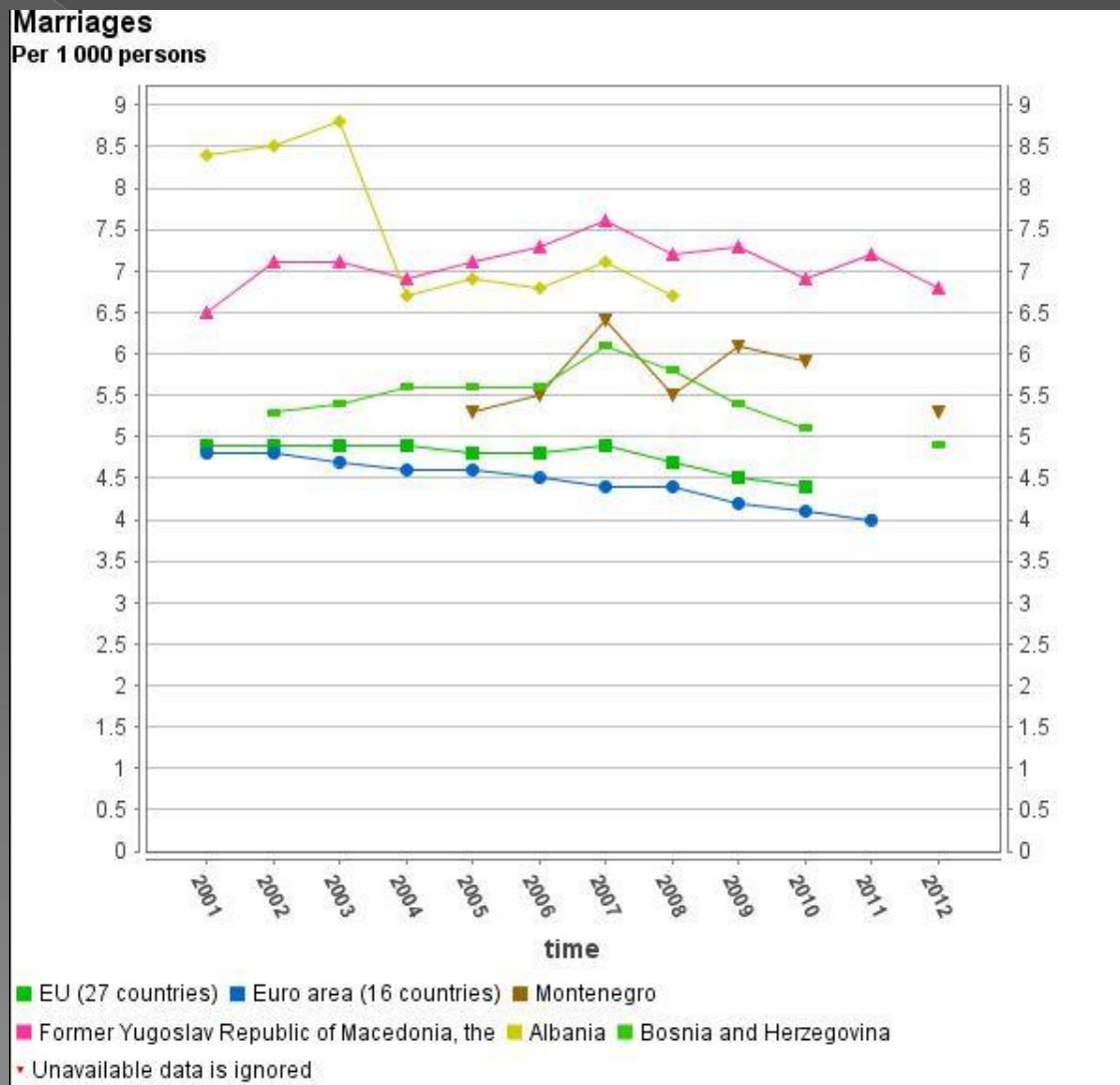


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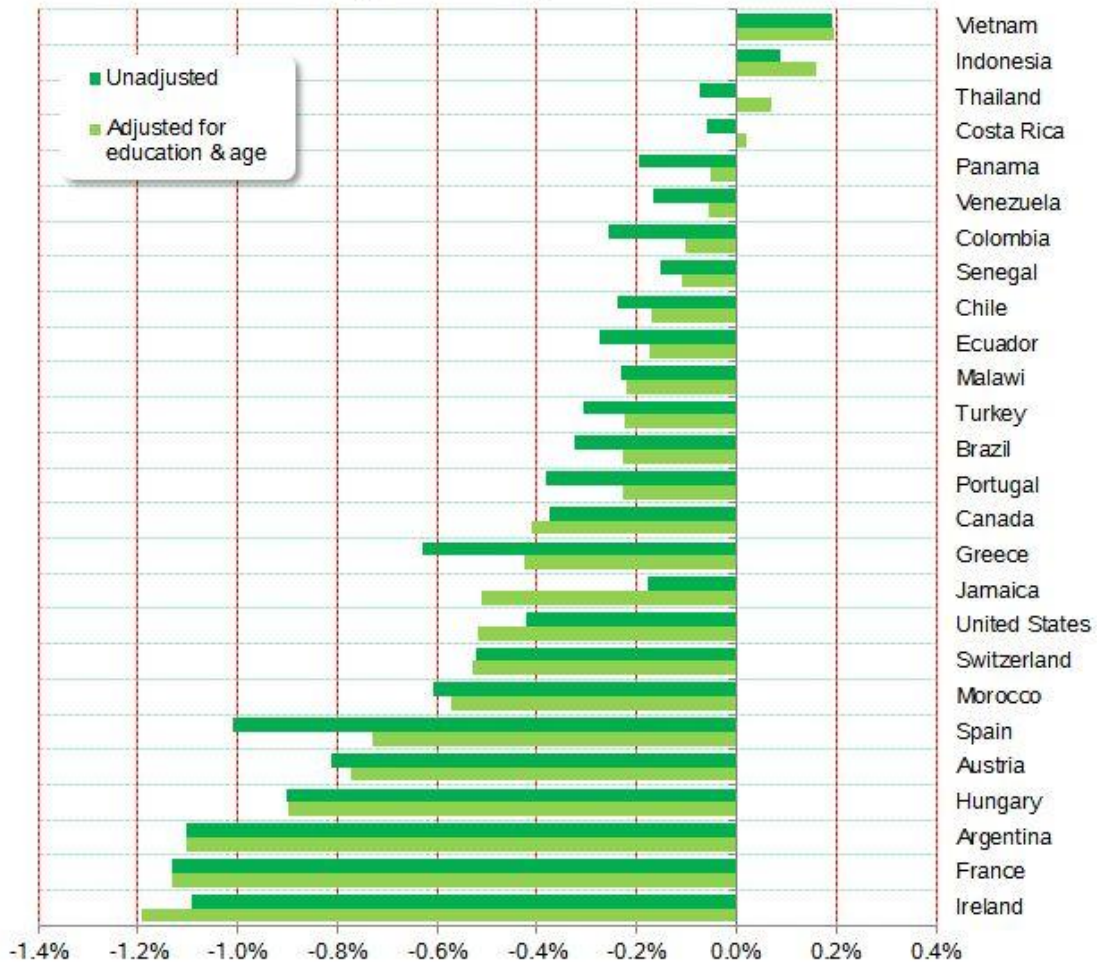
Outline

- ◉ Stylized facts
- ◉ Research question
- ◉ Theoretical Framework
- ◉ Methods and expected results
- ◉ Relevance and policy implications

1. Marriage rate is declining

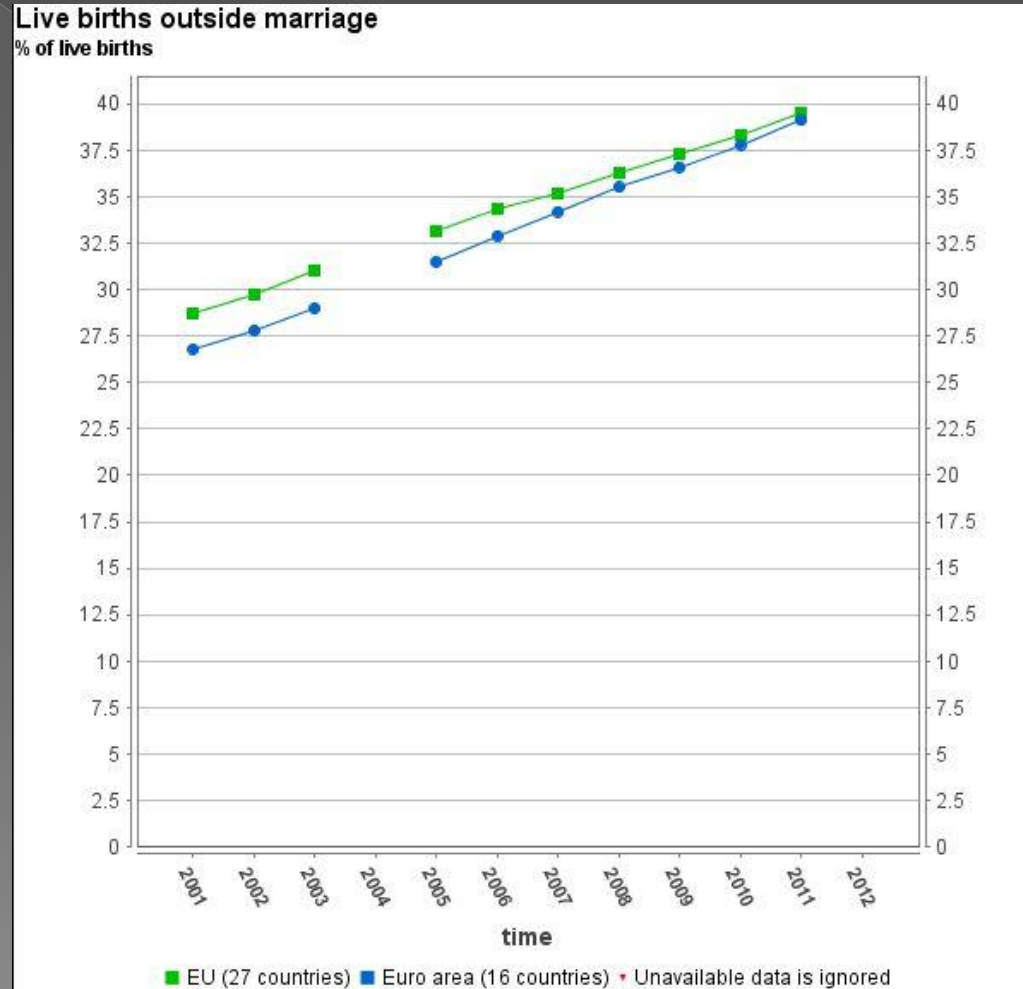


Average annual change in percentage of women married ages 25-49, ~1980-2010



(Source: Philip N. Cohen <http://familyinequality.wordpress.com/>)

2. Births outside of marriage are increasing



Why do people get married?

Love

Fear of
loneliness

Legal and
financial
reasons

She got
pregnant!

Everybody
else is doing
it

Traditions

To throw a
party

We were
drunk

To have
children

Household Economics Answer

- ◉ Getting married is a rational decision
- ◉ Marriage is a commitment device
- ◉ Proposing signals the will to committ in the relationship
- ◉ Marriage enhances couples' cooperation
- ◉ Married couples are more efficient and they have better outcomes

PROST!

Now, let's get drunk
enough to forget how
much this wedding
just cost us.



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What is a “couple outcome”?

- Good question! It depends on the assumptions
- H.E. usually assumes outcome=children
- So, married couples should have better children, **qualitative** speaking!
- This project wants to test H.E. models, then the assumption will be the same!
- =testing children welfare of married vs. cohabitating couples.

...and how are you going to do that?

Data

- Find data with both marital status and children's outcomes (and social economic conditions)
- Es. MICS 3 with data for eastern europe/central asia

Methods

- Econometric model: Depends on data
- Dependent variable: health and/or school outcomes.
- TBA

Results?

- Significant difference not expected
- Theoretical models make lots of assumptions!

Ok, but: why should we care?

- Not many studies try to test theoretical models of the household
- Marriage vs. Cohabitation is a “hot topic”
- Important Policy implication on:
 - > Taxes
 - > Children's support
 - > Alternatives to marriage (i.e. civil unions)

WAIT! What about values?

- ◉ Values are fundamental, BUT:
- ◉ Risk of endogeneity is high
 - > Marital Status can indeed affect how people answer to this kind of question.
- ◉ Main goal is to test the H.E. model, not answer the Big Question “Why people marry?”

Showing off seems to be a good enough reason!

I'm so glad that I didn't have my wedding before Pinterest was invented!



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So, that's all...

We sincerely want to thank all those who RSVP'd to our wedding but never showed up. We've been eating leftovers for weeks.



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...Thank you for listening!