STRONG FAMILIES, PROSPEROUS STATES

Do Healthy Families Affect the Wealth of States?

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Executive Summary

Economics has its roots in the Greek word *oikonomia*, which means the "management of the household." Yet economists across the ideological spectrum have paid little attention to the links between household family structure and the macroeconomic outcomes of nations, states, and societies. This is a major oversight because, as this report shows, shifts in marriage and family structure are important factors in states' economic performance, including their economic growth, economic mobility, child poverty, and median family income.

Strong Families, Prosperous States documents four key sets of facts about the links between families and the economic welfare of states across the country:

1– Higher levels of marriage, and especially higher levels of married-parent families, are strongly associated with more economic growth, more economic mobility, less child poverty, and higher median family income at the state level in the United States. When we compare states in the top quintile of married-parent families with those in the bottom quintile, we find that being in the top quintile is associated with a $1,451 higher per capita GDP, 10.5 percent greater upward income mobility for children from lower-income families, a 13.2 percent decline in the child poverty rate, and a $3,654 higher median family income. These estimates are based on models that control for a range of factors—from the educational and racial composition of a state to its tax policies and spending on education, and to unchanging characteristics of states—that might otherwise confound the family-economy link at the state level.

2– The share of parents in a state who are married is one of the top predictors of the economic outcomes studied in this report. In fact, this family factor is generally a stronger predictor of economic mobility, child poverty, and median family income in the American states than are the educational, racial, and age compositions of the states.

3– The state-level link between marriage and economic growth is stronger for younger adults (ages 25–35) than for older adults (36–59). This suggests that marriage plays a particularly important role in fostering a positive labor market orientation among young men.

4– Violent crime is much less common in states with larger shares of families headed by married parents, even after controlling for a range of socio-demographic factors at the state level. For instance, the violent crime rate (violent crimes per 100,000 people) sits at 343 on average for states in the top quintile of married parenthood, whereas those in the bottom quintile average a rate of 563. This is noteworthy because high crime rates lower the quality of life and real living standards and are associated with lower levels of economic growth and mobility.

Given the importance of strong families for the economy, we propose four policy ideas to strengthen the economic and cultural foundations of marriage and family life in states across the country:

1– END THE MARRIAGE PENALTY IN MEANS-TESTED WELFARE PROGRAMS

Today, a large number of low-income couples with children face substantial penalties for marrying. That is, because various social benefits (food stamps, housing assistance, child care subsidies, and welfare payments) decline as income rises, a single or cohabiting mother is more likely to receive benefits if she remains unmarried rather than marry a partner who is earning a steady income. As the marriage penalty rises, the likelihood of marriage appears to decline. Federal and state policymakers must move to end or minimize these penalties. One way to do so is to allow low-income married families with children under six to split their income and have that split income be considered in applications for programs like Medicaid and food stamps.

2– STRENGTHEN VOCATIONAL EDUCATION AND APPRENTICESHIPS

One reason marriage is fragile in many poor and working-class communities is that job prospects and income are inadequate, especially for young adults without college degrees. This economic reality can be remedied, in part, by scaling up vocational education and apprenticeship programs. By raising the skills, earnings, maturity, and self-confidence of young men and women who are not on the college track, such programs would help more young people forge strong and stable marriages. We endorse the recent grants for apprenticeship provided by the Obama administration, the tax credits for apprenticeship proposed in the LEAP Act cosponsored by Senator Cory Booker (D-NJ) and Senator Tim Scott (R-SC), and efforts to increase work-based learning programs in high schools like Career Academies. In addition, we urge states to develop effective approaches to marketing apprenticeships to employers, similar to those recently enacted in South Carolina.

3– GIVE COUPLES A SECOND CHANCE

Research suggests that in about one-third of couples exploring divorce, one or both spouses express interest in the possibility of reconciliation. In light of this finding, we follow University of Minnesota Professor of Family Science William J. Doherty and retired Georgia Supreme Court Chief Justice Leah Ward Sears in calling on states to consider three steps to reduce unnecessary divorce: extend the divorce waiting period to one year in cases where abuse, abandonment, and substance abuse are not applicable; provide high-quality education about the option of reconciliation for those couples who wish to learn more; and create university-based centers of excellence to improve the education available to couples at risk of divorce. The work of the Minnesota Couples on the Brink Project, which develops and evaluates best practices for helping struggling couples to renew their marriages, is particularly noteworthy here.

4– LAUNCH CIVIC EFFORTS TO STRENGTHEN MARRIAGE

In the realm of civil society, national, state, and local initiatives to provide relationship education and social marketing on behalf of marriage could prove helpful. Campaigns against smoking and teenage pregnancy have taught us that sustained efforts to change behavior can work. We would like to see a civic campaign organized around what Brookings Institution scholars Ron Haskins and Isabel Sawhill have called the "success sequence," where young adults are encouraged to pursue education, work, marriage, and parenthood in that order. A campaign organized around this sequence—and receiving widespread support from a range of educational, media, pop cultural, business, and civic institutions—might meet with the same level of success as has the nation's recent campaign to prevent teen pregnancy, a campaign which has helped drive down the teen pregnancy rate by more than 50 percent since the 1990s.

This report is part of the Home Economics Project, a research effort of the American Enterprise Institute and the Institute for Family Studies that explores whether and how strong and stable families advance the economic welfare of children, adults, and the nation as a whole. The project also examines the role, if any, that marriage and family play in increasing individual opportunity and strengthening free enterprise at home and abroad, as well as their implications for public policy.

Strong Families, Prosperous States

Do Healthy Families Affect the Wealth of States?

Since the publication of *The Wealth of Nations,* Adam Smith and his latter-day disciples—today's economic conservatives and libertarians—have attributed dramatic increases in economic growth in the West, starting in the 18th century, to the development of free markets. A growing appreciation of individual liberty and limited government helped fuel the rise of the free market. Smith and his followers saw that the "invisible hand" of the market and free trade between consumers, workers, and businesses produced faster economic growth than top-down economic mandates from the state.[1] In recent decades, decentralized, market-oriented models have clearly outperformed centrally planned economies in countries as diverse as South vs. North Korea, West vs. East Germany, Chile vs. Argentina, and post-reform China vs. Maoist China.

Conservatives' focus on free markets and limited government, as valuable as they are, tends to obscure other social and cultural factors conducive to prosperity. While many contemporary economic conservatives and libertarians understand the importance of bourgeois virtues like prudence, hard work, trustworthiness, self-control, and ambition, few have examined the social and civic foundations of these virtues.[2] In particular, left largely unexamined in the work of conservative economists such as Milton Friedman and Gregory Mankiw is how the emergence of a dynamic free enterprise system might depend on strong families and a vibrant civil society.[3]

Efforts by progressives to understand the sources of economic growth have been more attentive to the role that public institutions can play in fostering prosperity. Economists such as Jeffrey Sachs and

Lawrence Summers have highlighted how education and other public investments in the commonwealth act as spurs to growth, economic opportunity, and widely shared prosperity.[4] Many have also argued that economic inequality can inhibit growth and opportunity.[5] In general, progressives believe the state can play a strong, affirmative role in promoting economic expansion that benefits everyone.

But surprisingly, despite the clear economic gains associated with strong families at the individual level, economists across the ideological spectrum have failed to investigate whether strong families increase economic growth. This is a potentially serious oversight. As Michael Novak has argued, accounts of the free market do not sufficiently consider how individuals' economic "self-interest" is shaped by family concerns: "To most persons, their families mean more than their own interests; they frequently subordinate the latter to the former."[6] Men and women's understanding of their economic interest, as well as their relationship to work and the marketplace, depend a great deal upon their marital and parental status. Marriage, for instance, encourages men to work harder, more prudently, and more successfully, whereas motherhood causes women to work less.[7]

Moreover, strong families often serve as seedbeds for the kind of virtues—such as a strong work ethic and the capacity for delayed gratification—that success in a vibrant free market requires. Growing up in intact, two-parent homes makes children, especially boys, more likely to avoid disciplinary problems and stay on track in school, and makes both young men and women more likely to be gainfully employed later in life.[8] Young adults often access job opportunities through family networks—again, especially if they come from intact, two-parent families.[9] In other words, families help to supply the human and social capital that undergirds successful free-market economies in today's world.

All this suggests that, at the macro level, states that have strong and stable families are more likely to show high levels of growth, economic mobility, and median family income, and low levels of child poverty. Yet surprisingly little research explores the macroeconomic effects of family structure. The major exceptions: a substantial body of research concludes that the retreat from marriage is one factor behind increases in child poverty in the United States since the late 1960s,[10] and new research on economic mobility indicates that poor children in regions with more two-parent families achieve more upward mobility than poor kids in regions with large numbers of single-parent families.[11]

But scholars examining the determinants of states' economic growth have overlooked how family structure may affect such growth. In the past, researchers have focused on how the quality of human capital,[12] fiscal decentralization,[13] state income inequality,[14] the redistribution of taxes and transfers,[15] union strength,[16] rent-seeking,[17] and social trust[18] may shape states' economies. Several of these studies include a range of covariates when estimating the impact of the variable of primary interest. But not one of them incorporates any type of family structure variable, whether the share of intact families at one point in time or changes in family structure over time.

This paper takes a first step in remedying this glaring omission. Specifically, it examines the association between family structure and state economic growth, as well as the association between family structure and economic mobility, child poverty, and median family income at the state level. Put simply, how is the strength of families related to the wealth of states across the nation?

The report addresses this topic in four sections.

- **PART 1** explores how trends in marriage and family life have unfolded in each state over the last forty years.
- **PART 2** examines the state-level links between family structure and economic growth, economic opportunity, child poverty, and median family income.
- **PART 3** looks at some of the factors—men and women's labor force participation, income pooling, education, and crime—that may explain the state-level link between family traits and economic outcomes.
- **PART 4** offers a set of policy recommendations for strengthening the economic, educational, legal, and cultural foundations of marriage and family life across the country.

PART 1

Marriage in Retreat, By State

The last half century has witnessed a dramatic retreat from marriage in the United States. Adults have grown more likely to cohabit and have kids outside of marriage, and more likely to divorce if they do tie the knot. As a result, children are less likely to grow up in intact, two-parent families. Driven by a range of shifts in culture, policy, and the economy—from the rise of individualism and secularization to declines in men's income—these family trends have left marriage less likely to anchor adults' lives and govern the bearing and rearing of children.[19] But the retreat from marriage has not affected everyone equally: it has had a greater impact on Americans who are poor, less educated, non-white, culturally progressive, and irreligious or nominally religious.

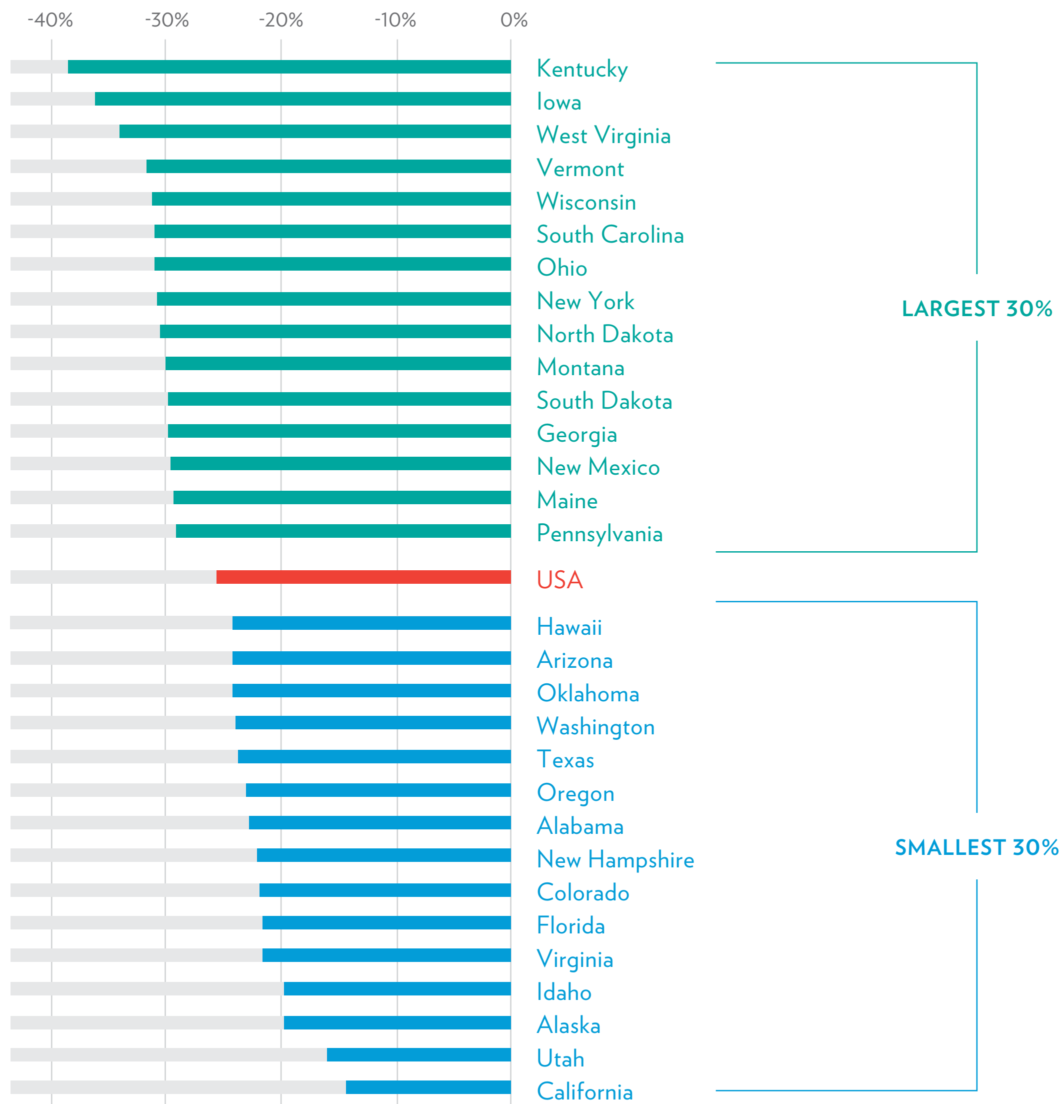
Less-educated Americans have been hit especially hard by the retreat from marriage in part because structural changes in the economy have lessened the economic security of working-class and poor men. Their wages are lower than they were in the 1970s, and since that time, their economic fortunes have declined relative to those of the women in their lives. These changes have rendered many men in poor and working-class communities less "marriageable," both in their own eyes and in the eyes of potential partners.[20] By contrast, college-educated Americans—who benefit from more stable employment, higher incomes, and more financial assets, all stabilizing factors in marriage and family life—have seen their divorce risk fall markedly since the 1980s and enjoy comparatively high levels of marital and family stability.[21]

The extent of the decline of marriage also varies by race. African Americans have been buffeted by an ongoing legacy of racial discrimination and comparatively high levels of segregation, both of which strain marriages and families.[22] (Marriage patterns among Latinos are closer to the national average, though Latinos have somewhat higher rates of nonmarital childbearing and single parenthood than average.[23]) These economic and racial realities have left poor, working-class, and minority families particularly vulnerable to the nation's retreat from marriage.

Important cultural changes of the last several decades—growing individualism, declining religiosity, and a more progressive orientation toward family life—have also left their mark on families. In particular, the growing share of Americans who indicate that they have no religious affiliation or only rarely attend religious services are especially likely to postpone or forego marriage, and more likely to divorce.[24] Likewise, Americans who adopt a more individualistic (and less familistic) ethos are less likely to form and maintain a stable, married family. We know, for example, that women who are more accepting of single parenthood as adolescents are more likely to have a child outside of wedlock and that Americans with a more progressive outlook are markedly less likely to be married.[25] By contrast, as journalist David Leonhardt has hypothesized, the "respect and even reverence for the idea of marriage [found] in conservative communities [may affect] people's behavior and attitudes toward their marriages" in ways that make conservative and religious Americans more immune to the nation's retreat from marriage.[26] Self-consciously progressive and secular Americans, and the growing number of Americans who have only nominal ties to a religious tradition, have been more affected than their more conservative and religious counterparts by marriage's ebbing cultural power.

FIGURE 1A

Change in the percentage of adults aged 25–59 who are married, 1977–2013



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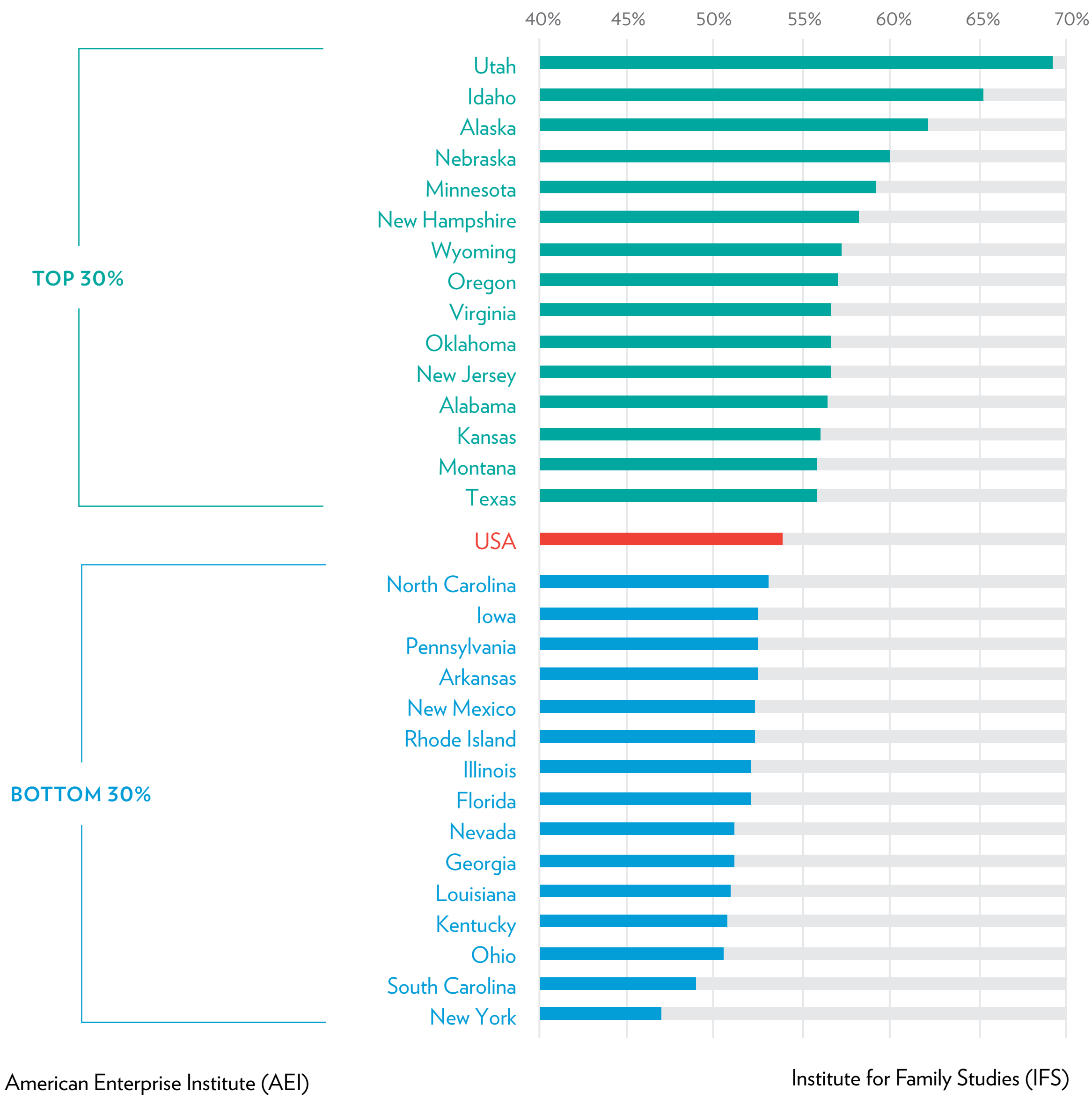
Source: Tabulations by authors from the Current Population Survey, 1977–2013.

These demographic, structural, and cultural factors have made some states especially susceptible to the retreat from marriage over the past several decades and to low levels of marriage in the present day. The next few paragraphs describe shifts in family structure in the 50 states, as well as some of the factors that may account for why some states have been more affected than others by the retreat from marriage. These descriptive observations set the stage for our statistical analysis of the links between family structure and economic outcomes, which follows in the next section.

In every state, the percentage of adults who are married has dropped substantially since the late 1970s. Figure 1a illustrates changes in the prevalence of marriage (as a percent change) from 1977 to 2013

FIGURE 1B

Percentage of adults aged 25–59 who are married, 2013



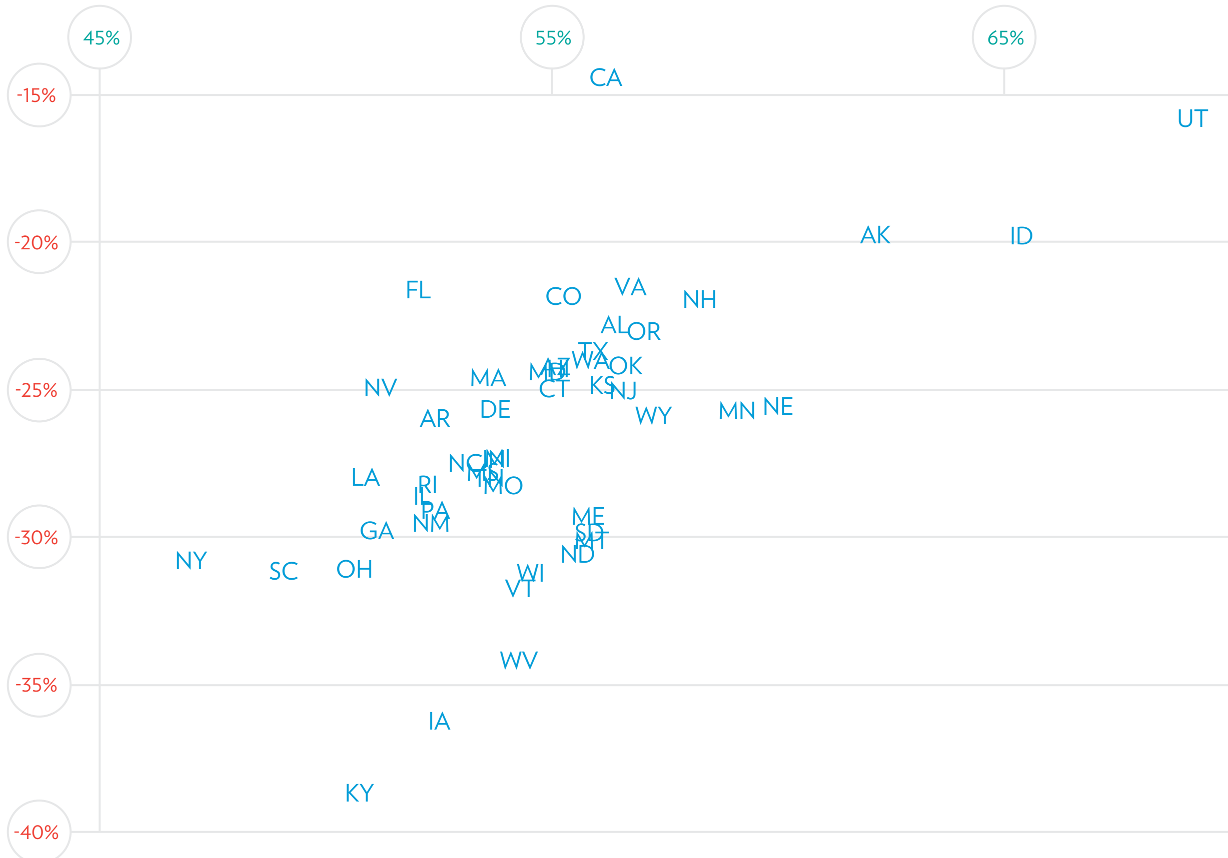
Source: Tabulations by authors from the Current Population Survey, 2013.

for the 15 states that experienced the largest declines and the 15 states that experienced the smallest declines over that time. The change across all 50 states over that time appears in red. The states with the highest and lowest levels of marriage today are displayed in Figure 1b. All figures in the text refer to sample measures of the adult population ages 25 to 59.[27]

Understanding how the retreat from marriage has played out in different states requires combining the information from Figures 1a and 1b. Below, we present a single scatterplot that graphs every state's share of adults ages 25 to 59 who are currently married against the change in the state's marriage level over the last four decades. Figure 1c shows that some states, like California,

FIGURE 1C

Percentage married in 2013 vs. change in percentage married since 1977



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Source: Tabulations by authors from the Current Population Survey, 1977–2013.

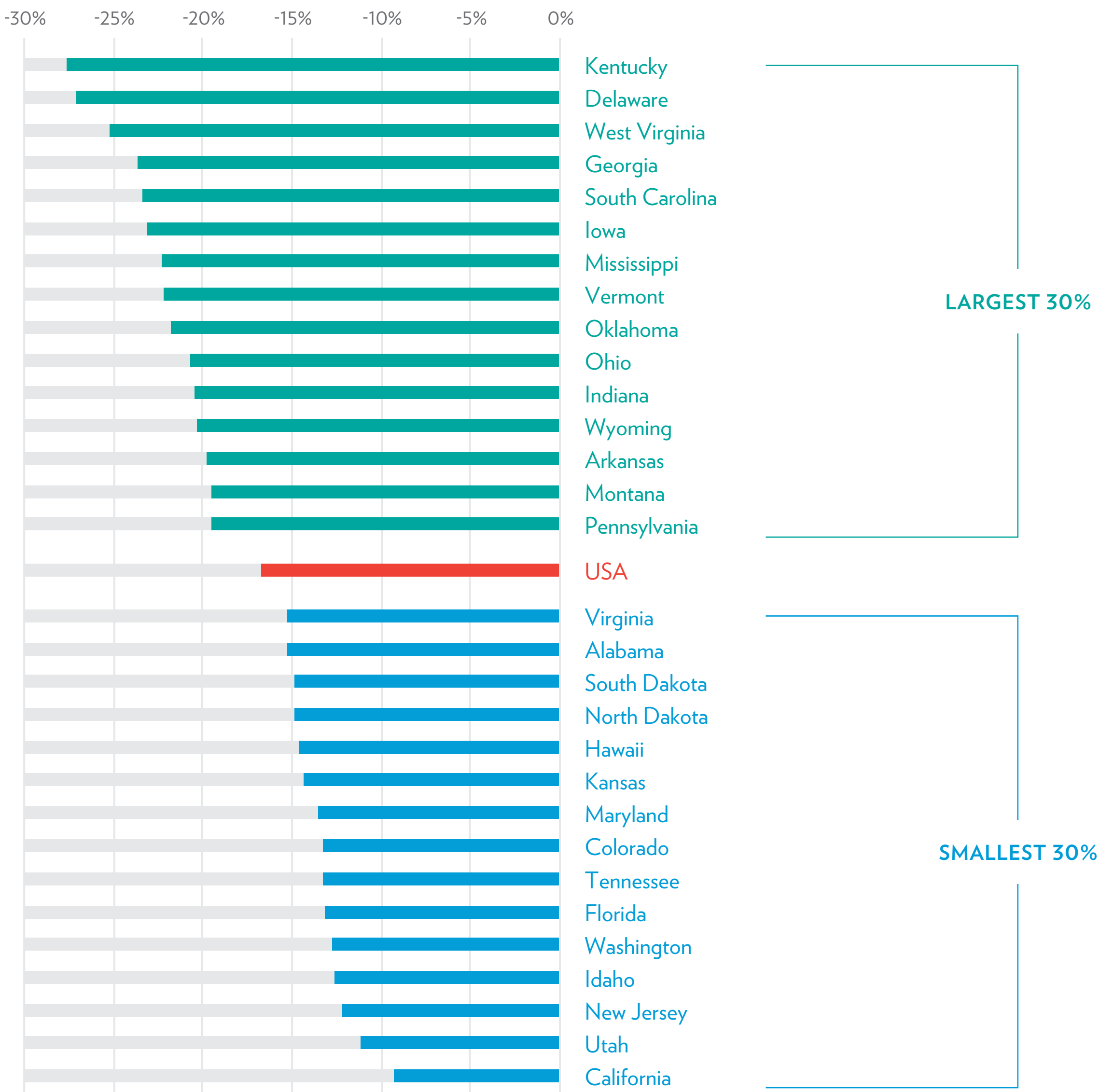
experienced relatively small declines in marriage because marriage was already less common (relative to other states) in the late 1970s. Other states, such as Minnesota and Nebraska, had average declines in the prevalence of marriage, but still enjoy relatively high levels of marriage since their levels were particularly high in the late 1970s.

Figure 1c reveals a set of states that have experienced relatively little change in their share of married adults and are still home to higher-than-average levels of marriage today. Among these states are Utah, Idaho, Alaska, New Hampshire, Virginia, Oregon, Oklahoma, Alabama, and Texas, all of which fall in the top 15 states in both measures. In other words, they have shown small declines in marriage over time and exhibit some of the nation's highest marriage levels today. This list includes states that stand out for high levels of religious participation (Alabama, Oklahoma, and Texas) and education (New Hampshire and Virginia), as well as states where the median income of non-college-educated men is high, such as Alaska and New Hampshire. Finally, a number of these states—Alaska, Oregon, Idaho, New Hampshire, and Utah—have a small share of racial minorities.[28]

In a second set of states, marriage has declined a great deal over the last four decades and, partly as a consequence, marriage levels are unusually low today. This group includes Kentucky, Iowa, New York, South Carolina, Ohio, Georgia, New Mexico, and Pennsylvania. These eight states all fall in the bottom 15 states in terms of both the share of married adults in their population and the magnitude of the decline in marriage levels over time. Many of these states, such as Kentucky and Ohio, have comparatively low levels of education, or a comparatively low median income level for less-educated men (Georgia, New Mexico, and South Carolina). This list also includes three states with high fractions of racial minorities: Georgia, New York, and South Carolina.[29]

FIGURE 2A

Change in the percentage of parents with children under 18 who are married, 1977–2013



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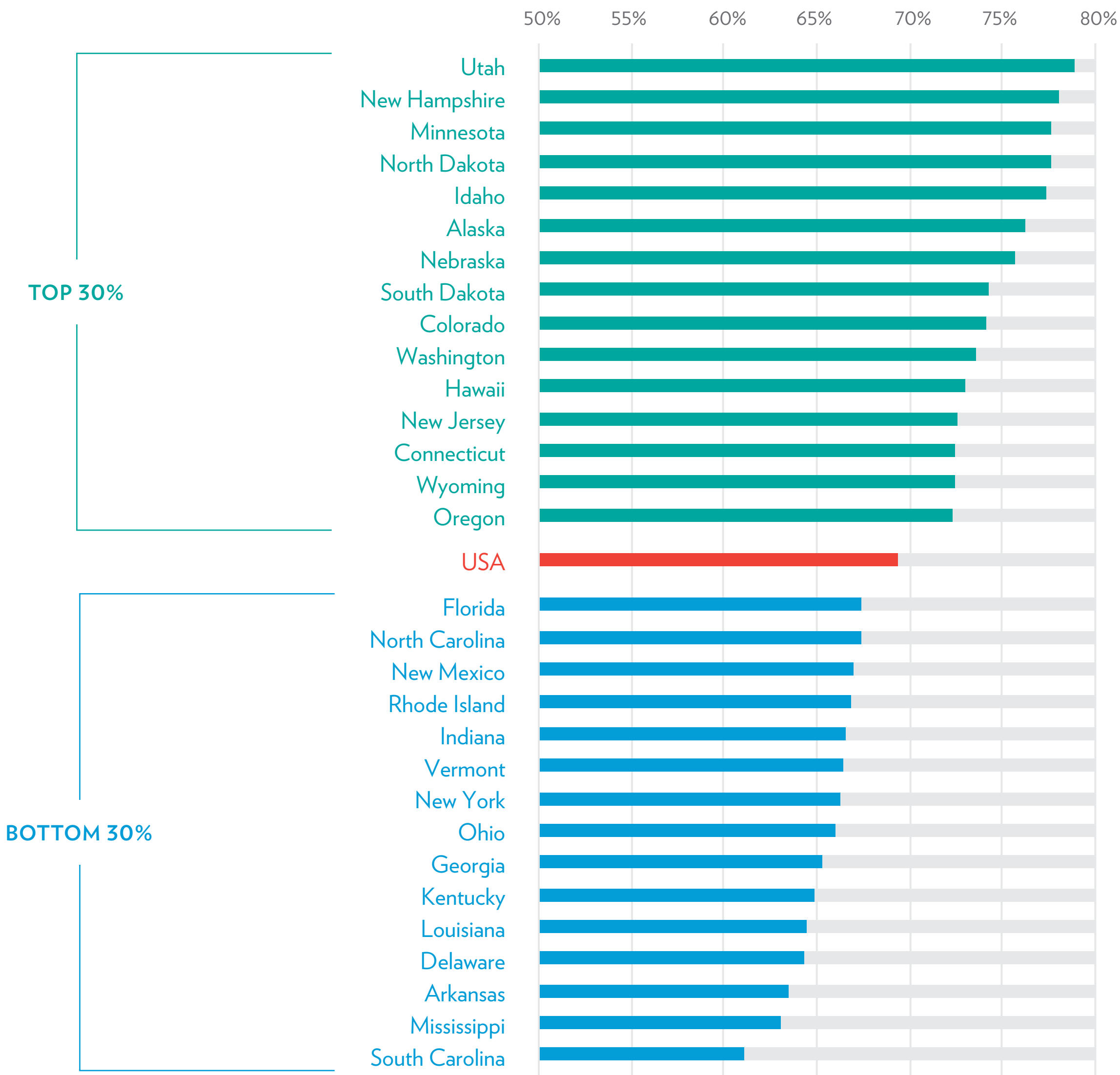
Source: Tabulations by authors from the Current Population Survey, 1977–2013.
Note: Parents aged 25–59.

Another critical family indicator, closely related to the ones analyzed above, is the share of children who are living in homes with married parents. The majority of American children in every state are still living in a married family, but patterns of family life differ considerably from one state to another. Figure 2a depicts the states that have seen the largest and smallest drops in the share of children living with married parents, and Figure 2b depicts the current share. Both figures indicate that states with low levels of education, low levels of median income for men without college degrees, and large shares of racial minorities are more likely to have shown big declines in married-parent families and to exhibit low levels of married parenthood today.

FIGURE 2B

Percentage of parents with children under 18 who are married, 2013



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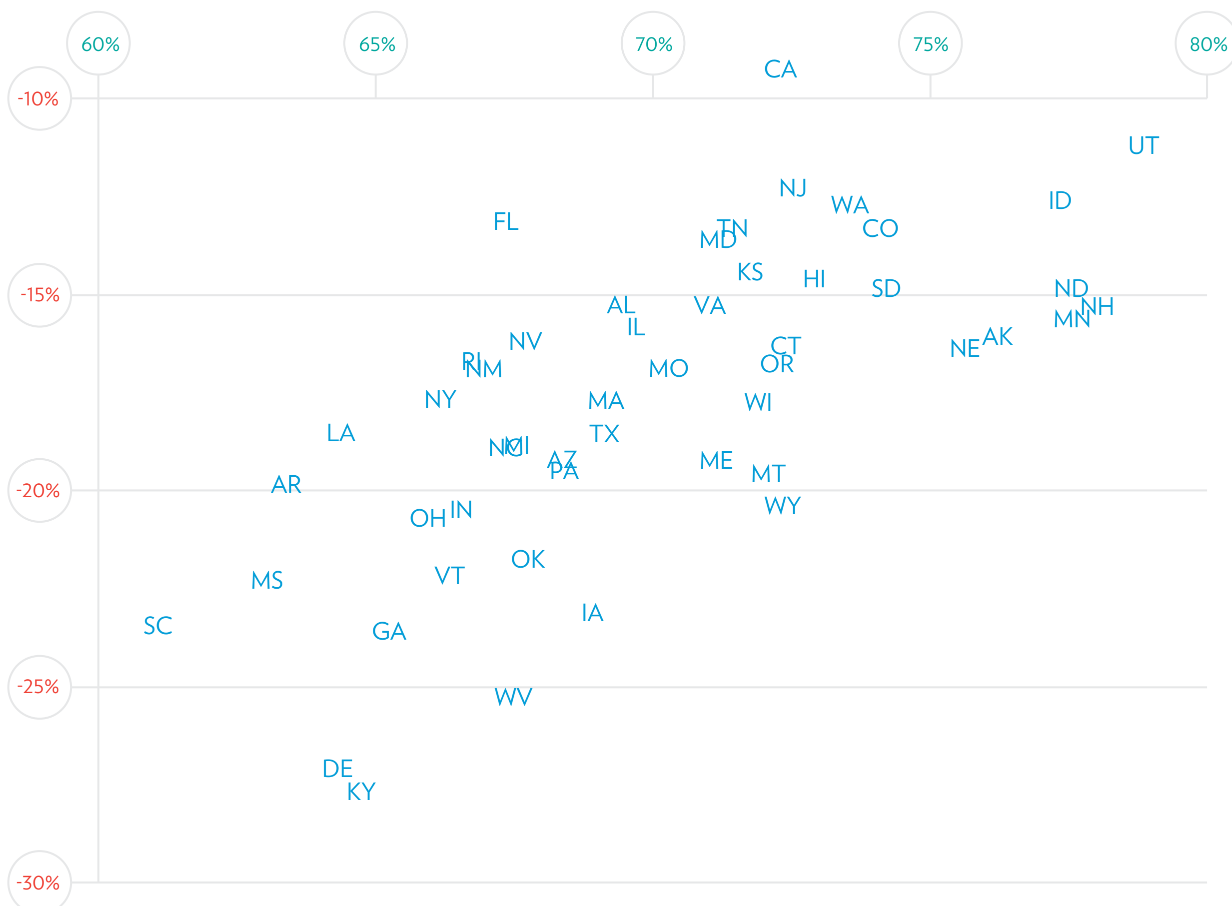
Source: Tabulations by authors from the Current Population Survey, 2013.
Note: Parents aged 25–59.

Figure 2c depicts the share of parents that are married in each state against the state's decline in married parenthood between 1977 and 2013. States like Delaware, South Carolina, Kentucky, and Mississippi, which have had major declines in married parenthood and show low levels of it today, have low levels of education, low levels of median income for men without college degrees, and/or higher levels of racial minorities, all of which are associated with lower levels of married parenthood. By contrast, some more religious and culturally conservative states, such as Nebraska and Utah, retain higher levels of married parenthood, as do more educated and/or Anglo states such as Minnesota, New Hampshire, and Washington. States where non-college-educated men enjoy a relatively high median income—such as Alaska, New Hampshire, and North Dakota—also proved more resistant to the retreat from marriage on this indicator.[30]

FIGURE 2C

Marriage level among parents in 2013 vs. change in percentage of parents married since 1977



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Source: Tabulations by authors from the Current Population Survey, 1977–2013.
Note: Parents aged 25–59.

In short, the retreat from marriage unfolded in different ways across the United States. In some states, the fraction of children being raised by married parents declined dramatically over the last four decades; indeed, states like Kentucky, Delaware, and West Virginia saw declines of more than 25 percent. In states such as Idaho, Minnesota, Nebraska, New Hampshire, and Utah, the retreat from marriage has been less severe. These states have more education, higher median income for less-educated men, fewer racial minorities, and/or more religious, conservative populations than other states. These state-level patterns in married parenthood are consistent with arguments that both socioeconomic factors and culture drive contemporary family trends.[31] The states where married parenthood is most prevalent are not all alike: New Hampshire and Minnesota are highly educated but not particularly religious, whereas Nebraska and Idaho have less remarkable levels of education but are more religious and culturally conservative. We now explore how these family indicators—the share of adults who are married in a state and the share of parents who are married—are linked to varied patterns of economic growth, economic mobility, child poverty, and median family income across the 50 states.

State-level patterns in married parenthood are consistent with arguments that both socioeconomic factors and culture drive contemporary family trends.

PART 2

The Health of Families and the Wealth of States

Family structure affects economic outcomes in a variety of ways, and for a range of reasons. Strong families can increase economic well-being because marriage and parenthood motivate men to work harder, more strategically, and more successfully, and to avoid behaviors—such as drinking to excess and criminal activity—that might limit their prospects at work.[32] Both boys and girls raised in intact, married homes are likely to acquire more human capital—that is, more of the skills, habits, and values conducive to personal and economic success—and have access to more social capital (meaning institutions and groups that connect members with educational resources, job opportunities, and other benefits) than their peers in unmarried or unstable households.[33] And families headed by married parents are likely to enjoy higher levels of income and assets and to gain more from economies of scale than single-parent families.[34] Extending this logic to the macro level, we should expect larger shares of married adults and families headed by married parents to generate greater growth rates, higher rates of economic mobility, lower rates of child poverty, and higher levels of median family income at the state level.

Some family factors may push in the opposite direction, however. Marriage, and especially married parenthood, can encourage women to cut back on hours of work, or leave the labor force temporarily or permanently, which lowers women's income.[35] Strong family ties may also discourage the kind of geographic mobility that is valued in the contemporary free market.[36] For these reasons, stronger families might be linked to worse economic outcomes, especially lower growth rates.

The research to date suggests that, in the main, strong families translate into better economic outcomes. New research by economist Raj Chetty and his colleagues indicates that rates of upward economic mobility are significantly higher among lower-income children who are raised in (or move to) regions with higher shares of two-parent families than among lower-income children in other regions.[37] Economists such as Robert Lerman and Isabel Sawhill have shown that declines in marriage are linked to significant increases in child poverty rates at the national level.[38] Likewise, median family income in the United States has been relatively stagnant since the 1970s in part because more and more families are headed by single parents.[39] To our knowledge, however, there is no research that explores the link between family structure and important measures of states' economic prosperity.

Accordingly, we now turn to a consideration of the empirical links between marriage and four economic outcomes at the state level: economic growth, economic mobility, child poverty, and median family income. Growth is worthy of attention because even small differences in economic growth rates can produce very large differences in the standard of living over time, and because economic growth eases social tensions and provides an environment of hope.[40] We measure growth by examining how each state's level of GDP per capita varies over time. Economic mobility is an important measure of the accessibility of the American Dream. Here we quantify economic mobility among lower-income individuals by examining the average percentile rank in the national income distribution of 30-year-olds who grew up in families at the 25th percentile of the income distribution. A mobility score of 25, for example, represents zero economic mobility in this group (on average), while a score of 40 indicates significant upward mobility. This measure compares the extent of intergenerational mobility in different states.

Child poverty, measured as the share of children living in families below the official poverty line, is an important indicator of material hardship.[41] The consequences of growing up poor are long-lasting and go beyond the material, however: children exposed to poverty are less likely to form stable and happy families of their own, and they are more likely to experience psychological distress, negative educational outcomes, and poor labor market performance later in life.[42] Finally, median family income—measured by all the income of people living in a household tied together by marriage, blood, or adoption—offers a good measure of the economic health of middle-class American families. The results we present are very similar to the results for median household income, where a household consists of all people who occupy the same housing unit regardless of their relationship to each other.

In our analyses of the family-economy nexus, we pay particular attention to the ways in which the effects of marriage vary by age. As Nobel laureate George Akerlof has argued, young men are especially likely to benefit from marriage. By his account, family life helps young men "settle down" and steer clear of risky, asocial, and antisocial behavior—drinking, criminal activity, idleness—that can damage their employment prospects.[43] Accordingly, we investigate whether marriage patterns among adults ages 25 to 35 are especially beneficial for states' economic outcomes.

In specifying empirical models, one key independent variable is the fraction of adults ages 25 to 59 in the state who are married. We also split this measure into two age groups and derive separate estimates based on state marriage levels for adults ages 25 to 35 and adults ages 36 to 59. Another way of capturing the impact of family strength is to use as an independent variable the fraction of parents raising children younger than 18 in the state who are married.

Since any effects of family structure on a state's economy will operate alongside the impacts of other economic and social variables, we control for several other variables at the state level. Among them are three potential obstacles to prosperity that typically concern conservatives: average individual tax rates, average business tax rates, and the minimum wage. In addition, we control for four sets of state-level factors that liberals view as potential stimulants of prosperity: education levels, education spending, infrastructure spending, and overall public spending. Further, our models control for race, the age composition of the population, female labor force participation, violent crime rates, and urbanization. We include state fixed effects to control for an array of other unchanging characteristics that may influence economic outcomes, including the initial levels of state economic outcomes. We also include year fixed effects to adjust for national-level patterns over time that have affected all states similarly.

Our sample consists of state-year observations for each year between 1977 and 2012. In their analysis of the relationship between state-level measures of human capital and economic growth, economist Eric Hanushek and coauthors exclude three states from their analysis: Alaska, Delaware, and Wyoming.[44] They exclude Alaska and Wyoming because in these resource-rich states, about 30 percent of the state GDP comes from mining activities (while such activities account for less than 12 percent of GDP in other states). Hanushek et al. also exclude Delaware because finance and insurance account for more than 35 percent of its GDP; the state is well known as a tax haven for companies. Accordingly, we exclude the same three states from our multivariate regression analysis in Table 1 on the following page.[45]

The main family-related results of our models are provided in Table 1. (The full set of coefficients on the various control variables is provided in Tables A1–A3 in the Appendix.) In Table 1, each measure of family strength is normalized by dividing by the standard deviation. Thus, the coefficients in Table 1 represent the change in each of the economic outcomes associated with a standard deviation increase in that measure of family strength.

For example, moving across the coefficients in the first row (A) of Table 1, we find that a standard deviation increase in the fraction of adults in a state who are married is associated with a $351 increase in the per capita GDP in the state, a 1.093 percentage point increase in upward mobility experienced by children born there, a 0.766 percentage point decrease in the child poverty rate, and a $1,539 increase in median family income. Each of these relationships is statistically significant at the 1 percent level (except for economic mobility, which is statistically significant at the 5 percent level).

Row B of Table 1 displays separate marriage effects by age group. The patterns are mixed, with the proportion of 25- to 35-year-olds who are married having a larger effect on per capita GDP and child poverty while 36- to 59-year-olds' marriage levels have a far larger impact on economic mobility.

The family variable with some of the largest economic impacts is the fraction of parents (of children under 18) in the state who are married (row C). The decline in child poverty rates and the increase in mobility associated with a standard deviation increase in the share of married parents are particularly notable. We find that a standard deviation increase in the fraction of parents in a state who are married is associated with a $773 increase in the per capita GDP in the state, a 2.586 percentage point increase in upward mobility experienced by children born in the state, a 1.408 percentage point decrease in the child poverty rate, and a $1,946 increase in median family income.

We use standard deviation units for the family-related measures (and for our control variables detailed in Tables A1–A3) to make it easier to compare the results across the different measures. To illustrate the importance of these family factors, we show in Figures 3, 5, 7, and 9 below the expected difference in economic outcomes between states with the strongest and weakest families (in quintiles), while controlling for a range of socio-demographic and policy factors. Figures 4, 6, 8, and 10 show the bivariate relationship between the share of parents who are married in a state and our four economic outcomes. These figures reinforce the conclusions drawn from the relationships in Table 1.

TABLE 1

Relationship between family structure and state-level economic outcomes

	PER CAPITA GDP (DOLLARS)	MOBILITY (PERCENT)	CHILD POVERTY (PERCENT)	MEDIAN FAMILY INCOME (DOLLARS)
A. MARRIED	351***	1.093*	-0.766***	1,539***
	(91)	(0.463)	(0.124)	(94)
B. MARRIED (25–35)	343***	-0.104	-0.904***	1,226***
	(98)	(0.786)	(0.134)	(99)
MARRIED (36–59)	123	1.619**	-0.446**	1,182***
	(125)	(0.470)	(0.169)	(123)
C. PARENTS MARRIED	773***	2.586**	-1.408***	1,946***
	(127)	(0.818)	(0.172)	(129)

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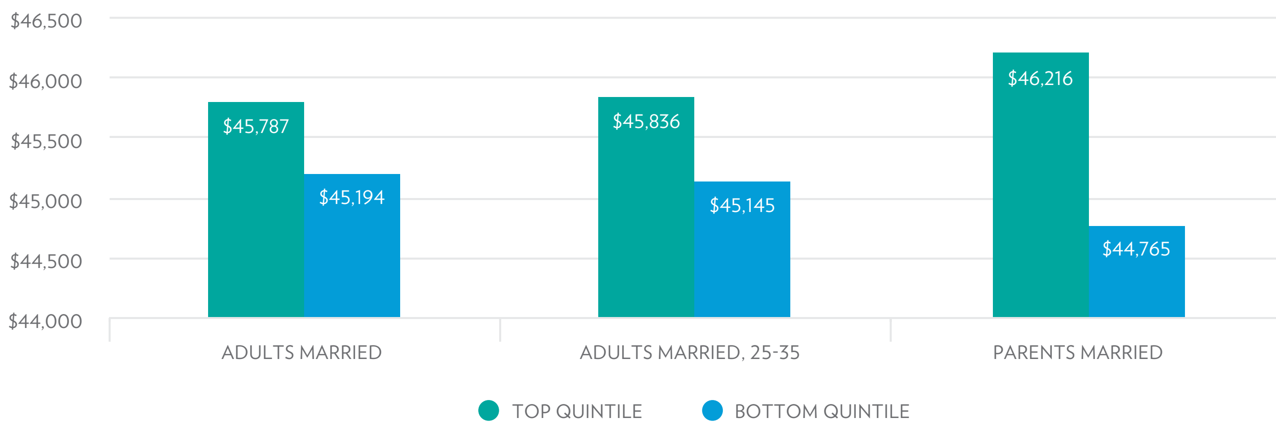
*Note: Data are a panel of 1,692 state-years from 1977 to 2012 for each of the outcomes except economic mobility, which is based on a single cross-section of the states. All control variables are normalized into standard deviation units by year. Each regression includes the controls listed in the text along with state and year fixed effects. Robust standard errors in parentheses; *** p<0.001, ** p<0.01, * p<0.05. Alaska, Delaware, and Wyoming are excluded from the analysis.*

What, then, is the link between marriage, family structure, and state economic growth? We measure this by examining our model's predictions about how changes in state-level marriage trends relate to changes in GDP per capita over time. Figure 3 shows the expected differences in GDP per capita that marriage patterns can account for (holding other factors equal) based on the results of Table 1 and the average difference in marriage levels between states in the top and bottom quintiles. It indicates that states in the upper quintile of married adults enjoy a small GDP advantage over states in the bottom quintile. The difference is more pronounced for states with more married young adults and more married parents. When we compare states in the top quintile of married-parent families with those in the bottom quintile, we find that being in the top quintile is associated with a $1,451 higher per capita GDP.

FIGURE 3

Per capita GDP, by quintile



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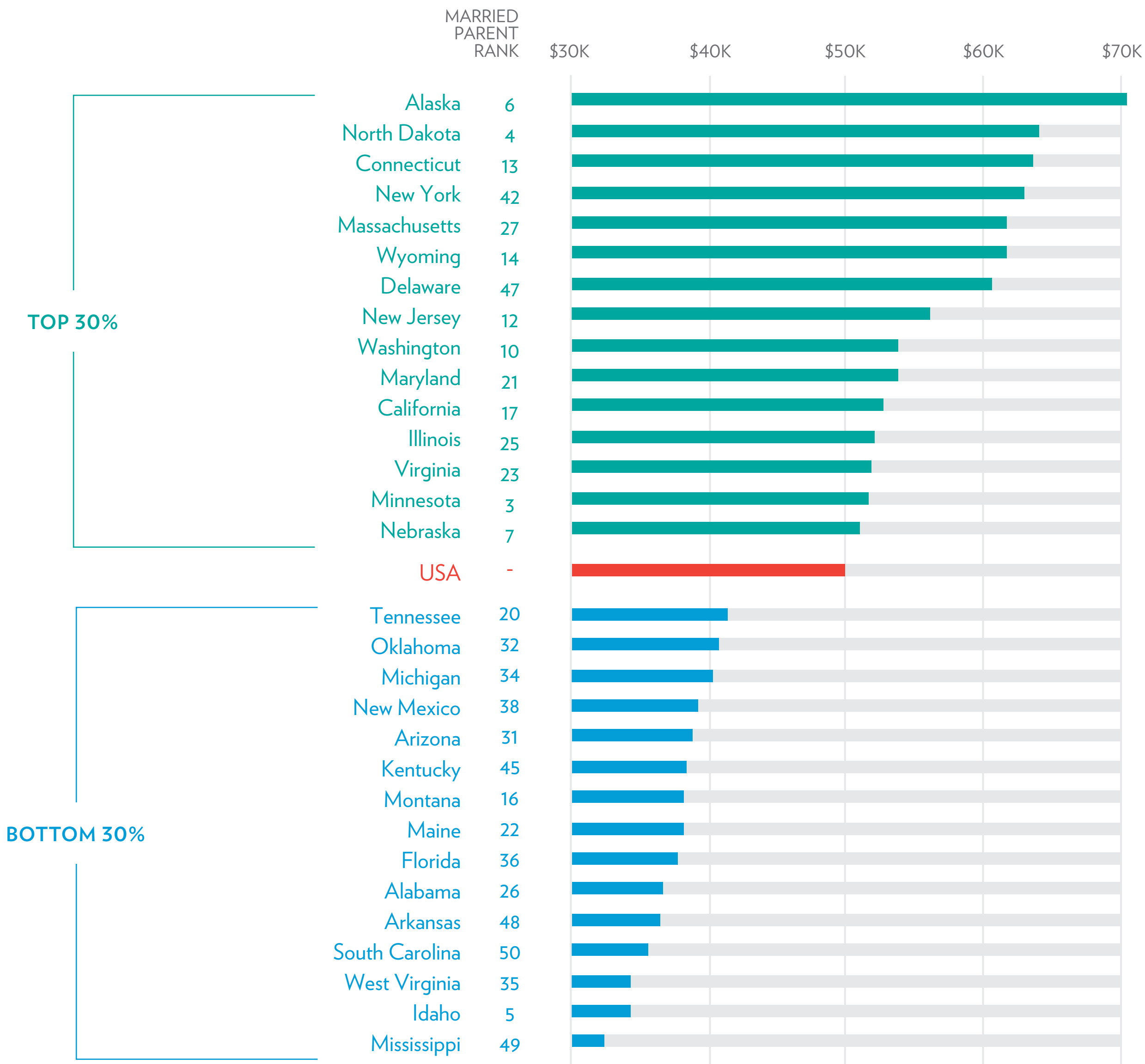
Source: Tabulations by authors from the Current Population Survey, 1977–2012; U.S. State and Local Government Finance data, 1977–2012. Ages restricted to 25–59.
Note: This figure is derived from Table 1 and includes the same state-level demographic, governmental, and policy controls as that analysis.

Figure 4 shows how state rankings in married parenthood are related to state rankings in per capita GDP. The general pattern is that the states with higher levels of per capita GDP (those at the top of the figure) tend to be ranked higher in terms of their marriage standing than the states that appear at the bottom of the figure. For instance, Michigan, ranked 34th in married parenthood, has a lower GDP per capita than nearby Minnesota (ranked third), probably in part because of the difference in marriage patterns. Table 1, Figure 3, and Figure 4 indicate that all three of the family factors in this study are related to higher levels of growth at the state level.

Strong families are also associated with higher levels of economic mobility for people raised in lower-income families. Figure 5 shows the expected difference in upward mobility that marital patterns can account for (holding all other factors equal) based on the results of Table 1 and the average difference in

FIGURE 4

Highest and lowest states in terms of GDP per capita



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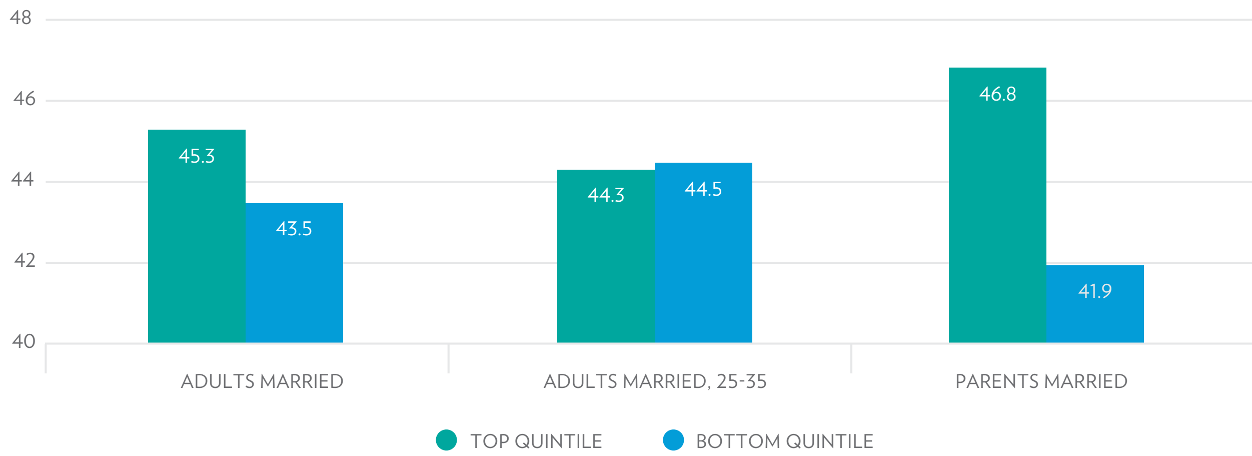
Source: Tabulations by authors using data from the Bureau of Economic Analysis, 2012.
Note: Married parent rank is based on the share of parents with children under 18 that are married, according to the 2013 Current Population Survey. Ages restricted to 25–59. All states included.

marriage levels between states in the top and bottom quintiles during the time period of our analysis. States where high proportions of adults and parents are married are significantly more likely to foster mobility for children raised in families at the 25th percentile of income. Specifically, children from the 25th percentile raised in states in the top quintile of married parents have an expected adult rank in the national income distribution that is about 4.9 points higher (from 41.9 to 46.8) than the expected adult rank of children in bottom-quintile states, controlling for the policy and demographic factors noted above. This means that states in the top quintile provide about 10.5 percent greater upward income mobility for children from lower-income families than do states in the bottom quintile.

FIGURE 5

States' average mobility for adults raised at the 25th income percentile, by quintile



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Source: Tabulations by authors from the Current Population Survey, 1982; the Equality of Opportunity Project data on absolute upward mobility data by county, collapsed to the state level.

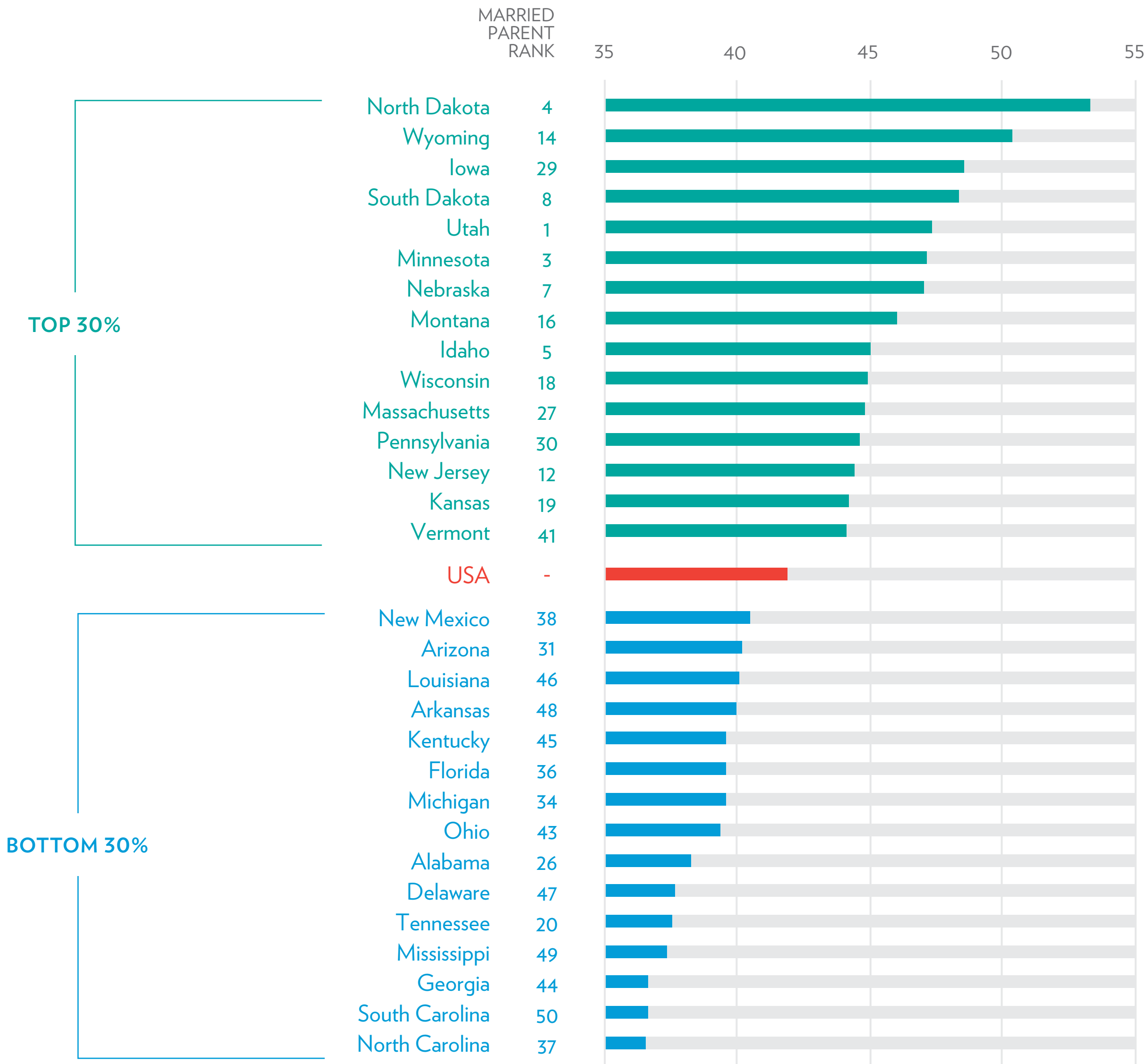
Note: This figure is derived from Table 1 and includes the same state-level demographic, governmental, and policy controls as that analysis. Mobility is based on the 1980–1982 cohort.

Figure 6 shows that there is an association between the share of families headed by married parents and economic mobility at the state level, with four of the top five states in terms of married parenthood placing in the top 10 states in expected adult income rankings of children raised in families at the 25th percentile of income. Similarly, many of the states that have low levels of married parenthood also have low economic mobility. The Dakotas have high levels of married parenthood and high upward mobility, while the Carolinas have some of the nation's lowest levels of married-parent families and the least upward mobility. (Note, as Figure 6 shows, that for the nation as a whole, children raised in the 25th percentile of the income distribution move up to the 43rd percentile as 30-year-old adults.) In sum, Table 1 and Figures 5 and 6 indicate that upward economic mobility is more attainable in states where more parents are married. In states with comparatively few married families, the American Dream is in worse shape.

Strong families also seem to minimize children's risk of growing up in poverty in states across the nation. Higher proportions of married adults and of families headed by married parents are strong predictors of lower child poverty rates at the state level (see Table 1). Figure 7 illustrates the average difference in child poverty rates that marital patterns can account for (holding other factors equal) based on the average difference in marriage levels for states in the top and bottom quintiles. The child poverty rate is 1.3 percentage points lower in states in the top quintile of marriage, compared to states in the bottom quintile. The share of young adults (25–35) married is also a significant predictor of lower child poverty. As expected, the share of parents who are married is by far the strongest predictor of child poverty of our three family measures; the difference in child poverty rates between the top and bottom quintiles on this indicator is a striking 2.6 percentage points. This amounts to a 13.2 percent lower rate of child poverty in states in the top quintile of married parenthood, versus states in the bottom quintile.

FIGURE 6

Highest- and lowest-mobility states for adults raised at the 25th income percentile



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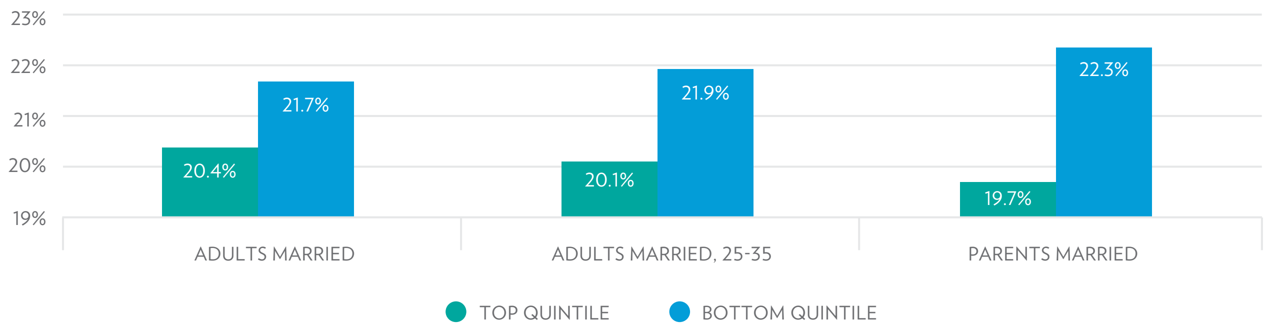
Source: Tabulations by authors from the Equality of Opportunity Project's absolute upward mobility data by county, collapsed to the state level. Note: Married parent rank is based on the share of parents with children under 18 that are married, according to the 2013 Current Population Survey. Ages restricted to 25–59. All states included. Mobility is from the 1980–1982 cohort.

The link between child poverty and family strength is likewise evident in Figure 8, which displays the states with the lowest and the highest rates of child poverty. For instance, one possible reason that 14 percent of children in Minnesota live in poverty versus 25 percent of children in Mississippi is that only 22 percent of families with children are headed by unmarried parents in Minnesota, versus 37 percent in Mississippi. In general, states where marriage is more prevalent—especially among parents—have significantly lower levels of child poverty.

FIGURE 7

States' child poverty rate, by quintile



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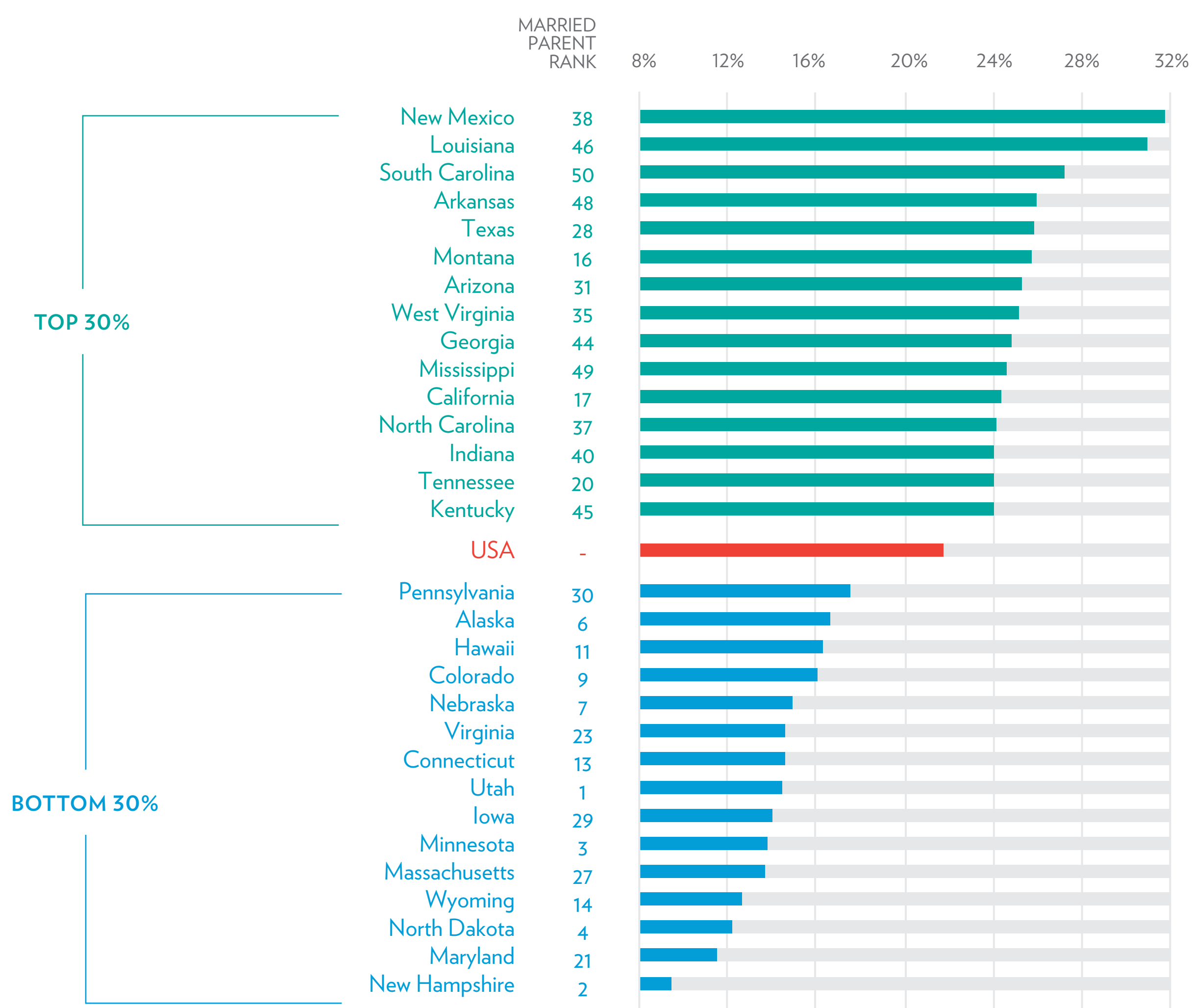
Source: Tabulations by authors from the Current Population Survey, 1977–2012; U.S. State and Local Government Finance data, 1977–2012.

Note: This figure is derived from Table 1 and includes the same state-level demographic, governmental, and policy controls as that analysis.

FIGURE 8

States with highest and lowest child poverty rates



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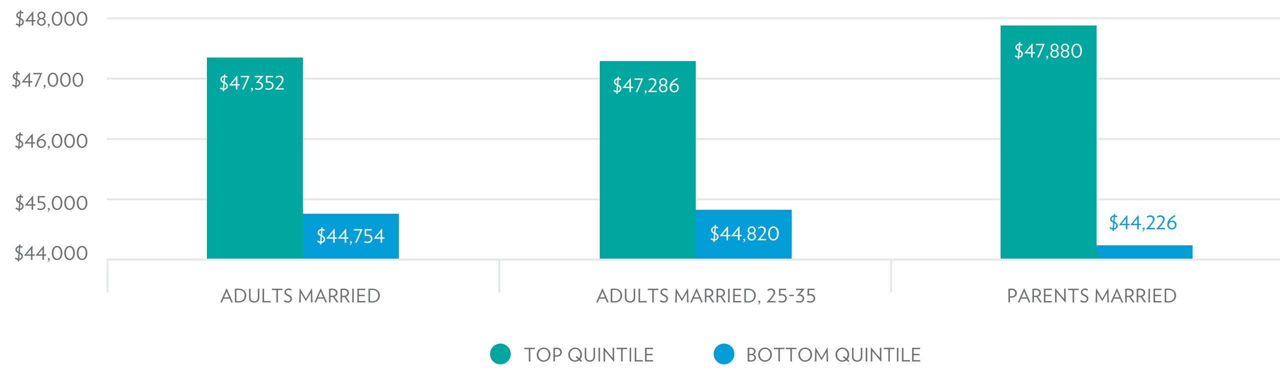
Source: Tabulations by authors from the Current Population Survey, 2012–2013.

Note: Married parent rank is based on the share of parents with children under 18 that are married, according to the 2013 Current Population Survey. Ages restricted to 25–59. All states included.

FIGURE 9

States' median family income, by quintile



American Enterprise Institute (AEI)

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Source: Tabulations by authors from the Current Population Survey, 1977–2012; U.S. State and Local Government Finance data, 1977–2012. Ages restricted to 25–59.

Note: This figure is derived from Table 1 and includes the same state-level demographic, governmental, and policy controls as that analysis.

Finally, the link between strong families and median family income is clear and consistent. Table 1 indicates that states with more married adults and more families headed by married parents boast higher median family incomes. Figure 9 shows that states in the top quintile of married adults have median family incomes that are almost $2,600 higher than those of states in the bottom quintile, even after controlling for state fixed effects and a range of state characteristics. This gap is even larger ($3,650) when we compare states in the top and bottom quintiles of married parents. While these comparisons are based on median *family* income, we find similar gaps when we look at median *household* income or median household income adjusted for household size.

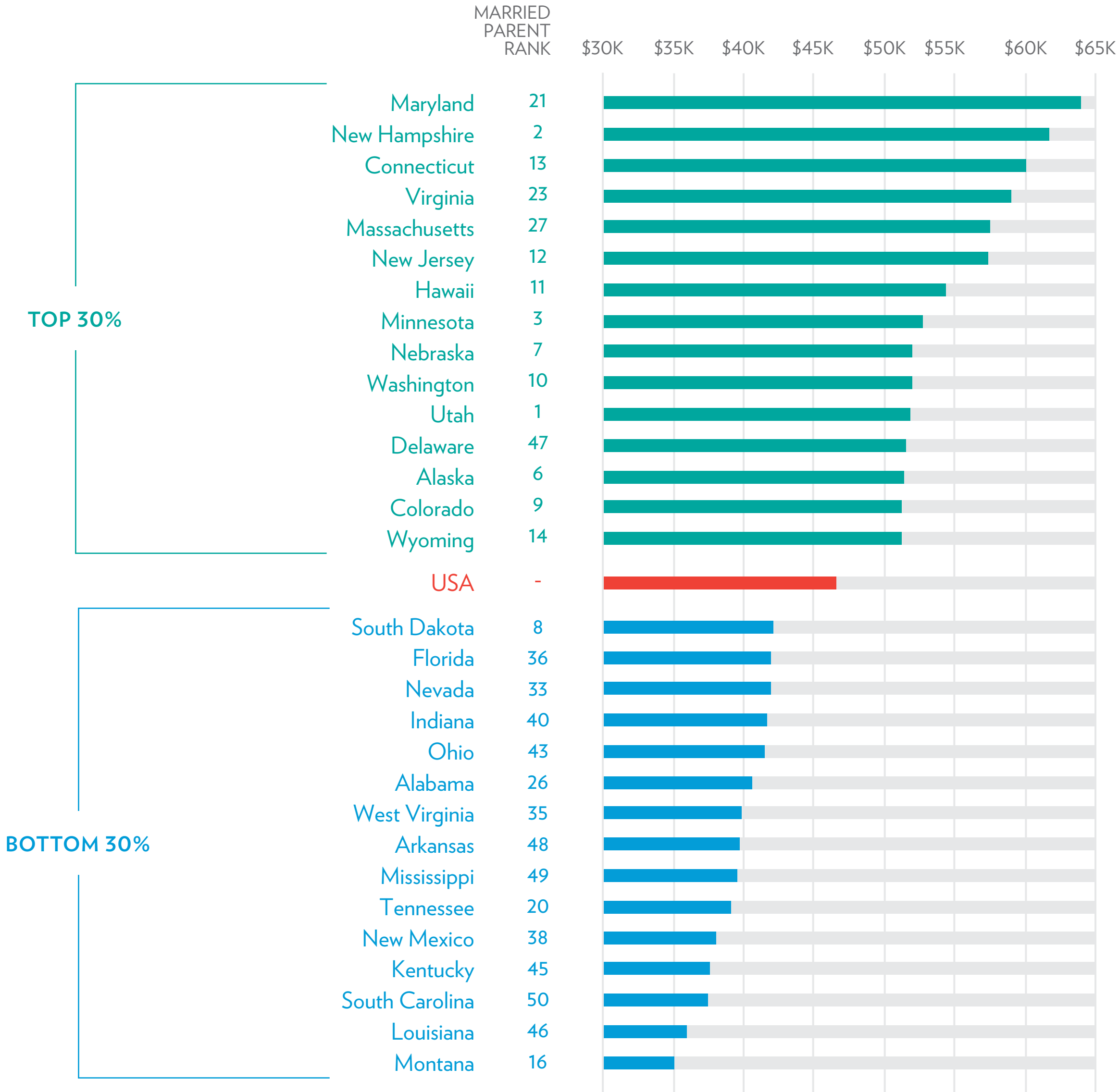
Figure 10, which shows states' rankings on median family income and their share of married parents, is illustrative. Not surprisingly, given the advantages in pooled income associated with marriage, states where marriage is stronger enjoy higher median levels of family income. For instance, New Hampshire and Nebraska, where married-parent families are unusually prevalent, exhibit higher median family incomes than South Carolina and Louisiana, states with lower levels of married families. The data in Table 1, Figure 9, and Figure 10 indicate that higher levels of marriage are associated with higher levels of median family income at the state level.

Taken together, Figures 3 through 10 illustrate how strong families are linked to greater prosperity in states across the nation. The story is particularly compelling when it comes to married parents: that is, states show especially positive economic outcomes when a larger majority of their families are headed by married parents.

One way of thinking about the magnitude of these family effects is to compare them to the effects associated with differences in the race, age, and education level of states' populations. Relative to these factors, the family effects are quite large. They actually exceed those associated with racial, age, and educational factors on three of our four outcomes (see Table A3). Moreover, marriage is related

FIGURE 10

States with highest and lowest median family incomes



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Source: Tabulations by authors from the Current Population Survey, 2013.

Note: Married parent rank is based on the share of parents with children under 18 that are married, according to the 2013 Current Population Survey. Ages restricted to 25–59. All states included.

to positive outcomes regardless of socioeconomic status for all the indicators explored in this study. Marriage rates among young adults are more closely related to two of our four economic measures than are marriage rates of older individuals. In America, the wealth of states is clearly tied to the state of their marital unions.

PART 3

Understanding the Family-Economy Nexus

There is a definite link between family structure and economic prosperity at the state level. But why did it arise? How does family structure affect the free enterprise system? In this section, we offer a number of hypotheses backed by empirical data regarding the connections between family strength and economic prosperity in America. Insofar as marriage and family life can transform men and women's orientation toward work, spending, and saving; shape the composition of households; affect men's orientation toward risk-taking and antisocial behavior; and influence the climate that children grow up in, we focus on four factors that may help explain the link between family structure and state economic performance: (1) men and women's labor force participation; (2) household economics; (3) human capital accumulation; and (4) public safety.

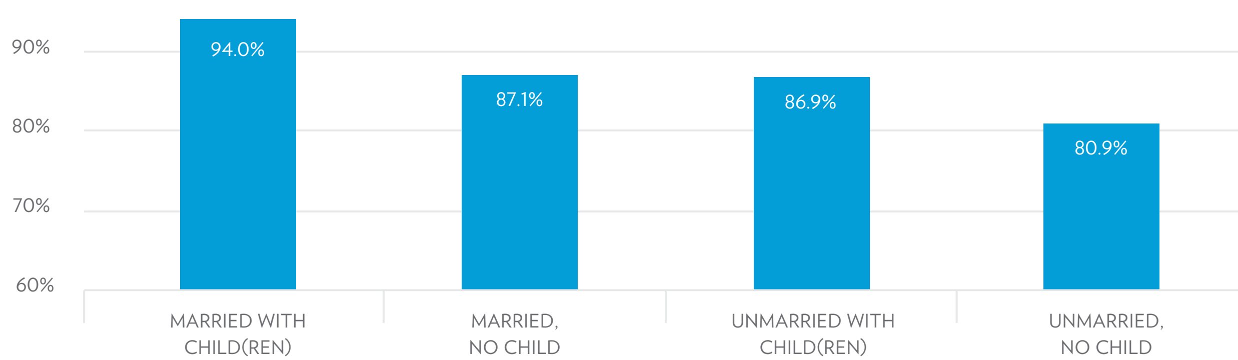
Male and Female Labor Force Participation

Moving into and out of a family can transform men and women's economic interests, motivation, and orientation toward the labor force. Married family life appears to deepen men's connection to the labor force. That's because in the wake of marrying and starting a family, men often take a markedly different approach to work, socializing, and risk-taking than they did as bachelors.[46] As noted above, economist George Akerlof has written that "men settle down when they get married." He elaborates: "Married men are more attached to the labor force; they have less substance abuse, they commit less crime, are less likely to become the victims of crime, have better health, and are less accident prone."[47] To put it otherwise, married family life seems to motivate men to seek work, to work harder, and to steer clear of activities that jeopardize their work.

A large body of research backs up these claims. Studies reveal that married men work about 400 hours more and make about $16,000 more per year than their otherwise similar single peers, and they are less likely to quit a job without lining up a new one.[48] In the nation as a whole, married men with children are more likely than their childless and/or unmarried peers to be in the labor force, as Figure 11 indicates. All these facts suggest that one reason higher levels of married parenthood are linked to greater economic growth at the state level is that being part of a married family draws men into the labor force.

FIGURE 11

Male labor force participation (ages 25–59), by marital and parental status



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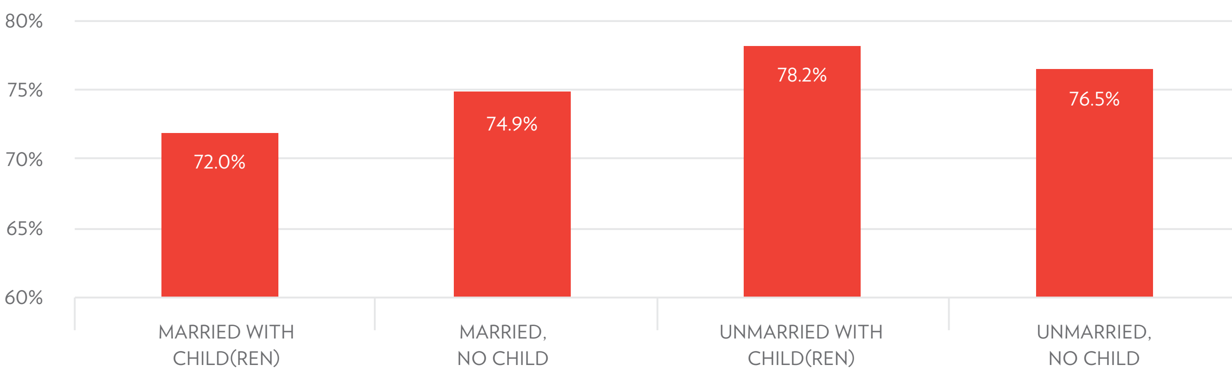
Source: Tabulations by authors from the Current Population Survey, 2010–2013. All states included.

But it's important not to assume that strong families have a uniformly positive impact on all types of economic activity. The research indicates that strong families can, in some circumstances, limit geographic mobility, work hours, and wages.[49] Most notably, motherhood is associated with a significant reduction in labor force participation, work hours, and income for women in the United States.[50] Married women with children under 18 are less likely to work, and to work long hours, compared to their peers who are unmarried and childless.[51] Figure 12 shows that married American mothers are significantly less likely to be in the labor force than other women. The negative effect of strong families on women's labor force participation may offset, to a degree, the positive effect of such families on men's labor force participation.

Overall, however, the gains associated with married parenthood in men's labor force participation, work hours, and income exceed the losses in women's labor force participation, work hours, and income. Moreover, the added work experience of married men yields returns in the form of higher wages in the future.[52] Thus, married parenthood is associated with a net increase in Americans' work, work hours, and personal income. This may help explain why strong families are generally linked at the state level with more economic growth, greater economic mobility, less child poverty, and higher median family income.

FIGURE 12

Female labor force participation (ages 25–59), by marital and parental status



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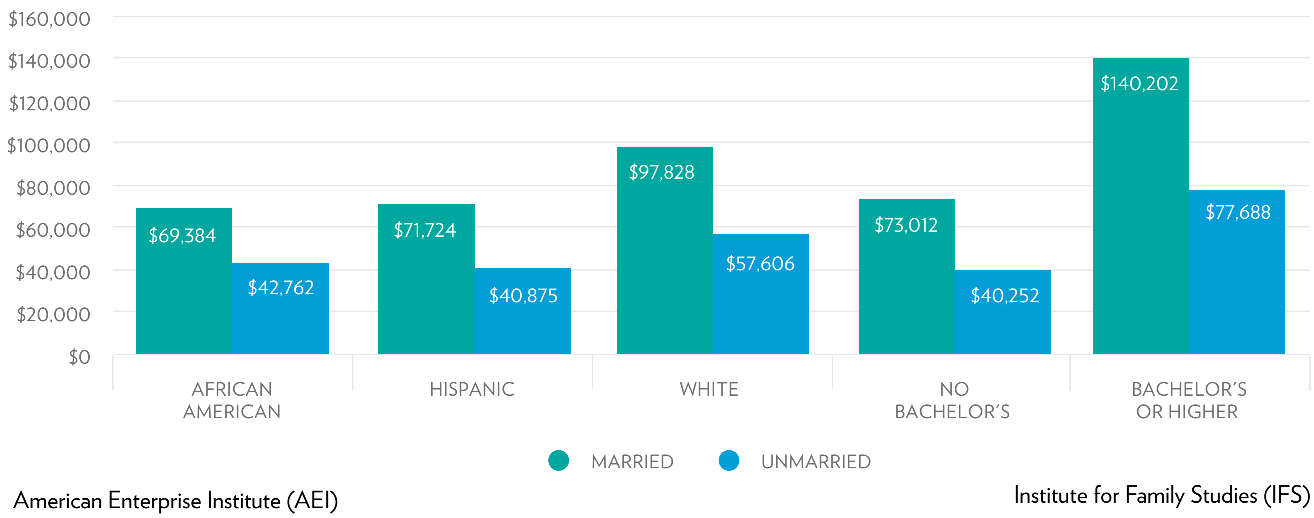
Source: Tabulations by authors from the Current Population Survey, 2010–2013. All states included.

Household Economics

The link between family structure and living standards and poverty is straightforward. Families living in married households benefit from income pooling, economies of scale, and specialization and exchange more than families in unmarried households.[53] They also benefit from the fact that married couples are more likely to accumulate wealth than singles or cohabiting couples from similar backgrounds, even after adjusting for income.[54] Furthermore, married parents receive more financial support from both sets of grandparents than do cohabiting couples or single parents.[55] Finally, because married couples enjoy more relationship stability than do cohabiting and dating couples,[56] marriage is more likely to foster economic well-being for individuals and families in the long term than are the alternatives to marriage.

FIGURE 13

Mean family income, by marital status, race/ethnicity, and education



Source: Tabulations by authors from the Current Population Survey, 2010–2013.
Note: Includes controls for age, gender, and education of household head and region fixed effects. Ages restricted to 25–59. All states included.

Research shows that married households have more assets and income and are less likely to experience poverty than households headed by cohabiting couples or singles. One study found that the net worth of married individuals is 93 percent higher than that of comparable single individuals, and that divorced individuals have a net worth lower than that of comparable never-married singles.[57] Child poverty is about three times as common among unmarried families as among married families, and single-mother families are about five times more likely to be poor than married families.[58]

The family income advantage for married families with children is not the result of age, race, education, or geography. Figure 13 shows large advantages in mean family income for married families among whites, blacks, Hispanics, college-educated Americans, and Americans without college degrees. Given these large within-group gaps, it is not surprising that states with high levels of marriage and married parenthood exhibit lower rates of child poverty, higher median family income, more economic mobility, and higher levels of GDP per capita.

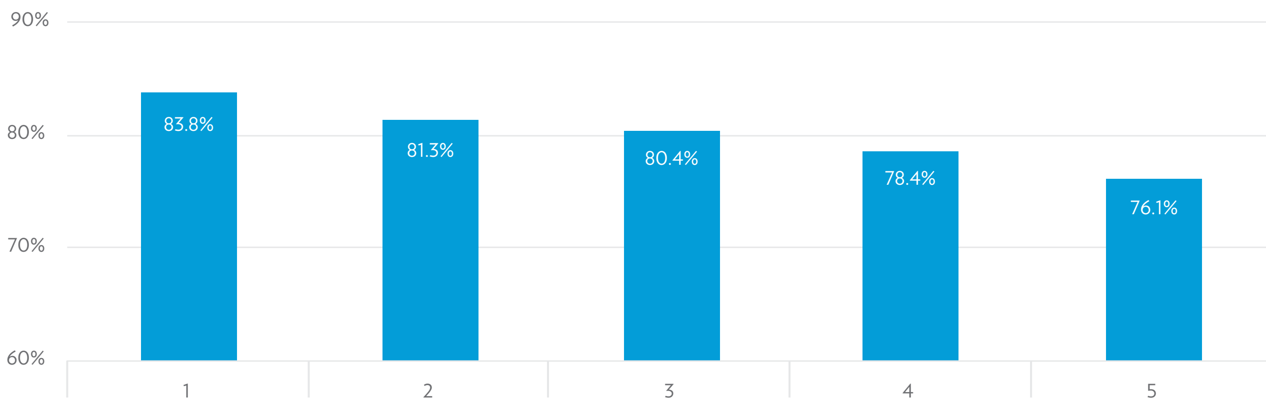
Human Capital Accumulation

A large body of research demonstrates that children are more likely to accumulate the human capital they need to flourish in today's competitive labor market, and to avoid the detours that can derail their future success in the marketplace, when they are raised in an intact, married family. Compared to their peers raised in non-intact families, children raised in intact, married families have access to more income, more parental attention, and more affection, and they are less likely to suffer parental abuse or neglect.[59] Sociologists Sara McLanahan and Gary Sandefur put it this way:

> If we were asked to design a system for making sure that children's basic needs were met, we would probably come up with something quite similar to the two-parent ideal. Such a design, in theory, would not only ensure that children had access to the time and money of two adults, it also would provide a system of checks and balances that promoted quality

FIGURE 14

States' high school graduation rates, by married-parent quintile



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Source: Tabulations by authors from the Current Population Survey, 1995–2009; Elementary and Secondary Information System (ELSI) diploma and enrollment data, 1986–2012.
Note: Includes controls for year and states' racial composition, median family income, percentage of population with bachelor's degrees, and age composition of population. All states included.

> parenting. The fact that both parents have a biological connection to the child would increase the likelihood that the parents would identify with the child and be willing to sacrifice for that child, and it would reduce the likelihood that either parent would abuse the child.[60]

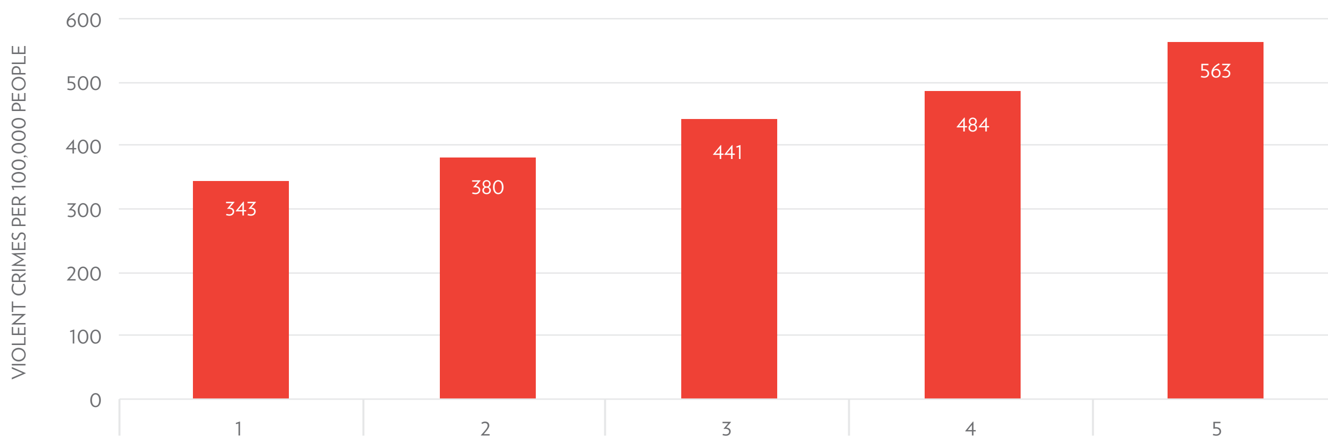
Other scholars have documented that children raised in married, intact families are more likely to progress on time in school, to graduate from high school, to earn a college degree, and to be gainfully employed as young adults. One study found, for instance, that children from intact, two-parent families were about half as likely to drop out of high school.[61] Another study indicates that young adults who grew up in intact families work at least 156 more hours per year than their peers from single-parent families.[62] At the state level, Figure 14 shows that states with a greater share of married parents have substantially higher graduation rates, even after controlling for states' median income, race/ethnicity, education level, and age composition, as well as a time trend. In a rare analysis of the state-level implications of family strength and family laws, economist Jonathan Gruber found that adults who grew up in states with unilateral or no-fault divorce laws "are less well educated, have lower family incomes, marry earlier but separate more often, and have higher odds of suicide."[63] This body of research underlines that strong families provide an ideal environment for acquiring the skills and habits needed to thrive in the contemporary free market. To the degree that states succeed in keeping children who have benefited from strong families in their midst within the state as adults, they should reap economic gains.

Public Safety

Strong families reduce the odds that children—especially males—act out as teenagers and young adults. In general, fathers provide discipline, an extra pair of eyes to monitor children's behavior, and a model of appropriate male behavior that helps children and young adults steer clear of trouble with the law.[64] The pattern at the family level is also evident at the community level: communities with greater numbers of single-parent homes have higher levels of crime and violence than communities with a higher concentration of two-parent families. Indeed, Harvard sociologist Robert Sampson has observed that "Family structure is one of the strongest, if not the strongest, predictors of...urban violence across cities in the United States."[65]

FIGURE 15

State violent crime rates, by married-parent quintile



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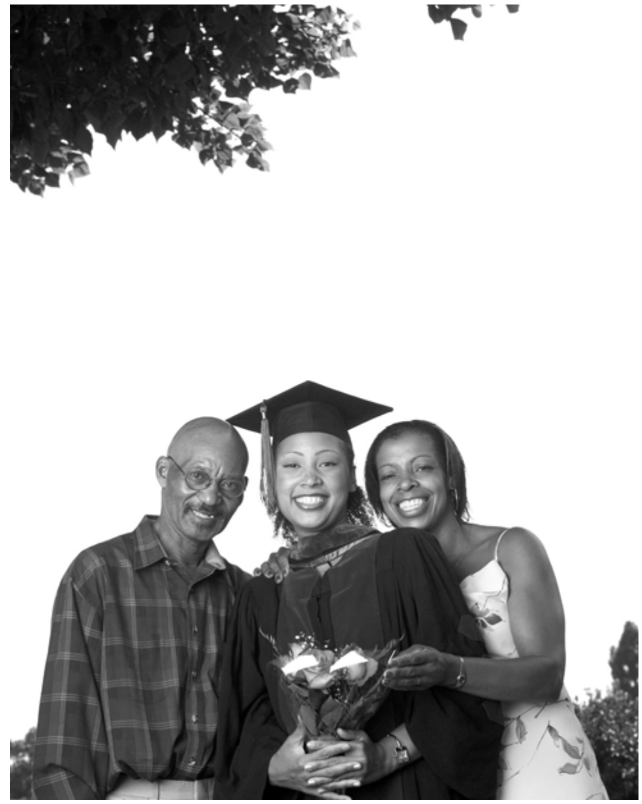
Source: Tabulations by authors from the Current Population Survey, 1977–2012; Uniform Crime Report, 1977–2012.
Note: Includes controls for year and states' racial composition, age composition, median family income, percentage of population with bachelor's degrees. All states included.

More specifically, young men from single-mother homes are about twice as likely to spend some time in jail or prison as young men from intact, married homes, even after controlling for family income and parents' education, race/ethnicity, and age.[66] Similar disparities are evident in criminal victimization, with one study finding that "youth from single parent and stepfamilies experienced higher rates of several different kinds of victimization compared with youth living with two biological parents," even after accounting for victims' age, gender, race, family size, and socioeconomic status.[67]

These relationships carry over to the state level. Figure 15 indicates that violent crime rates are significantly lower in states with a higher share of families headed by married parents. This link matters for economic prosperity because high levels of crime engender significant public-sector costs, inhibit male labor force participation, are associated with less economic mobility for lower-income children,[68] and otherwise serve as a drag on the economy (see, for instance, Tables A1–A3, which show a negative link between violent crime and state economic growth). In the words of economists Claudio Detotto and Edoardo Otranto, "Criminal activity acts like a tax on the entire economy: it discourages...direct investments, it reduces firms' competitiveness, and reallocates resources creating uncertainty and inefficiency."[69]

To summarize, to the extent that states across the nation are home to strong families—especially as measured by the share of families headed by married parents—they enjoy above-average levels of economic growth, economic mobility, and median family income, and below-average levels of child poverty. Our review of research identifies four reasons why strong families are associated with economic prosperity at the state level: they boost male residents' labor force participation and engagement in the labor force; increase economies of scale, efficiencies, and savings for families; foster better educational and labor force outcomes for children; and reduce the prevalence of crime and violence.



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PART 4

Strengthening Families: Four Ideas

The term "economics" has its roots in the Greek word *oikonomia*, which means the "management of the household."[70] It's ironic, then, that economists across the ideological spectrum have paid so little attention to the possibility that the structure of the household might affect the economic welfare of nations, states, and societies. In beginning to fill this gap in the literature, *Strong Families, Prosperous States* documents four key facts about the links between household structure and the economic welfare of states across the country:

1– Higher levels of marriage, and especially higher levels of married-parent families, are strongly associated with more economic growth, more economic mobility, less child poverty, and higher median family income at the state level in the United States. This is true even controlling for a range of factors—from the educational and racial composition of a state to its tax policies and spending on education—that might otherwise confound the family-economy link.

2– The share of married parents in a state is one of the best predictors of the four state economic outcomes studied in this report. In fact, it's a better predictor of states' economic mobility, child poverty, and median family income than are the educational, racial, and age composition of the states. (See Table A3.)

3– The state-level links between marriage and economic growth, and marriage and child poverty, are stronger for young adults (ages 25–35) than for older adults (36–59). Seemingly, marriage plays a particularly important role in fostering a positive labor market orientation among young men.

4– Violent crime is much less common in states with larger shares of families headed by married parents, even after controlling for a range of socio-demographic factors at the state level. Families' impact on crime rates has economic implications, for higher crime rates are associated with lower levels of economic growth at the state level and lower levels of economic mobility at the county level.

When their families are strong, states are more likely to witness growth, economic mobility for their low-income children, less child poverty, and higher levels of median family income. In other words, in states across the country, strong families foster more broadly shared prosperity and give children a better shot at achieving the American Dream.

From whence, then, do strong families come? We have argued that both structural and cultural factors explain why families headed by married parents are more common in states like New Hampshire, Minnesota, and Washington, as well as states like Idaho, Nebraska, and Utah. The former three states boast comparatively high levels of education, and are not religious or particularly culturally conservative. In these states, structural explanations of family strength—explanations emphasizing socioeconomic factors—make a lot of sense. The latter three states have only low or moderate levels of education and tend to be more religious and culturally conservative. In these states, cultural explanations of family strength make more sense.[71] Our conclusion is that both structural *and* cultural factors explain why some states have proved to be more successful in resisting the nationwide retreat from marriage.[72] Accordingly, the following four policy ideas seek to strengthen the structural and cultural foundations of marriage and family life nationwide.

1– END THE MARRIAGE PENALTY IN MEANS-TESTED WELFARE PROGRAMS

Today, about one-third of Americans (and a higher share of families with children) receive some kind of means-tested assistance—ranging from Medicaid to food stamps—from the government.[73] Unfortunately, many of these welfare programs penalize marriage for low-income couples who are dating or cohabiting. While not all low-income couples face such penalties (indeed, some receive a marriage bonus from the earned income tax credit),[74] many low-income couples with children face substantial penalties for marrying that can amount to almost one-third of their total household income.[75] Moreover, the evidence suggests that low-income families face particularly high marriage penalties in some states, such as Arkansas, according to a new report by Douglas Besharov and Neil Gilbert.[76] As economists James Alm, Stacy Dickert-Conlin, and Leslie Whittington have noted, the "probability of marriage falls as the marriage penalty increases."[77] Federal and state policymakers must move to end or minimize these penalties, especially given that they affect so many of our citizens. One reform that would eliminate the penalty is this: allow low-income married families with children under six to split their income and have that split income be considered when families apply for programs like Medicaid or food stamps.[78]

2– STRENGTHEN VOCATIONAL EDUCATION AND APPRENTICESHIPS

One promising and cost-effective approach to promoting stable families is to improve the career prospects of less-educated, low-income, and minority women and men. In attempts to equip workers with the skills better jobs require, policymakers focus almost exclusively on educational attainment and academic test scores, and downplay or ignore the importance of employability and occupational skills. The "college for all" strategy and school-based approaches are often ineffective, and they disadvantage workers who learn best by doing and who want to earn income while they learn. Shifting policies toward approaches that combine work-based learning with classroom instruction and that lead to valuable occupational credentials could have a transformative effect on the career outcomes and maturity of young people.

The best strategy to achieve this shift is to scale up apprenticeship programs, both at the late high school and early postsecondary levels. The gains from such a shift would be especially significant for young men, who are increasingly falling behind young women in academic settings. Boosting the skills, earnings, maturity, and self-confidence of young men and women who are not on the college track will likely increase their marriage rates and encourage them to delay childbearing until after marriage.[79] We specifically endorse the recent grants for apprenticeship provided by the Obama administration, the tax credits for apprenticeship proposed in the LEAP Act cosponsored by Senator Cory Booker (D-NJ) and Senator Tim Scott (R-SC), and efforts to increase work-based learning in high schools, possibly linked to expanding Career Academies. In addition, we call on states to develop effective approaches to marketing apprenticeships to employers, as South Carolina has done.

3– GIVE COUPLES A SECOND CHANCE

Research suggests that in about one-third of couples exploring divorce, one or both spouses report an interest in the possibility of reconciliation.[80] A recent report by University of Minnesota Professor of Family Science William J. Doherty and retired Georgia Supreme Court Chief Justice Leah Ward Sears notes that even a modest reduction in divorce rates would benefit thousands of

children and strengthen families across the country. They propose that states take three steps to reduce unnecessary divorce: extend the divorce waiting period to one year in cases where abuse, abandonment, and substance abuse are not applicable; provide interested couples with high-quality education about the option of reconciliation; and create university-based centers of excellence to improve the education available to couples at risk of divorce.[81] For instance, the Minnesota Couples on the Brink Project, which is based at the University of Minnesota and funded via a surcharge on marriage license fees, is evaluating, formulating, and disseminating best practices to help a subset of struggling couples—those who face a high risk for divorce and are uncertain whether they should end their marriages—move forward with efforts to renew their marriages. Other states should undertake and assess experimental efforts like this one.

4– LAUNCH CIVIC EFFORTS TO STRENGTHEN MARRIAGE

In addition to these public policy reforms, national, state, and local initiatives to provide relationship education and social marketing on behalf of marriage could prove helpful. Campaigns against smoking and teenage and unintended pregnancy have demonstrated that sustained efforts to change behavior can work.[82] Take the National Campaign to Prevent Teen and Unplanned Pregnancy. Launched in 1996, it has partnered with state and local organizations, religious groups, advertising agencies, and Hollywood producers in its successful efforts to change norms and behaviors related to teen pregnancy, which has fallen by more than 50 percent since the early 1990s. A similar campaign promoting what Brookings Institution scholars Ron Haskins and Isabel Sawhill have dubbed the "success sequence"—in which young adults are encouraged to pursue education, work, marriage, and parenthood in that order—could play a valuable role in strengthening marriage and stabilizing family life.[83] If such a project gained widespread support in the realms of education, media, pop culture, business, and civic society, it might meet with the same level of success as the nation's campaign to prevent teen pregnancy.[84] We believe local, state, and national initiatives to encourage the success sequence, with special emphasis on sequencing parenthood after marriage, are well worth launching.

These four policy ideas must be understood only as indicative of the kind of multi-pronged public and private efforts needed to strengthen marriage and family life in America. Clearly, there is no magic bullet when it comes to renewing families. Some will doubt the justice, and others the feasibility, of such a project. But this report demonstrates that some states have achieved a measure of success in resisting the nation's retreat from marriage. If more states could get behind public policies that do not penalize marriage, educational efforts that strengthen the earning power of their young adults who are not on the college track, reforms to family law that reduce the prevalence of divorce, and civic efforts to make the culture more marriage-friendly, we just might see a renaissance in marriage and family life in America. And that would bring about improvement in not only the state of our unions, but also the wealth of our states.

Appendix

TABLE A1

Relationship between family structure and state-level economic outcomes

	GDP PER CAPITA (DOLLARS)	MOBILITY (PERCENT)	CHILD POVERTY (PERCENT)	MEDIAN FAMILY INCOME (DOLLARS)
MARRIED ADULTS	351***	1.093**	-0.766***	1,539***
	(91)	(0.463)	(0.124)	(94)
SHARE COLLEGE-EDUCATED	931***	1.176**	-1.179***	942***
	(151)	(0.434)	(0.189)	(137)
BLACK	3,336***	-1.286*	0.904	1,691***
	(499)	(0.677)	(0.674)	(518)
FEMALE LABOR FORCE PARTICIPATION	-138	0.112	-0.845***	451***
	(117)	(0.440)	(0.162)	(103)
VIOLENT CRIME RATE	-652***	-1.110	-0.805***	-344*
	(212)	(0.681)	(0.213)	(179)
SHARE OVER 65	-108	1.081***	0.273*	-655***
	(121)	(0.379)	(0.146)	(114)
SHARE UNDER 18	28	0.352	0.804***	-196*
	(126)	(0.552)	(0.162)	(114)
STATE EXPENDITURES PER CAPITA	1,082***	2.833	-0.213	79
	(359)	(1.898)	(0.397)	(344)
HIGHER EDUCATION EXPENDITURES PER CAPITA	353*	-0.486	-0.588**	-40
	(201)	(0.708)	(0.243)	(174)
HIGHWAY EXPENDITURES PER CAPITA	1,651***	0.506	-0.054	548**
	(351)	(1.554)	(0.263)	(215)
INDIVIDUAL TAX RATE	900***	-0.108	0.241	28
	(284)	(0.492)	(0.285)	(237)
CORPORATE TAX RATE	561***	0.771	-0.237	289*
	(170)	(2.444)	(0.197)	(166)
URBANIZATION	3,252***	1.214*	1.481**	859**
	(480)	(0.599)	(0.581)	(381)
MINIMUM WAGE	424***	-16.150***	-0.126	320***
	(118)	(5.102)	(0.122)	(83)

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*Note: Data are a panel of 1,692 state-years from 1977 to 2012 for all columns but the second, which consists of a single cross-section of the year 1982. All control variables are normalized into standard deviation units by year. Each regression includes the controls listed in the text along with state and year fixed effects. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Alaska, Delaware, and Wyoming are excluded from the analysis, as noted in the text.*

TABLE A2

Relationship between family structure and state-level economic outcomes

	GDP PER CAPITA (DOLLARS)	MOBILITY (PERCENT)	CHILD POVERTY (PERCENT)	MEDIAN FAMILY INCOME (DOLLARS)
MARRIED AGES 25-35	343***	-0.104	-0.904***	1,226***
	(98)	(0.786)	(0.134)	(99)
MARRIED AGES 36-59	123	1.619***	-0.446***	1,182***
	(125)	(0.470)	(0.169)	(123)
SHARE COLLEGE-EDUCATED	963***	1.076**	-1.233***	999***
	(151)	(0.471)	(0.189)	(137)
BLACK	3,390***	-1.098	0.610	1,822***
	(497)	(0.676)	(0.668)	(521)
FEMALE LABOR FORCE PARTICIPATION	-149	0.085	-0.863***	462***
	(118)	(0.465)	(0.162)	(103)
VIOLENT CRIME RATE	-690***	-1.140	-0.798***	-420**
	(212)	(0.697)	(0.213)	(178)
SHARE OVER 65	-117	1.119***	0.277*	-663***
	(120)	(0.399)	(0.144)	(113)
SHARE UNDER 18	10	0.505	0.882***	-238**
	(127)	(0.566)	(0.162)	(115)
STATE EXPENDITURES PER CAPITA	1,139***	2.973	-0.339	203
	(361)	(1.839)	(0.398)	(346)
HIGHER EDUCATION EXPENDITURES PER CAPITA	365*	-0.725	-0.603**	-25
	(200)	(0.673)	(0.243)	(175)
HIGHWAY EXPENDITURES PER CAPITA	1,643***	0.787	-0.037	549**
	(351)	(1.494)	(0.260)	(214)
INDIVIDUAL TAX RATE	896***	-0.075	0.215	6
	(284)	(0.482)	(0.281)	(242)
CORPORATE TAX RATE	566***	1.017	-0.243	283*
	(170)	(2.448)	(0.196)	(167)
URBANIZATION	3,294***	1.022	1.423**	918**
	(481)	(0.635)	(0.582)	(385)
MINIMUM WAGE	421***	-14.223**	-0.120	332***
	(117)	(5.563)	(0.122)	(83)

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*Note: Data are a panel of 1,692 state-years from 1977 to 2012 for all columns but the second, which consists of a single cross-section of the year 1982. All control variables are normalized into standard deviation units by year. Each regression includes the controls listed in the text along with state and year fixed effects. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Alaska, Delaware, and Wyoming are excluded from the analysis, as noted in the text.*

TABLE A3

Relationship between family structure and state-level economic outcomes

	GDP PER CAPITA (DOLLARS)	MOBILITY (PERCENT)	CHILD POVERTY (PERCENT)	MEDIAN FAMILY INCOME (DOLLARS)
MARRIED PARENTS	773***	2.586***	-1.408***	1,946***
	(127)	(0.818)	(0.172)	(129)
SHARE COLLEGE-EDUCATED	813***	1.032**	-0.975***	705***
	(150)	(0.435)	(0.189)	(140)
BLACK	3,552***	-0.279	0.611	1,713***
	(488)	(0.801)	(0.663)	(510)
FEMALE LABOR FORCE PARTICIPATION	-139	0.162	-0.819***	324***
	(114)	(0.445)	(0.160)	(103)
VIOLENT CRIME RATE	-523**	-1.062*	-0.989***	-285
	(209)	(0.586)	(0.211)	(184)
SHARE OVER 65	-85	1.209***	0.240*	-645***
	(120)	(0.365)	(0.145)	(114)
SHARE UNDER 18	64	0.348	0.716***	10
	(125)	(0.506)	(0.157)	(112)
STATE EXPENDITURES PER CAPITA	1,068***	2.855	-0.194	76
	(358)	(1.811)	(0.395)	(348)
HIGHER EDUCATION EXPENDITURES PER CAPITA	372*	-0.861	-0.630***	46
	(198)	(0.587)	(0.241)	(176)
HIGHWAY EXPENDITURES PER CAPITA	1,620***	0.640	0.002	473**
	(350)	(1.498)	(0.262)	(219)
INDIVIDUAL TAX RATE	921***	-0.115	0.224	-33
	(281)	(0.432)	(0.280)	(240)
CORPORATE TAX RATE	570***	0.234	-0.255	318*
	(169)	(2.141)	(0.192)	(165)
URBANIZATION	3,185***	1.269*	1.582***	806**
	(480)	(0.648)	(0.588)	(381)
MINIMUM WAGE	416***	-14.799***	-0.114	311***
	(116)	(4.807)	(0.120)	(83)

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*Note: Data are a panel of 1,692 state-years from 1977 to 2012 for all columns but the second, which consists of a single cross-section of the year 1982. All control variables are normalized into standard deviation units by year. Each regression includes the controls listed in the text along with state and year fixed effects. Robust standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Alaska, Delaware, and Wyoming are excluded from the analysis, as noted in the text.*

TABLE A4

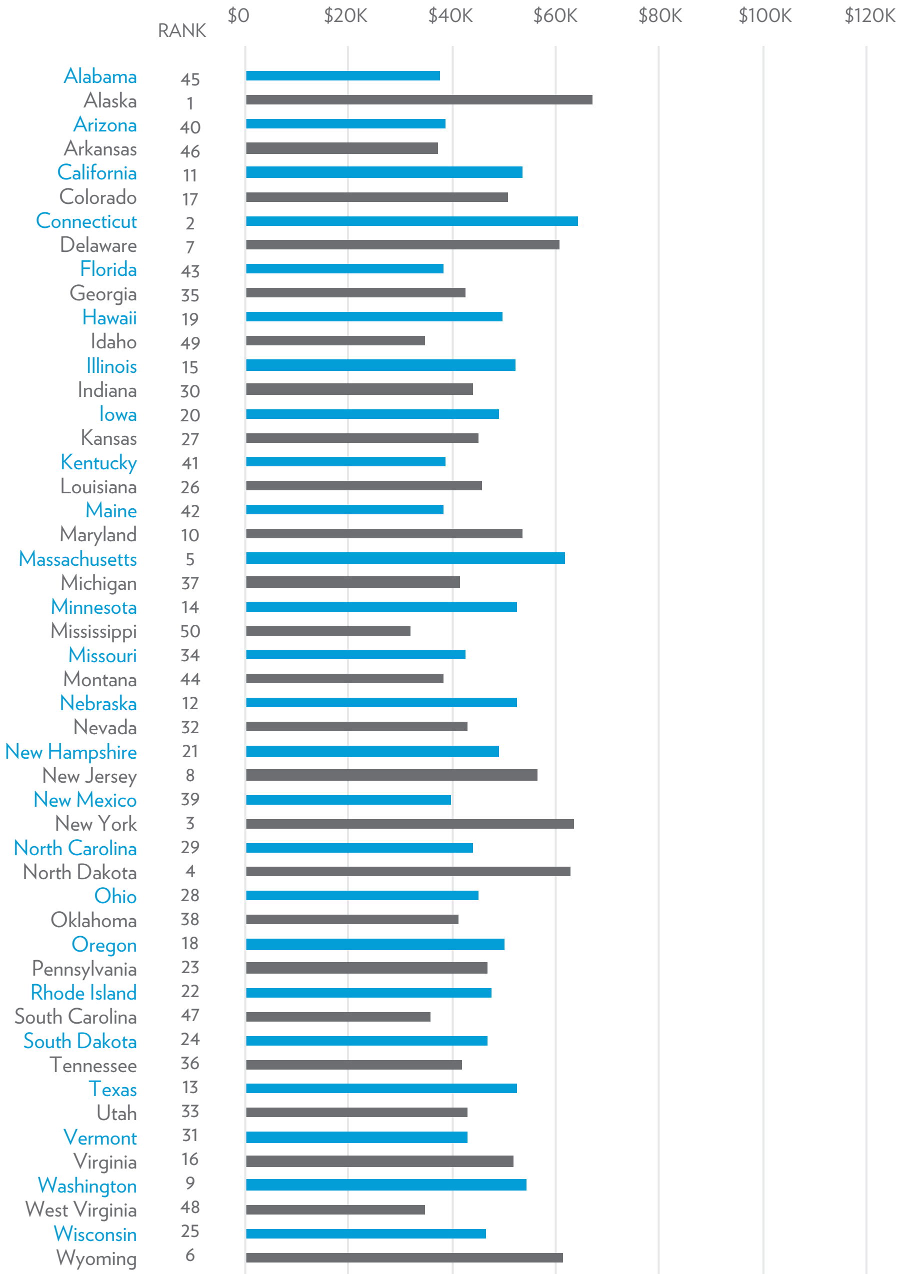
State rankings of racial composition, educational composition, median income of non-college-educated men, and religious service attendance

STATE	% BLACK	RANK	% WITH BACHELOR'S DEGREE OR HIGHER	RANK	MEDIAN INCOME OF MALES WITHOUT BACHELOR'S DEGREES, AGES 25–59 (DOLLARS)	RANK	% ATTENDING CHURCH WEEKLY	RANK
Alabama	26.5%	6	29.8%	32	27,020	43	46%	3
Alaska	4.6%	37	32.0%	24	40,882	2	26%	41
Arizona	5.9%	33	28.9%	37	28,000	42	33%	21
Arkansas	15.7%	14	24.5%	47	26,300	45	45%	5
California	7.3%	28	34.8%	15	28,300	40	28%	37
Colorado	4.9%	35	44.2%	2	32,000	26	25%	43
Connecticut	12.1%	21	44.1%	3	35,000	16	25%	42
Delaware	22.5%	8	33.8%	18	33,000	20	35%	17
Florida	17.6%	12	31.8%	25	25,277	49	32%	29
Georgia	32.1%	3	34.1%	17	30,000	33	39%	10
Hawaii	2.9%	40	32.3%	23	28,000	41	25%	44
Idaho	1.0%	49	28.0%	40	32,005	24	34%	19
Illinois	15.4%	15	39.5%	8	30,002	32	32%	25
Indiana	10.9%	23	26.1%	43	32,500	23	35%	15
Iowa	4.6%	36	31.5%	26	35,005	10	32%	28
Kansas	7.1%	29	36.9%	12	36,002	6	33%	22
Kentucky	9.4%	26	26.1%	44	26,000	46	41%	8
Louisiana	32.5%	2	25.6%	45	25,000	50	46%	4
Maine	1.9%	45	29.5%	34	30,015	30	20%	48
Maryland	31.8%	4	42.8%	5	35,000	14	31%	30
Massachusetts	9.7%	25	46.4%	1	35,588	7	22%	47
Michigan	15.1%	16	29.8%	33	30,000	35	32%	23
Minnesota	6.7%	31	38.3%	10	38,006	5	31%	32
Mississippi	37.6%	1	25.2%	46	27,000	44	47%	2
Missouri	13.3%	18	33.4%	20	31,844	27	35%	18
Montana	0.9%	50	29.9%	31	33,000	21	27%	40
Nebraska	5.4%	34	33.5%	19	35,000	15	35%	14
Nevada	10.9%	22	22.6%	49	30,002	31	27%	39
New Hampshire	1.6%	47	40.5%	6	40,000	3	20%	49
New Jersey	16.0%	13	43.2%	4	32,000	25	30%	33
New Mexico	2.9%	39	30.4%	29	26,000	47	36%	13
New York	18.4%	10	39.0%	9	30,000	36	27%	38
North Carolina	22.5%	7	29.1%	36	26,000	48	40%	9
North Dakota	2.1%	43	34.3%	16	39,355	4	32%	26
Ohio	13.4%	17	28.0%	39	30,200	29	32%	24
Oklahoma	10.2%	24	23.9%	48	35,000	12	39%	12
Oregon	2.6%	41	31.4%	27	30,000	37	24%	45
Pennsylvania	12.7%	20	32.4%	22	33,657	19	32%	27
Rhode Island	8.8%	27	37.1%	11	34,020	17	28%	35
South Carolina	28.6%	5	30.3%	30	29,000	38	42%	6
South Dakota	2.5%	42	29.5%	35	35,002	11	31%	31
Tennessee	18.2%	11	27.1%	41	28,400	39	42%	7
Texas	13.0%	19	28.5%	38	30,000	34	39%	11
Utah	2.0%	44	31.1%	28	35,500	8	51%	1
Vermont	1.5%	48	36.3%	13	32,825	22	17%	50
Virginia	21.3%	9	40.4%	7	35,000	13	35%	16
Washington	5.9%	32	35.3%	14	34,009	18	24%	46
West Virginia	4.4%	38	26.6%	42	31,000	28	34%	20
Wisconsin	6.7%	30	32.4%	21	35,133	9	29%	34
Wyoming	1.9%	46	21.9%	50	41,458	1	28%	36

Source: Tabulations by authors from the 2013 Current Population Survey and a 2014 Gallup poll accessible at http://www.gallup.com/poll/181601/frequent-church-attendance-highest-utah-lowest-vermont.aspx (religion attendance data).

FIGURE A1

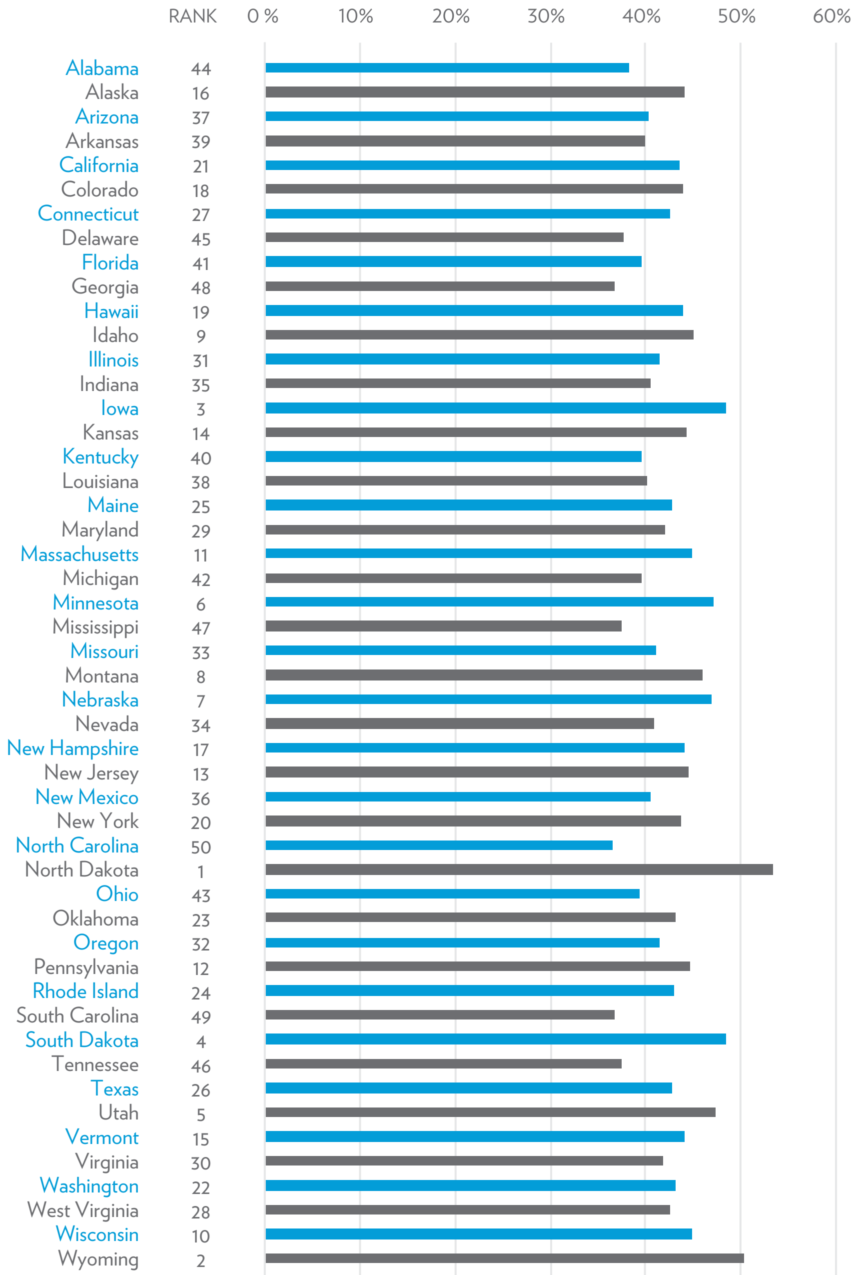
State rankings of GDP per capita



Source: US State and Local Finance Data, US Bureau of Regional Economic Accounts. Data apply to year 2013. Dollars are chained 2009 dollars.

FIGURE A2

State rankings of economic mobility



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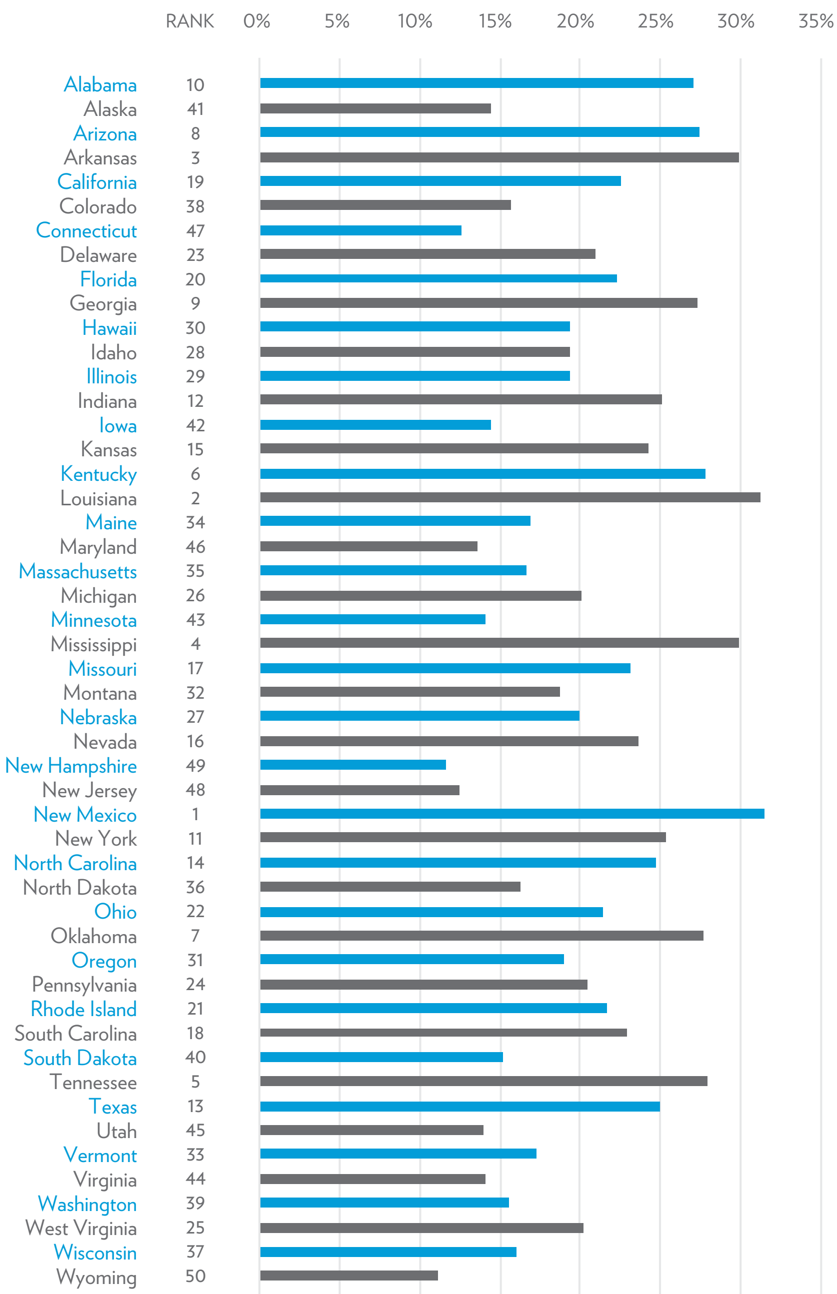
Source: Raj Chetty et al., "Where is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States," The Quarterly Journal of Economics 129, no. 4 (2014): 1553–1623. Data are from the Equality of Opportunity Project and are accessible online at http://www.equality-of-opportunity.org/index.php/data. (We use Online Data Table 3: Intergenerational Mobility Statistics and Selected Covariates by County.)

FIGURE A3

State rankings of child poverty



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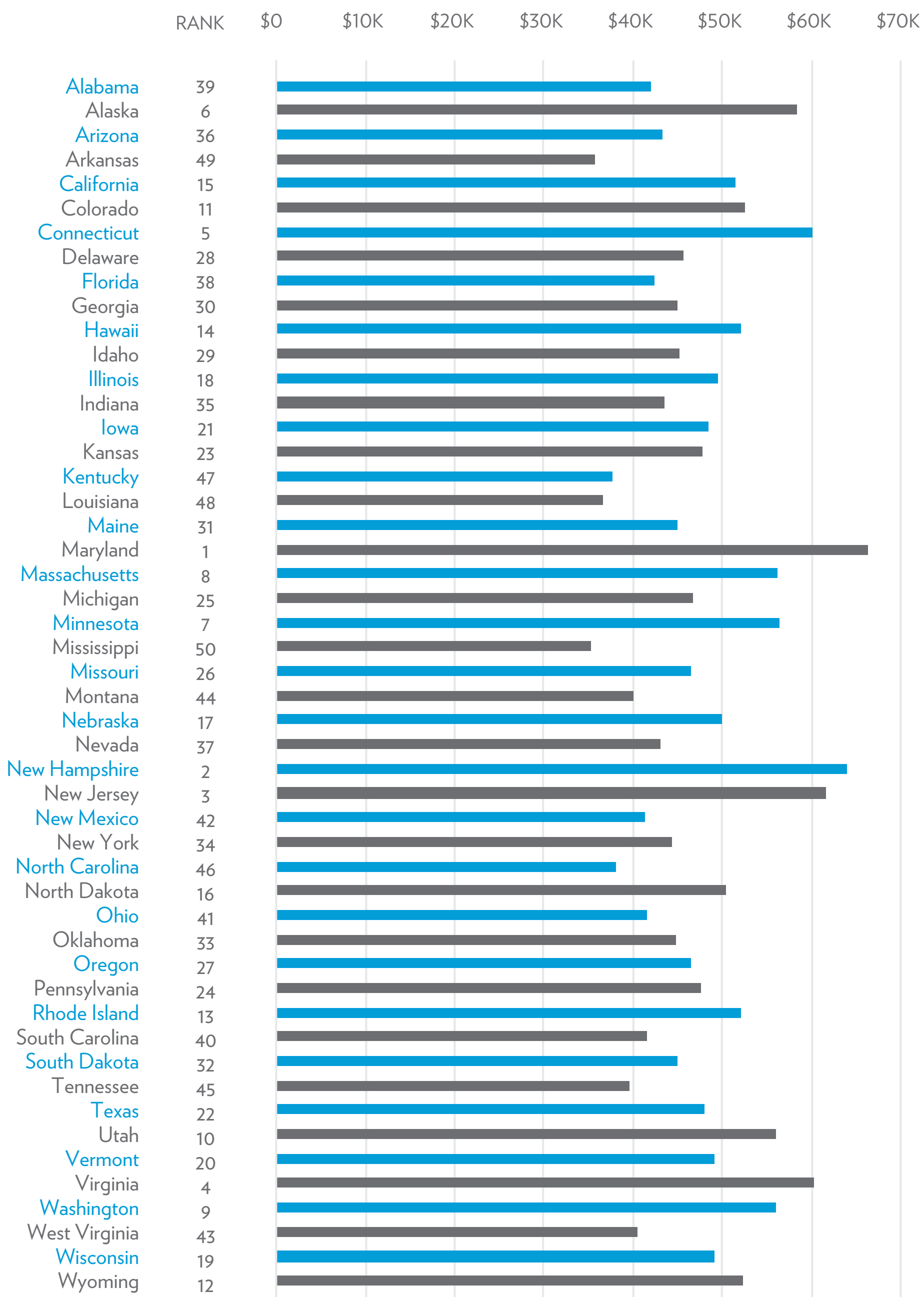
Source: Tabulations by authors from the 2013 Current Population Survey.

FIGURE A4

State rankings of median family income



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Source: Tabulations by authors from the 2013 Current Population Survey.

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[27] Note: Washington, DC, is excluded from all analyses in this report except where U.S. averages were calculated (Figures 4, 6, 8, and 10). For analysis including only 47 states (Figures 3, 5, 7, and 9), top and bottom quintiles refer to the top 10 and bottom 10 states in the category under examination.

[28] See the Appendix (Table A4) for state rankings of religious participation, education, men's median income, and racial composition.

[29] See the Appendix (Table A4) for state rankings of religious participation, education, men's median income, and racial composition.

[30] See the Appendix (Table A4) for state rankings of religious participation, education, men's median income, and racial composition.

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