

Introduction

Laurie Fields DeRose, Naomi R. Cahn, June Carbone,
and W. Bradford Wilcox

What is the relationship between family structure and economic inequality? Family structures in Europe and the Americas have changed and marriage has declined since the mid-1990s (OECD 2016a). Moreover, increasing economic inequality in these countries has become the object of considerable concern among scholars, policymakers, and journalists. The conversation about inequality, however, has not systematically focused on the ways in which changes in family structure may be connected to economic inequality, both as a consequence and a cause of this inequality. Existing debate has often unfolded as though the economic and the cultural changes are two independent events: Progressives have focused on the economic causes of changing family structures, while conservatives have stressed the cultural and policy roots of these changes. Underlying both are not fully explored assumptions about the impact of the transformed nature of women's roles, male employment patterns, and the gendered division of family responsibilities that may affect the relationship between family inequality and socioeconomic inequality.

This volume explores what is actually happening to the family in Europe and much of the Americas. It discusses contextual factors that underlie variations in family structures, and it also explores the ways in which economic and cultural changes reinforce one another. Moreover, because conversations about economic inequality and family structure have too often focused either on single regions, such as northern Europe or southern Europe, or even just the United States, this volume brings together scholars from different countries. Accordingly, our hope is that *Unequal Family Lives: Causes and Consequences in Europe and the Americas* adds richness and depth to our understanding of the relationship between family and economics.

BACKGROUND

Throughout much of North America, well-educated and more affluent families tend to be headed by stably partnered parents who enjoy comparatively high levels of relationship quality. Working-class and poor families face higher levels of family instability and single parenthood, and lower levels of relationship quality. Moreover, trends in fertility, frequency of assortative mating (similarly educated individuals forming families with one another), and rates of education may contribute to larger variations in earnings between household types. Across a wide variety of countries, the number of household types at higher poverty risk (such as single-parent families) is projected to increase (OECD 2011a). The consequences of the rise in “at risk” families are still unknown, however, as living arrangements may have less of a connection to inequality in Europe than in North America (European Commission 2013).

Family has become more central to the discourse about inequality in the United States than elsewhere, largely owing to Sara McLanahan’s work on “diverging destinies” (McLanahan 2004). She argued that some trends in modern family life increase children’s resources while others decrease them, but that the net change is by no means equally distributed across social class. But the United States remains an outlier among advanced economies with its low levels of public support for families, high rates of income and wealth inequality (Table 2, <http://inequality.stanford.edu/sites/default/files/Pathways-SOTU-2016.pdf>), and its high rates of union disruption (both divorce and the dissolution of cohabiting unions), so a comparative approach provides critical perspectives. Accordingly, this book puts family change at the center of the conversation about growing economic inequality across Europe and the Americas. Using evidence from countries that vary in both culture and public policy context, we gain more insight into how family inequality is entwined with inequalities of class.

We speak of family inequality rather than family diversity. Diversity simply means variety, and if a growing variety of family trajectories were unrelated to inequality, there would be no need for this book. Instead, our collection serves to highlight the similarities and differences in the relationship between family instability and economic inequality across contexts.

The Social Trends Institute invited professors and scholars of law, sociology, economics, public policy, demography, and political economy to an experts meeting in Rome (February 16–18, 2017) to present new research on family inequality from a comparative perspective. The invited authors not only represented various academic disciplines but also contributed diverse

perspectives to the debate surrounding issues of family inequality. There was broad agreement that class inequality affects patterns of partnership and childbearing and, in turn, family change feeds economic inequality. Nonetheless, this volume, resulting from that meeting, also reflects pronounced differences in what various scholars conceived to be of prime importance with respect to growing inequality, and differences in how each might approach turning the vicious cycles into virtuous ones. All agreed that combatting growing economic inequality requires understanding what conditions this complex relationship as well as what mediates it. Cross-national comparisons are crucial for gaining this kind of understanding.

The Parts in this book bring together economics and the family, and they are organized as follows: Part I describes the unequal character of family life in Europe and the Americas, Part II explores its causes, Part III describes various consequences of diverging family structures, and Part IV presents potential solutions for bridging the growing family divide (or minimizing its consequences). The final Part provides commentary and concluding reflections on the overall questions explored throughout this volume.

DETAILING THE INCREASINGLY UNEQUAL SOCIOECONOMIC CHARACTER OF FAMILY LIFE

Two chapters describe family inequality: Marcia Carlson's on Europe and the United States, and Albert Esteve and Elizabeth Florez-Paredes' on Latin America and the Caribbean. Both chapters start with a description of change over time in family life. Carlson accomplishes this using indicators commonly associated with the "second demographic transition," a label commonly used to refer to the transition to below replacement fertility, but that is better understood as family patterns resulting when individuals have a great deal of autonomy in how they progress through the stages of their lives (Lesthaeghe 2010). The second demographic transition is typically characterized by less marriage, more cohabitation, more divorce, and more nonmarital childbearing; Carlson compares trends in these indicators between the United States and European countries as well as among European countries. She also makes cross-national comparisons with respect to multipartnered fertility and children's experience of family instability. Instead of using these indicators that have emerged from studies of northern fertility regimes, Esteve and Florez-Paredes start with an exploratory factor analysis to determine the dimensions that structure families in Latin America. They then organize the rest of their chapter around union and childbearing calendars, household complexity, married and unmarried cohabitation, and the nature of female household headship.

Both of these chapters in the “descriptive” Part of our volume lay the foundation for a discussion of how family change influences socioeconomic inequality. Before we can know whether the destinies of children are diverging with changing family patterns, we have to know what the trajectories of family change are. Both chapters contribute this, and they also document diversity within regions.

Additionally, both chapters take the crucial next step in exploring the extent to which family patterns have been unfolding differently along class lines. Carlson reviewed European evidence on educational differences in marriage, divorce, nonmarital fertility, multipartnered fertility, and children’s experience of family instability. Although the more educated are more likely to marry in the United States, this pattern is less consistent across European countries, and holds most strongly in countries where women commonly expect continued labor force participation after marrying (Kalmijn 2007, 2013). Alternately stated, education has its strongest positive relationship with marriage where marriage does not substantially increase the chance that women will drop out of the labor force. Educated women are more likely to eschew marriage where gender roles are more traditional, a pattern Göran Therborn (2014) assumingly characterized as a “*Lysistrata* rebellion,” referring to the women in Aristophanes’ comedy who boycotted traditional marital expectations while waiting for men’s behavior to change.

Carlson further reviewed fairly mixed evidence from across Europe on the relationship between education and divorce that therefore indicated that the concentration of union instability at lower socioeconomic levels in the United States was far from universal. Similarly, repartnering and multipartner fertility did not have consistent socioeconomic patterns across different contexts. In contrast, the concentration of nonmarital childbearing at lower socioeconomic levels was far more consistent across countries (Perelli-Harris et al. 2010).

Finally, with respect to family instability for children, the indicator most closely related to “diverging destinies,” the (rather thin) evidence Carlson reviewed indicated that class differences in instability might be growing in Europe, but remain small compared to the US. She also highlights the fact that class differences in instability matter less for overall inequality in Europe where fewer children experience instability (see also Chapter 7).

Esteve and Florez-Paredes’ chapter on families in Latin America addresses a context in which recent expansion in cohabitation has been concentrated among those with *higher* socioeconomic status (as proxied by educational attainment). In the United States and Europe where marriage increasingly occurs only after other achievements in adult life like college graduation and

stable employment, those with less access to higher education and good jobs have become more likely to have children in cohabiting unions. In contrast, cohabitation and cohabiting childbearing have been long-standing lower class phenomena in Latin America and the Caribbean, with the more marginalized (especially the indigenous groups) opting for cohabitation, and the relatively elite choosing marriage (Esteve and Lesthaeghe 2016). Work on the region even refers to a “dual nuptiality system” (e.g., Castro-Martín 2002). Then some of the same forces that have affected family life in more developed countries – e.g., the rise of individualism, consumerism, and women’s economic independence – have had the greatest impact among those with high socioeconomic status in Latin America and the Caribbean. This led to increased nonmarital childbearing (both births to lone mothers and in cohabiting unions) among upper-class individuals within the region (Esteve, Lesthaeghe, and López-Gay 2012). Historically, children born in cohabiting unions were concentrated at the bottom of the income distribution, but the socioeconomic gradient for cohabiting births has weakened in Latin America and the Caribbean.

Esteve and Florez-Paredes’ work is richly descriptive. They show that despite the better-educated starting to “catch up” to their more marginalized counterparts in terms of cohabitation rates, cohabitation remains more common among women with low education. Furthermore, early union formation, early childbearing, single motherhood, and union dissolution are all more concentrated at low socioeconomic levels. In short, disadvantageous family behaviors remain correlated with social class. In this respect, Latin America and the Caribbean resemble the United States. Nonetheless, they argue that with the historical legacy of high cohabitation rates among indigenous groups, modern family transitions have not created diverging destinies as “Destinies have been diverging for centuries” (Chapter 2). Latin America is the most unequal region in the world for reasons that include, but are by no means limited to, family forms. Indeed, there are many diverse and long-standing reasons for inequality that may be partly reflected in contemporary family patterns, but cannot be understood by a study of recent changes in family patterns by women’s education.

In addition, Esteve and Florez-Paredes emphasize a theme that also emerges in Brienna Perelli-Harris’ work (see Chapter 4): Context sometimes dwarfs overall patterns. What this means in Latin America and the Caribbean is that even though there is a fairly consistent overall relationship between family patterns and social disadvantage, “two individuals with similar profiles regarding education, ethnicity, and religion may show quite different family behaviour depending on the region where they live, proving that ‘individuals have

histories but regions have much longer histories” (Esteve and Lesthaeghe 2016, p. 269). Historical differences among Latin American countries and between Latin America and Europe with respect to the evolution of and function of marriage still seem to condition individual marital choices, even though there are advantages associated with marriage across contexts.

Esteve’s previous research had shown that cohabitation patterns depended on geohistorical legacies, and the contribution in this volume extends that argument to other family patterns (especially single and cohabiting childbearing). Overall, he and Florez-Paredes show that context is a more important determinant of family behavior than class, but that the class patterns showing up in Latin American family change resemble those documented in the United States (and to a lesser extent Europe). Notably, the rise in upper-class cohabitation coincided with postponed childbearing, whereas low-educated cohabiting women have not been postponing childbearing within their unions. There is therefore potential for destinies to diverge even when cohabitation grows most among the elite.

Their chapter makes a further contribution to cross-country analysis when it highlights an aspect of family life in Latin America and the Caribbean that has, to date, been resistant to change: Women start childbearing relatively early in life. Age at first birth in the region has not increased appreciably – even with lower overall fertility, increases in women’s education, and increases in women’s labor force participation. Esteve and Florez-Paredes show that only university-educated women have come to postpone childbearing more over time. Among primary- and secondary-educated women, first births have remained early.

EXPLORING THE CAUSES OF INCREASINGLY UNEQUAL FAMILY LIFE

Part II of the volume on causes of inequality in family life includes contributions from Andrew Cherlin, Nicholas Eberstadt, and Brienna Perelli-Harris. Each has a different emphasis. Cherlin draws the causal arrow from economic inequality to family formation and dissolution, arguing that when men’s job opportunities suffer, so does marriage. Eberstadt assigns more importance to policy and cultural causes of the retreat from marriage, while Perelli-Harris maintains that context matters more for class differences in family patterns than any universal explanations.

Cherlin argues that unequal labor market opportunities drive the retreat from marriage. He nonetheless fully concedes that economic forces only erode marriage *after* culture change has already opened up multiple

possibilities for adult lives and childrearing – e.g., the Great Depression did not cause a surge in nonmarital births – but he holds that now that choices are available, the economically disadvantaged will have more nonmarital childrearing.

Cherlin’s “prima facie” case for the importance of the economy as a driver of change is that moderately educated Americans saw the most pronounced retreat from marriage during the same era (starting in the 1980s) that men’s labor market opportunities declined more dramatically for moderately educated Americans than for either the less or more educated. Men’s earning power remains an important component of their “marriageability”: It is required even in an egalitarian marital bargain where both partners share in paid and domestic work. Thus, socioeconomic inequality drives family inequality.

In contrast, Eberstadt documents that prime-age men have been progressively less likely to work in every birth cohort over the last fifty years in the United States. He emphasizes that the “flight from work” (see Chapter 5) has also in large part been a flight from marriage and parental involvement. In one of the exercises in his chapter, Eberstadt explores how the changing composition of the American population – in terms of race, education, nativity, education, and family structure – are related to men’s work rates. His findings are striking, for instance that the positive effect of half a century of improvements in educational attainment has been more than canceled out by changes in marriage patterns. He also includes engaging comparisons showing that marital status is more strongly associated with work than other factors associated with disadvantage, like race. Eberstadt readily acknowledges that these parts of his analysis leave causal questions completely open.

In fact, Eberstadt gives much credit to “demand side” hypotheses (see Chapter 5) like Cherlin’s – those that assert that marriage rates have fallen because changes in the economy make the kind of stable employment that contributes to marriage less likely. He nonetheless maintains that the decline in employment among prime-age men over the past two generations cannot be fully explained by the demand side. His evidence includes both that men’s inactivity at the national level has increased smoothly over time, despite demand-side “shocks” like the North American Free Trade Agreement (NAFTA) agreement that should arguably have had a more detectable effect on joblessness, as well as state-level employment patterns that are far more variable than demand-side theory would predict. Eberstadt adds the reverse causal arrow to demand-side theories, claiming that men oriented toward marriage and parenthood commit themselves to jobs. He bolsters this

contention by showing nearly identical employment rates for married high school dropouts and unmarried college degree holders from 1994 to 2015. In other words, he discounts job prospects as the sole driver of family change by showing that marriage seems to enhance job prospects.

Perelli-Harris makes her case for the importance of context in addressing the relationship between family inequality and socioeconomic inequality in four distinct ways. First, she shows through the geographic concentration of nonmarital childbearing that evidence of history, religion, policy, and culture all appear in contemporary geographic variation in nonmarital childbearing. Next, she reviews how different European countries have extended (or not extended) rights to cohabitants and unmarried fathers, and discusses the potential implications of these variations for the class divide associated with cohabiting childbearing. Third, she presents focus group research that demonstrates just how different the meanings assigned to cohabitation are across countries. Fourth, she presents evidence from a study she led that systematically tackled some of the methodological obstacles to properly testing whether marriage per se (as opposed to simply being in a union) makes a difference for adult well-being.

One of the only commonalities across countries was that marriage was universally viewed as an expression of commitment. Importantly in the context of the current volume, none of the focus groups across eight European countries put an emphasis on the need for economic stability prior to marriage – a factor that is so much a part of the discourse on the class divide in marriage in the United States. Thus it is possible that selecting marriage on the basis of economic stability is less a part of the European family inequality story.

Her final discussion of adult outcomes (mental well-being, health, life satisfaction, and wage differentials) provides a nice segue to Part III of the book on consequences of growing family instability. The results fully supported Perelli-Harris's major theme (see Chapter 4) that country context conditions the effects associated with cohabitation. She says: "Overall, the results suggest that taking into account the heterogeneity of cohabiting unions (as measured by union duration and shared children) as well as selection mechanisms from childhood can explain many of the marital benefits to well-being, but country context, such as welfare state regime and social norms, also matters."

While most of Perelli-Harris' chapter emphasizes diversity in timing and pace of family change, she did find more evidence of a class divide in nonmarital childbearing than other new family formation behaviors. "Across Europe, higher educated individuals are more likely to marry before a birth (Mikolai et al. 2016), and lower educated individuals are more likely to

separate after a birth (Musick and Michelmore 2015)” (Chapter 4). Thus while she rightfully calls for more research to understand the complex relationships between context, selection, socially constructed meanings of cohabitation and marriage, and changes over individual life courses, she does point to an important similarity between the United States and Europe: Childbearing within marriage occurs more often among the advantaged.

CONSEQUENCES OF GROWING FAMILY INSTABILITY

The fourth section of Perelli-Harris’ chapter (Chapter 4) examines how adult outcomes vary between cohabitants and married individuals, and Part III of our book supplements this concern for adult well-being with analysis of potential consequences of family inequality for the reproduction of inequality (Diederik Boertien, Fabrizio Bernardi, and Juho Härkönen, Chapter 7; Anna Garriga and Paolo Berta, Chapter 6), and for the growth of national economies (W. Bradford Wilcox and Joseph Price, Chapter 8).

Garriga and Berta address the question of whether children’s destinies are diverging across twenty-one Western countries, and they approach their comparative inquiry in an unusually thorough manner. First, they explore to what extent there is a general pattern in Western countries of single motherhood being more common among women with less education; there is. Despite substantial cross-national differences in the relationship between mothers’ education and single motherhood, they confirmed that a negative relationship between mother’s education and single motherhood holds in most Western countries.

Second, they use three outcome variables that, while all related to education, are nonetheless distinct: Standardized math test scores, grade repetition, and truancy. While most previous comparative work had used standardized test scores, grade repetition, and truancy are both strongly associated with labor market outcomes and risk behaviors, such as drug abuse or crime (Garry 1996; Jones, Lovrich, and Lovrich 2011; Range, Yonke, and Young 2011). In other words, these additional two outcomes tell us more about the likelihood that destinies will diverge than cognitive achievement alone does; they have strong behavioral components. Garriga and Berta found that children in single-mother families had lower math test scores in seventeen of the twenty-one countries, plus that they were more likely to repeat a grade or truant practically everywhere. Further, higher levels of maternal education seemed to compensate for the negative effect of single motherhood on test scores, but much less so for the other two risk-related outcomes.

Finally, Garriga and Berta consider the question of whether the effects of single motherhood are greater or lesser among children of more highly educated mothers. Destinies might actually converge if family structure had little effect at lower socioeconomic levels where many children have relatively poor educational outcomes, compared to higher socioeconomic levels where a second parent in the household might help prevent subpar outcomes. Their findings here were quite mixed: For some outcomes and in some countries, children of less-educated mothers experienced greater consequences associated with single motherhood, while for other outcomes and/or other countries, it was children of more-educated mothers whose outcomes were most strongly related to family structure. This means that the general tendency for single motherhood to be more common at lower socioeconomic levels would sometimes result in diverging destinies: Where educated mothers compensate for the disadvantages their children would otherwise experience with single motherhood or the consequences are the same regardless of maternal education, but that sometimes high prevalence of single motherhood is coupled with low associated costs, thus limiting the extent to which destinies would diverge.

Boertien, Bernardi, and Härkönen's chapter (Chapter 7) on whether family inequality contributes to national-level increases in socioeconomic inequality is like Garriga and Berta's chapter in that they focus individually on each of several conditions that would together make diverging destinies likely. They briefly discuss critical reviews of how much difference family dynamics really matter for child outcomes, with a focus on both the magnitude of the association and how much of it is properly interpreted as being causal. Next, they examine the extent to which lower income children are overrepresented among those experiencing disadvantageous family dynamics. Third, they engage with the question of how the "penalty" associated with disadvantageous family dynamics varies by socioeconomic background: The same question Garriga and Berta take up in their third and final section (see Chapter 6).

In their own final section, Boertien and his colleagues (see Chapter 7) discuss recent evidence from the United States, the United Kingdom, Germany, and Italy that quantified the overall contribution of family structure to inequality of opportunity at the societal level. "Overall" includes the size of the effects, the distribution of the affected population by socioeconomic status, and the variability in the size of effects by socioeconomic status. They conclude that even though family structure is an important factor determining life chances at the individual level, family inequality does not explain growing socioeconomic inequality within societies. In the United States and the