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1. Introduction

Many countries have enacted legislation making divorce easier over the past few decades. Some countries have legalized divorce where it was previously banned, and many have eased the conditions required in order to be granted a divorce (such as allowing for unilateral divorce, i.e. not requiring the consent of both spouses). I review a number of recent studies that have evaluated the impact of such reforms on a range of social outcomes, starting with divorce rates, and moving on to marriage and fertility rates, female labor supply, household saving, child well-being, and even domestic violence and crime.

Marriage is an ancient social institution that remains very relevant today. All countries in the world have laws regulating marriage, and its incidence remains very high in most societies. Divorce, however, is a much more recent phenomenon. Before the 20th century, in Western societies a marriage was typically terminated only after the death of one of the spouses. In the early decades

of the 20th century, many countries started introducing legislation that allowed for the possibility of dissolving a marriage, although initially divorce was only granted under very restrictive conditions, such as after adultery had been proved. These early divorce laws are said to allow for divorce only under “fault” grounds, i.e. one partner had to prove in court that the other spouse had committed some form of marital misconduct, which could include (on top of adultery) abandonment, physical abuse, etc. The international incidence of divorce in the early 20th century was low, although of course informal separation and desertion were possible, but probably not very common.

In the mid-20th century, family law in different countries started introducing the possibility of “no-fault” divorce, i.e. grounds for divorce that did not require a spouse to accuse the other of any form of wrongdoing. Some countries required simply the stated consent of both spouses, while others required some proof that the relationship had failed, such as a period of separation. In recent decades, divorce laws have been liberalized further, with many countries allowing for “unilateral divorce”, where the consent of both spouses is no longer required.

As divorce became easier during the 20th century, divorce rates soared and marriage rates plummeted in many countries, especially since the 1960s and 1970s. Some complained that making divorce easy was leading to the “destruction of the traditional family”. Others pointed that family law was only responding to social demand. Who was right? Do divorce laws matter in any real sense, or do they just put a rubber stamp on separations that would happen in any case?

It seems reasonable to consider the possibility that marriage and divorce laws can potentially affect individual behavior. They clearly have the potential to affect marriage formation and dissolution rates, although we may not care about those *per se* if marriage and divorce are perfect substitutes for informal cohabitation and separation. However, marriage is a legal contract, which establishes rights and obligations between the spouses. How costly it is to terminate that contract can affect its value as a commitment device, and as a consequence divorce law could have an impact on other behaviors such as fertility, parental investments in children, the degree of specialization between partners, their labor market attachment, or household spending and saving patterns. In turn, these changes at the individual level, once aggregated, could have important macroeconomic implications.

In this *opuscle*, I review recent literature in economics that has addressed these questions, both theoretically and empirically.¹ Does divorce law matter? How can we find out? What do we know, and what questions are still open? I do not address the causes or consequences, economic or otherwise, of divorce itself. Although these are unquestionably interesting issues, the present study focuses on the effects of the legal regulation of divorce at the national (or state) level.²

The remainder of the *opuscle* is organized as follows. Section 2 describes the main elements of divorce legislation across countries. Section 3 then details the main results in the literature regarding the effects of divorce laws on: divorce rates, marriage and fertility rates, labor supply, household saving, family conflict, and child outcomes. Section 4 briefly discusses the main issues that remain unresolved, and Section 5 concludes.

2. Divorce law across countries

In 2014, almost every country in the world had laws regulating the dissolution of marriage.³ Some countries have legalized divorce only recently (e.g. Malta in 2011, Chile in 2004, Ireland in 1996, Spain in 1981). Many others have made changes in their divorce legislation during the past few decades, usually in the direction of facilitating marriage dissolution.

What do divorce laws regulate? They typically spell out the permissible grounds for divorce: Does one spouse need to prove that the other committed some “fault”? Is it enough if both declare “irreconcilable differences”? Is it possible to get a divorce without the consent of both spouses? They also regulate the division of assets between the (ex-) spouses, as well as who gets assigned the custody of the children, and any payments to be made after the dissolution of the marriage, including child support.

In short, the main policy options regarding the **grounds for divorce** are the following: i) banning divorce (currently not on the table in most countries); ii) allowing for divorce only on fault grounds; iii) requiring mutual consent; or iv) allowing for unilateral divorce. In each case there can be separation (as well as other) requirements, i.e. the divorce may be granted only after the spouses have been separated for some pre-specified period of time. Some countries allow couples to file on several alternative grounds, thus allowing for fault, mutual consent, and unilateral divorces in parallel, each with different requirements and costs.

Table 1 summarizes the main reforms in 18 European countries since 1950 regarding the grounds for divorce. Four out of the 18 countries (Italy, Portugal, Spain and Ireland) legalized divorce on or

Table 1. Main divorce law reforms in 18 European countries, 1950–2010

	Divorce Legalization	No-fault divorce	Unilateral with separation requirement	Unilateral without separation requirement
Austria			1978	
Belgium			1975 (1983, 2000)	
Denmark			1969 (1989)	
Finland				1988
France		1976	1976 (2005)	
Germany			1977	
Greece		1979	1983	
Iceland			1993	
Ireland	1996	1996		
Italy	1970	1975		
Luxembourg			1979	
Netherlands		1971	1971	
Norway			[1993]	
Portugal	1976	1976	1976 (2008)	
Spain	1981	1981	1981	2005
Sweden				1973
Switzerland			2000	
UK		1973	1973 (1984)	

Source: This is a modified version of Table 1 in González & Viitanen (2009). The years in parentheses indicate subsequent reforms that reduced the length of the separation requirement.

after 1970. Ten countries had already introduced no-fault grounds before 1950, and the remaining eight did so by 2000. Only three countries allowed for unilateral divorce with no separation requirement by 2010 (Sweden, Finland and Spain).

In addition, divorce law also regulates the **division of property** after the dissolution of the marriage. The three main systems are: separation of property (or “title-based” regimes), community property, and equitable distribution (Voena 2014). “Title-based” regimes of property division allocate the assets of the divorcing couple to the (ex-)

spouses according to the title of ownership. “Community property” regimes assume that assets are jointly owned, and thus divide marital assets and debts equally between divorcing spouses, while “equitable distribution” regimes leave discretion to the courts in dividing the assets of divorcing couples, in order to achieve equity or protect the more vulnerable party. The law may or may not allow for fault considerations to be taken into account, and the courts may be granted different degrees of discretion over the allocation of assets between the spouses.

Other policy options involve rules regarding the *custody of the children*. Before the 1970’s, legislation in many countries favored sole custody by one parent, typically the mother (Halla 2013). In recent decades, many countries have introduced reforms favoring joint custody. There may also be rules regarding *child support* payments from the non-custodial to the custodial parent (and their enforcement), or *maintenance* (alimony) payments across the spouses.

Many countries have considered or implemented reforms to their divorce laws in recent years, with the discussion covering some or all of the aspects just mentioned. For instance, the state of New York introduced no-fault, unilateral divorce in 2010. Some of the proposed reforms include reverting to “harder” divorce.

3. What do we know about the effects of divorce laws?

A lot of the recent empirical research in economics on the effects of divorce law has focused on the introduction of no-fault, unilateral divorce in the United States, which happened at different points in time across the different states. Most of

these reforms took place during the 1970s and 1980s. As documented in Wolfers (2006), 29 states that previously required mutual consent or fault introduced unilateral divorce between 1968 and 1988. Some papers have exploited recent reforms across European countries, using the variation illustrated in Table 1.

3.1 Divorce rates

The first question regarding the social effects of divorce laws would seem to be whether the recent liberalization of the grounds for divorce has affected divorce rates. Let us consider first the expected effects of these reforms from a theoretical point of view, then move on to discuss the results from empirical studies that have analyzed actual reforms in different countries.

A bit of theory

From a theoretical point of view, it is not clear that moving from fault to no-fault or even from mutual consent to unilateral divorce should necessarily increase divorce rates. A basic economic model of marriage and divorce “à la Becker” (see Becker, Landes and Michael, 1977) assumes that an individual prefers to stay married if the total utility (or level of well-being) that he or she can achieve is higher inside the marriage than in the event of a divorce (net of any costs of divorce). A divorce can be defined as “efficient” if it increases total “output”, i.e. if the sum of utilities for the two partners is higher if the marriage ends, compared with the couple staying together.

When will a couple divorce, and what would be the effect of changes in the legal grounds for divorce? The answer to this question turns out to depend on the extent to which spouses can “transfer utility” to one another. By transferring utility, we mean taking actions that increase the well-be-

ing of one's spouse (while decreasing it for oneself). For instance, one spouse could try to make the other happier by doing the dishes more frequently or agreeing to spend the family vacation at the partner's preferred location.

If the spouses can transfer utility to one another at no cost, the simple model outlined above predicts that only efficient divorces will take place, and this is independent of the legal grounds for divorce (provided that divorce is not banned): fault only, mutual consent, or unilateral. Let us see why.

First, consider the case of married couples where both partners enjoy higher individual utility inside the marriage, compared with the divorced state. Then, neither of the spouses wants to break up, the divorce is clearly not efficient, and the marriage will remain intact, regardless of the legal grounds for divorce.

Second, consider a couple where both partners prefer the divorce option. Then, again there is no disagreement between the spouses, but now the divorce is efficient, and we expect it will always happen, with no transfers across the spouses needed (no one has an incentive to try and convince or bribe the other to stay or leave). In particular, moving from a mutual consent to a unilateral regime would clearly not make a difference.

What about moving from fault to mutual consent or unilateral? In a fault regime, divorcing would require one of the spouses accusing the other of wrongdoing (perhaps falsely). If this is costly, it may deter some divorces, so that the introduction of no-fault divorce, by lowering this cost, may increase the divorce rate.

Notice that the model clearly predicts that lowering the cost of the divorce procedure would increase the number of couples above the "efficien-

cy threshold", since the cost of divorce reduces the net utility of the couple in the divorced state, and thus would be expected to increase the divorce rate, although the magnitude of the effect would depend on the number of couples "at the margin" (i.e. close enough to the threshold so that the reduction in the cost makes them "cross").

The third and more interesting case is the one where the spouses disagree, i.e. one partner prefers to stay, while the other prefers to divorce. Depending on who has a stronger preference, we expect to see transfers across the spouses in order to convince one another. If the divorce is efficient, the spouse who wants out should in principle be able to convince the other via utility transfers, if these are possible. In a fault regime, such efficient divorces could take place, although again they may require faking the fault requirements. Under mutual consent, they would also be expected to take place as long as utility transfers are possible across the spouses. In particular, the party more interested in the divorce would have to compensate the other spouse in order to get him or her to agree. Finally, under unilateral divorce, the divorce would still take place, with no compensatory transfers needed (since the divorce is granted even if one spouse opposes). Thus, such efficient divorces are expected to take place regardless of the legal regime, although unilateral divorce clearly benefits the spouse with a stronger preference for divorce, since he or she does not need to make compensatory transfers anymore.

Finally, couples where the spouses disagree but the divorce is not efficient (i.e. the partner who wants to split cannot possibly compensate the other one) are expected to stay together under any legal regime. If mutual consent is required, the spouse who wants out is unable to convince the other one. In a unilateral regime, although one spouse could get divorced without the consent of

the other, the partner who wants to stay should be able to compensate the other and convince him or her to stay married. Thus, again we expect no effect on the number of divorces. However, note again that unilateral divorce does have the potential to affect the distribution of welfare within marriage, benefiting the spouse least interested in preserving the marriage.

This simple model generates several testable predictions. First, the introduction of no-fault grounds for divorce could increase divorce rates, but only to the extent that the previous divorce procedure (on fault grounds) was costly. Second, the move from mutual consent to unilateral divorce should not affect divorce rates, as long as spouses can transfer utility to one another at no cost. Of course, if compensation across the partners is not possible (or is costly), then unilateral divorce should lead to higher divorce rates, as some “inefficient divorces” would now take place. However, even without an effect on divorce rates, unilateral divorce laws would affect the distribution of welfare within marriage (as already argued in Becker et al. 1977), improving the position of the partner who wants to divorce.

Taking into consideration the rules regarding the division of property upon divorce complicates this picture a bit more. In a community-property regime, where assets are split equally between spouses, unilateral divorce would be more favorable to the partner that owns fewer assets (possibly the wife). In a title-based regime, the opposite would be the case: unilateral divorce would improve the relative position of the spouse with more “titles” (who can leave without compensating the other partner and without having to split his or her assets).

Empirical work is needed in order to quantify these potential effects, both on divorce rates

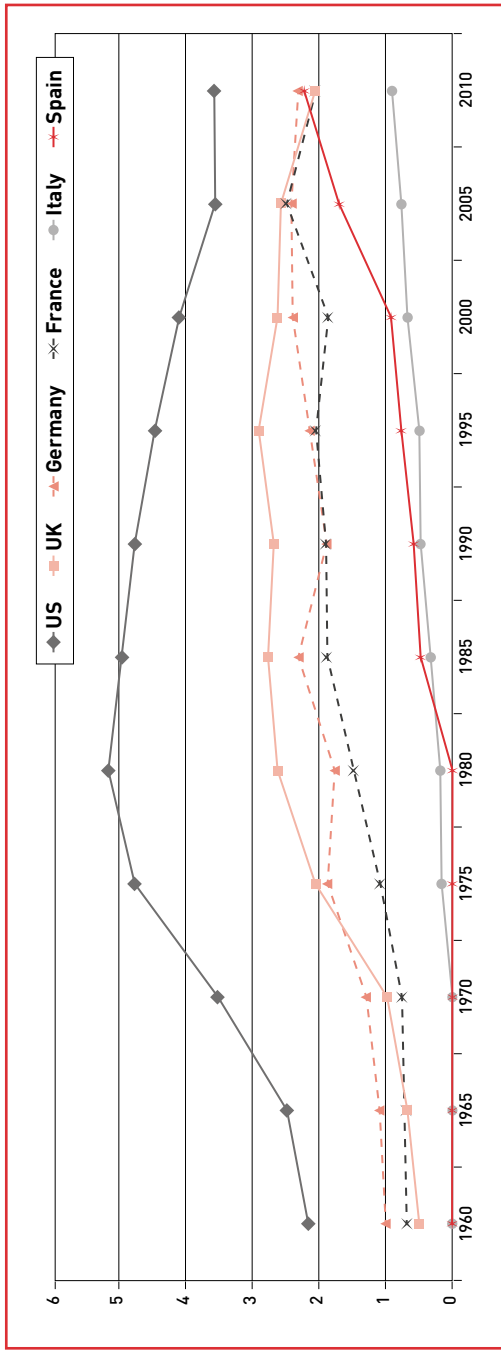
and on other aspects that may be affected by the spouses’ relative welfare within the marriage.

A bit of data

Figure 1 shows the crude divorce rate in the United States, the United Kingdom, Germany, France, Italy and Spain, between 1960 and 2010. Divorce rates increased in all of these countries during the 1960s and 1970s (except for Spain, where divorce was banned until 1981). The trend was reversed in the USA after 1980 and in the UK after 1995, while the increase was sustained until 2010 in Germany, France, and especially Spain and Italy. The USA had the highest divorce rates of the six countries during the whole period, increasing from about 2 annual divorces per 1,000 people in 1960 to more than 5 in 1980, and then falling back down to about 3.5 in 2010. Italy had the lowest overall incidence of divorce, not reaching 1 divorce per 1,000 people in 2010. France, Germany and the UK display similar levels as well as trends, with a divorce rate between 2 and 2.5 annual divorces per 1,000 people in 2010.

A number of careful quantitative studies have analyzed the effect of divorce laws on divorce rates, using data for US states as well as for different European countries (see Friedberg 1998 and Wolfers 2006 for the US and González and Viitanen 2009 for Europe). These studies suggest that the introduction of no-fault and unilateral divorce does lead to increases in the divorce rate, at least in the short term (i.e. for couples already married at the time of the reform). This increase appears to be driven by a rise in the total number of divorcing couples, and not only an acceleration of divorces that would have taken place in any case. The results are consistent with spouses not being able to reach efficient bargains in the context of our simple model described above, perhaps because their ability to transfer utility is limited.

Figure 1. Crude divorce rate in six countries, 1960–2010



Sources: González & Viitanen (2009) and Eurostat for European countries, Wolfers (2006) and National Vital Statistics Reports for the USA.
 Note: The crude divorce rate is the annual number of divorces divided by total population, times 1000.

The European study finds that the reforms that generalized no-fault grounds for divorce (see Table 1), mostly in the 1970s, led to permanent increases in the divorce rate. Regarding unilateral divorce, both the results for Europe and for the USA suggest that the short-term increase in divorce rates that followed the reforms was probably reversed after a few years, leading to small, if any, long-term effects. Regarding other aspects of the legal regulation of divorce, Halla (2013) finds that reforms that favored joint custody of the children after marital dissolution (in the USA) also led to higher divorce rates.

At the same time, these studies also conclude that divorce law reforms are not the main driver of the widespread increase in divorce rates during the second half of the 20th century. For example, the authors of the European study conclude that divorce law reforms in Europe can account for less than half of the overall increase in divorce rates between 1950 and 2003.

Discussion

As mentioned before, we may not care about the divorce rate *per se*. It could be that, when divorce is very restricted or banned, couples break up at the same rate, although without the legal stamp of a divorce. If this was the case, then perhaps divorce law is irrelevant, or it matters only when deciding or implementing economic transfers across (ex-)spouses or the custody arrangement for the children.

Recent studies suggest that this is not the case, and that in fact changes in the legal regulation of divorce can have important social effects, above and beyond the impact on marital breakdown rates. The best empirical research studies in this area exploit “natural experiments” in order to answer these questions, for instance comparing the

evolution of social trends over time across different US states or European countries that liberalized divorce at different points in time, in order to detect potential changes in trends coinciding with the timing of the divorce law reforms.

The key insight provided by economic theory is that, even if divorce laws did not affect the number of divorces or separations (or even if this effect was small), reducing the cost of divorce or otherwise changing the rules could affect individual behavior, for married (and even for unmarried) people. For example, let us imagine a married couple with disagreements. The economic models of intra-household bargaining suggest that the bargaining power of each spouse (when negotiating over any kind of household decision, such as how to spend or save their money) depends on the credibility of the threat of leaving the marriage (divorcing). A law that, for example, changed the divorce requirement from mutual consent to unilateral, could have important effects on the relative bargaining power of husband and wife, improving the situation of the spouse less interested in preserving the marriage. This in turn could affect a range of household decisions.

I next illustrate some of the results in the recent literature for several different outcomes, starting with marriage and fertility decisions, and moving on to female labor supply, child well-being, household saving, and even domestic violence.

3.2 Marriage and fertility rates

The finding that divorce rates increase shortly after reforms that make divorce easier is driven by what one may call a “pipeline effect”, i.e. the dissolution of marriages that were ongoing at the time of the divorce law reform. However, in the long-term, one should also take into account that divorce laws may affect incentives to

get married. On the one hand, easier divorce may lead to more marriages, since the cost of exiting is lower. For instance, unilateral divorce ensures that you will not be forced to stay in a marriage if you want to leave. On the other hand, easier divorce also devalues the institution of marriage as a commitment device, making it less attractive, which may lead to fewer marriages. For example, unilateral divorce may make it more likely that your marriage breaks up even if you want to stay. Recent research (see Rasul 2006) suggests that the second effect dominates: unilateral divorce appears to reduce the **marriage rate**, but as a result, post-reform marriages are expected to be of higher quality, which may lead to lower divorce rates in the long-term, via what the author calls a “selection effect”.⁴

Other authors have also addressed the potential effects of divorce laws on **fertility rates**. The results strongly suggest that liberalizing divorce lowers fertility. For instance, a recent paper (Bellido and Marcén 2014) studies fertility rates across 18 European countries between 1960 and 2006, and provides strong evidence that fertility rates fell permanently following reforms that made divorce easier. Other studies have also found a decrease in (marital) fertility following the introduction of no-fault and unilateral divorce in the USA, regardless of property division laws (see Stevenson 2007 and Drewianka 2008). This effect is attributed to the lower cost of divorce reducing the value of investing in the marriage (where children are seen as one kind of marriage-specific investment).

Regarding legal provisions about child custody, Halla (2013) shows that reforms favoring joint custody lead to higher marriage as well as higher fertility rates (and, perhaps as a result, lower female labor force participation). The author interprets these findings as the result of joint custody laws improving the bargaining position of husbands,

and thus increasing the value of marriage and children for men, “the short side of the marriage market”.

3.3 Female labor supply

One of the more studied effects of divorce laws is that on (female) labor supply. Johnson and Skinner (1986) showed that women who divorce later on increase their labor supply in the three years before separation. Their interpretation was that a rise in the divorce probability increases labor supply, as women invest in work experience.⁵ This suggests that a reform in divorce law that increases the incidence of marital separation could increase the labor force attachment of married women.

In fact, a recent article (Bargain et al. 2012) studied the impact of the Irish legalization of divorce in 1996 on labor supply. After the legislative reform, the overall rate of separations and divorces increased significantly, although marital dissolution rates remained extremely low among very religious (Catholic) couples, who were used as the control group. After divorce was legalized, married women in non-religious couples (for whom the risk of divorce increased) were found to be significantly more likely to work than before the reform, while no increase was observed among women in religious couples (less affected by the legalization of divorce). This is consistent with the increase in the probability of a future divorce raising the returns to investing in work experience for married women, if they anticipated that divorce could have negative economic consequences for them.

However, divorce law can do more than increase the risk of divorce. As I described in the context of the simple model above, a move from mutual consent to unilateral divorce can affect the bargaining power of the spouses even if the incidence of divorce is unaffected, by improving the

position of the partner more interested in dissolving the marriage (Chiappori, Fortin and Lacroix 2002). Moreover, the degree of redistribution implied by unilateral divorce will also depend on the property division regime. Assuming that household assets tend to be held disproportionately by the husband, in a community-property regime, unilateral divorce will imply a redistribution of assets towards the wife, while the opposite would be true in title-based regimes (Gray 1998). In turn, this could affect the labor supply decisions of the spouses. In addition, easier divorce can affect married women’s labor supply via other channels, such as through the effect of divorce laws on fertility (as mentioned in the previous section).

A number of papers have evaluated empirically the effects of the introduction of no-fault, unilateral divorce in the USA on employment and hours of work for married women, exploiting variation across states. Early studies by Peters (1986) and Parkman (1992) with data from the 1970s found that states with unilateral divorce had higher female labor force participation. However, Gray (1998) used census data from 1960, 1970 and 1980, and found that unilateral divorce laws had a positive effect on the labor supply of married women only in community-property states, whereas the effect was negative in title-based states. Later studies by Stevenson (2007, 2008) re-assessed Gray’s results using the same census data, finding that unilateral divorce had an overall positive effect of on (married and unmarried) female labor supply, independently of property division laws. The author interprets her findings as suggesting that “in a regime in which any party can exit at will there is a greater incentive to maintain one’s options outside of marriage”. Genadek, Stock and Stoddard (2007) find that this positive effect on labor supply is more pronounced among married women with children, and Fernández and Wong (2014) conclude that the overall shift towards unilateral

divorce in the USA led to a significant increase in married women's labor force participation.⁶

Thus, although it seems clear that no-fault, unilateral divorce has the potential to affect employment and hours of work for married women, possibly in combination with property-division laws, existing findings are inconclusive regarding the magnitude and even the sign of such effects, which may vary between women married before and after the reform, in the line of the “pipeline” versus “selection” effects discussed in the previous section.

3.4 Household saving

A few recent studies have looked into the effects of divorce laws on other economic decisions by (married) households, such as asset accumulation (saving). In a recent study using data from Ireland, González and Özcan (2013) found that the 1996 legalization of divorce led as a side effect to an increase in household savings among married couples (even those who did not divorce). *A priori*, an increase in the risk of divorce may generate incentives both to save more (in anticipation of higher future expenditures), and to save less (in order to avoid having to split the assets in case of a breakup). The results suggest that the first effect dominates. The results in a more recent paper by Voena (2014) also suggest that the introduction of unilateral divorce in US states led to higher household savings among couples married before the reforms, at least those in community-property states. Note that this effect could also be mediated (or driven) by the impact of divorce laws on other family outcomes, such as fertility.

3.5 Family conflict and domestic violence

The available evidence suggests that family law can have important indirect economic effects. But

the indirect effects of divorce laws are probably not restricted to household economic decisions. Several studies, with data for the USA (Stevenson and Wolfers 2007) and Spain (Brassiolo 2014), show that the introduction of unilateral divorce can affect the incidence of domestic violence (and even suicide rates). Again, the underlying mechanism could be related to the fact that facilitating divorce for the spouse who wants to leave increases their bargaining position within the marriage. For example, the analysis of the Spanish case in Brassiolo (2014) shows that the reduction in the cost of (unilateral) divorce generated by a 2005 reform in Spanish divorce law led to a significant fall in the incidence of domestic violence among married couples (even those who stayed together), using unmarried cohabiting couples (not affected directly by divorce laws) as a control group.

3.6 Children

When thinking about divorce, it is inevitable to ask whether different divorce regimes may affect the well-being of children, both in the short- and the long-term. It is obviously a hard question to answer, but several recent studies have tried nevertheless. The evidence appears to suggest that liberalizing divorce does not have positive long-term effects on children, at least for those already born at the time of the policy changes. For instance, a 2004 study by Gruber found that children who grew up in US states that allowed unilateral divorce attained fewer years of education and had lower family income (as adults), compared with children raised in states that did not allow unilateral divorce (see also Cáceres-Delpiano and Giolito 2008 for the US and González and Viitanen 2008 for Europe).

A more recent paper by Cáceres-Delpiano and Giolito (2012) also finds that individuals who were exposed to the introduction of unilateral divorce

during early childhood were more likely to commit violent crimes later in life, leading to increases in crime rates in states that introduced unilateral divorce about 10 years after the reforms. They attribute this effect to an increase in poverty among mothers affected by the reforms.

The evidence thus suggests that unilateral divorce reforms may harm children in the long run, at least those children already born before the legislative changes. What are the mechanisms through which children are adversely affected later in life by divorce-law reforms? We know that, in the short run, making divorce easier increases divorce rates (Wolfers 2006, González and Viitanen 2009), so that parental divorce would seem the main suspect, assuming that divorce in itself has a negative causal effect on children's outcomes. However, a number of papers have shown that parental divorce *per se* (a much more specific event than making divorce easier at the national level) is unlikely to have negative causal effects on children's outcomes (see Johnson and Mazingo 2000, Corak 2001, Land and Zagorsky 2001, Piketty 2003, Sanz de Galdeano and Vuri 2007), or has at most a relatively small effect (Tartari 2014). Thus, it is likely that there are additional, more indirect channels at play, perhaps related to some of the other outcomes discussed here: parental labor supply, household spending and saving behavior, family conflict, parental investments in the children, etc.

4. What are the open questions?

A certain consensus seems to have emerged regarding the impact of no-fault and unilateral divorce on divorce rates: both types of reforms probably raised divorce rates in the short-term, for pre-existing marriages. The evidence also suggests that these reforms had negative long-term effects

for children born shortly before the law changes. However, more research is needed in at least two areas.

First, the results are not clear-cut regarding the impact of unilateral divorce on female employment. An early influential study (Gray 1998) found no independent impact of unilateral divorce on female labor supply, while more recent papers found that unilateral divorce increased female labor force participation, regardless of property division laws. On the other hand, a new re-analysis of US data (Voena 2014) suggests that unilateral divorce combined with equal division of property leads to lower female employment. Future research should do more to understand the sources of these diverging results.

The second open issue concerns the effects of easier divorce on children. The existing evidence suggests that unilateral divorce reforms harm children born before the reforms in the long run. However, the mechanisms through which children are adversely affected later in life by these reforms are not well understood. We know that, in the short run, making divorce easier increases divorce rates, but research has shown that parental divorce itself probably does not have important effects on child outcomes. Moreover, only a very small fraction of children are affected by the (temporary) increase in divorce rates. What else is driving these effects? This is still an open question, and the answer is probably related to the fact that divorce reforms affect individual and household behavior in various ways beyond divorce and separation rates, as discussed in this *opuscle*. The missing link is which of these behavioral changes (or which combination of them) ends up harming children in the long run. From the point of view of policy design, it is important to learn more about why and how these children were harmed by easier divorce (did it have to do with labor supply, savings, other

changes in the household?), so as to provide them with better targeted support. Future contributions may need to take a broader approach that jointly considers various potential mechanisms (such as those reviewed in this *opuscle*) to answer this question.

A final question that is yet to be answered conclusively is the effect of easier divorce on children born out of marriages formed after the introduction of unilateral divorce. If the quality of those new marriages is higher, as suggested by recent research, then their children could potentially have better outcomes on average.

5. Conclusions

A number of studies have analyzed the social impact of recent reforms in divorce legislation across countries. The results suggest that the introduction of no-fault, unilateral divorce raised divorce rates, at least temporarily, and unilateral divorce reforms probably had some negative effects for families who were trapped in the transition (i.e. married under the previous regime and “surprised” by the reforms), including negative long-term effects for children born shortly before the legal changes (although the increase in divorces suggests positive effects on at least one of the divorcing spouses).

However, no-fault and unilateral divorce reforms alone cannot explain the large increases in divorce rates in many countries in the second half of the 20th century. Moreover, in the long-term unilateral divorce seems to have led to better (if fewer) marriages, probably with lower divorce rates. No-fault divorce also appears to increase saving among married couples, and may lower the incidence of domestic violence, suggesting

that the overall long-term effects of these reforms are likely to be welfare-enhancing. In addition, recent reforms favoring joint child custody seem to have encouraged marriage and fertility. Thus, the available evidence offers little hope that reinstating fault-based and/or mutual divorce laws, or more generally making divorce harder, would dramatically reverse the so-called “breakdown of the traditional family”. However, it is worth noting that unilateral divorce combined with equal division of property may depress female employment, which may not be a desirable social outcome.

I conclude with two final thoughts. First, it seems clear that family law has the potential to affect a whole range of social outcomes, above and beyond marriage and divorce rates. It is the job of social scientists to try and inform policy-makers about the likely social impact of changes in divorce law. Second, more research is needed regarding the short- and long-term effects of easy divorce on child outcomes.

Notes

(1) See González (2014) for a related, more policy-oriented study.

(2) A related literature within economics has addressed the effects of divorce per se on the well-being of the ex-spouses as well as their children. See, for example, Oswald and Gardner (2006) and Tartari (2014) and the references therein.

(3) The two exceptions are the Philippines and the Vatican.

(4) I am not aware of any studies that test directly the effect of unilateral divorce on the “quality” of new marriages.

(5) The documented pattern would of course also be consistent with the increased labor supply affecting the probability of divorce. Later work has paid more attention to credibly establishing the direction of causality.

(6) However, a recent study by Voena (2014) finds that, in states that imposed an equal division of property between the spouses (community-property), unilateral divorce led to women married before the reform being less likely to work.

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