

On The Margin

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Economists and Church Leaders Discuss Family at Seventh Annual Lumen Christi Conference

A keynote talk from Bishop Oscar Cantú of Las Cruces headlined the discussion of the family and its role in the economy on April 30 and May 1, as economists, bishops, and other scholars gather in Chicago for the Lumen Christi Institute's 7th annual Conference on Economics and Catholic Social Thought. The theme, "The Family and the Changing Economy", was quite timely, falling squarely between the two October meetings of the 2014-15 Synod of Bishops on the Family.

The public event was opened by Blase Cupich, Archbishop of Chicago, and involved responses by CREDO economists Valerie Ramey (UC-San Diego) and William Evans (Notre Dame), as well Pierre-Andre Chiappori (Columbia), a noted expert on the economics of the family, and Christine Firer Hinze (Fordham), a social ethicist focusing on the family.

Cupich, a participant in previous conferences, addressed the conference for the first time as the new Archbishop of Chicago. He reminded the audience that from its beginning Catholic social thought has centered on the family rather than the just the individual. Archbishop Cupich highlighted the back-and-forth interaction between the struggles that poor, and even middle class, families face in today's economy, and the struggles of families in turn exacerbate poverty. He used immigrants as an example of intertwined economic and familial struggles, and stressed the need for immigration reform. By quoting Popes Leo XIII, Benedict XVI, and Francis, and Cardinal George, he noted the need for exchanges between economics and Catholic



Bishop Cantú gives the keynote address at the symposium at April 30

social thought. "The market needs to be a means, not an end. The market cannot form our values."

Bishop Cantú's keynote discussed the nature of Catholic social principles, and the the heart of its view of the family. "Catholic social teaching then refers to that body of principles based on the dignity of the human person, and the family as the basic cell of society."

He drew a parallel between the family and the Trinity. "God is a community of three persons... the family mirrors the Trinity," Like the Trinity, the family and human society are, "a kind of mysterious dialogue between the individual and communal." Bishop Cantú explained that this Catholic view stands, "in direct opposition to the reduction of the

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From the President of CREDO

I apologize that this issue of the newsletter is both later and shorter than usual. There are several reasons for both, and unfortunately we couldn't easily solve them.

The focus of this issue was supposed to be marriage and the family, but on April 17, Francis Cardinal George, passed away after a long bout with cancer. He was our Episcopal Moderator, that is, our church representative on CREDO's board, and in many ways he was the impetus for the existence of our society, so I would like to spend some time in this column celebrating his life.

Francis George was born in Chicago on January 16, 1937, as the country was still struggling with the Great Depression. The second of two children, he attended the Chicago parochial schools, and he was the only bishop of Chicago to be a native Chicagoan. Although a native son, he had a measured view of the city of Chicago as an adult. He loved the people and his diocese, but he hated the corruption of local politics.

At age 13, he contracted polio, which left him with a permanent limp. He felt his calling to the priesthood early, attending a St. Henry Preparatory Seminary, a high school seminary of the

Missionary Oblates of Mary because the Quigley Seminary in Chicago had rejected him because of his disability.

Francis George joined Missionary Oblates of Mary and was ordained in 1963 at the age of 26. The order was a good fit because their missionary combined his love of the poor, his zeal for evangelization, and their support of his studies. Earning master's degrees in both theology and philosophy, and a PhD in theology, Father George taught many years at universities and seminaries. He would eventually add a second Ph.D. in sacred theology in 1988. Unfortunately for him, but fortunately for the Church, someone with Cardinal George's leadership and intellect is not left to be a scholar or missionary for long.

Given his sharp intellect, level-headedness, and commitment to the faith, Cardinal George rose quickly, first in his order's leadership and then in the Church hierarchy. In 1990, Cardinal George was consecrated Bishop of Yakima (Washington) by Pope John Paul II. In 1996, he became Bishop of Portland, and less than a year later in 1997, he was named Archbishop of Chicago. In 1998, he was made a cardinal, and in 2007 he became president of the US Conference of Catholic Bishops.

I first met Cardinal George as a graduate student at the University of Chicago in 1997, though he wouldn't remember meeting me. In his first year as Archbishop he gave several talks down at the University. I remember being inspired by his intellect. At these public functions, he faced persistent attacks against the faith and the church from people

both within and outside of the faith. Cardinal George had an ability to explain things calmly and clearly, and he often flipped the arguments on their head. At one point, someone tried to attack religion by pointing to the violence of religious conflicts, even among Christians. Cardinal George countered that such a depiction was false: both current and historical death tolls associated with ideology and statehood far outweighed anything attributed to religion. To a Christian quoting scripture on the nature of the priesthood, Cardinal George calmly explained the distinctions between the priesthood of all believers, the ordained priesthood, and the priesthood of Christ.

In the spring of 2008, I was visiting Chicago, and Thomas Levergood asked me if I wanted to join him for lunch with the Cardinal George. I assumed it was a large public function, so imagine my surprise when we arrived at the Archbishop's mansion for a casual private lunch with the cardinal and his auxiliary bishops. He was hoping to invoke a dialogue with economists and church leaders, and this was the start of the Lumen Christi conferences.

Cardinal George was always an intellectual by nature. Lehmann had not yet crashed, but the public was worried about the financial situation, and so was the cardinal. He also had worries about the parochial schools' future economic sustainability. And he had plenty of questions about the philosophical presuppositions built into economists' research and policy advising. But mostly, Cardinal George wanted to learn. He enjoyed listening and occasionally trading barbs at the conferences. I always



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*Cardinal George gives a presentation at the 2012 conference on
“Toward a Moral Economy: Globalization and the Developing World”*

felt that, for him, these conferences were a nice respite away from the troubles of managing a diocese and back to his true love: the life of academia.

Cardinal George suffered and fought cancer for many years. His cancer first appeared in 2006, but he had a recurrence of cancer again in 2012, and then finally in 2014. Given his childhood experience with illness and disability, I suppose, he was not discouraged in the face of cancer. Indeed, I think his childhood experience left him with a deeper compassion for the suffering of others but a firmness of hope in his own suffering.

One small example of his sacrifice and perseverance was the Lumen Christi conference in April 2014. Our originally planned program for April 2014 was a keynote speech from Cardinal George with a response by Gary Becker. It was a sad time for both speakers. Gary Becker had to cancel a week be-

fore the conference because of illness, and he would pass away a few weeks later after a problematic surgery. As Cardinal George’s illness progressed, he was forced to take a lower profile at the conference, but the amazing fact to me was that he still participated, even speaking at the conference despite being in the midst of chemotherapy.

It is difficult to truly mourn the passing of Cardinal George. He lived a good life, a long life, and a life as full as anyone over his 77 years. He fought the good fight on so many fronts, and persevered faithfulness, truth, and love toward God and man. He was a person of great accomplishments, but he also suffered courageously through illness. Unfortunately, he also suffered at times through unjust criticism from the press and even at times from within the Church. We of course will miss Cardinal George, especially his presence at the conferences and his role in our society, in particular. But we are

reminded that death itself is not final. We know that God uses suffering in our lives to make us more Christ-like. Our Christian faith holds the promise the Cardinal George is still with us, and will continue to pray for us. With great hope, we will meet him again in the Communion of Saints.

A quick update on the society: First, we have continued to grow in membership. Second, we will be electing new leadership in October, including President, Vice-president, and three Executive Board Members. According to our bylaws, the Advisory Panel will nominate candidates, and the overall membership will vote. If you would like to be considered for a leadership position or are willing to help in other ways, please let us know. Finally, for our next issue, we will be looking for a range of people to comment on the Pope’s first social encyclical, *Laudato Si’*. Please email contact@credo-economists.org, if you would be willing to contribute a short commentary.

Joseph P. Kaboski
President of CREDO

Subsidiarity, Efficient Production, and Community

Andrew M. Yuengert

I have been in several seminars and informal conversations where someone asks “what is subsidiarity, anyway?” In response, I have heard both knowledgeable lay people, priests, and bishops answer something to this effect: “subsidiarity is the principle that actions, when possible, should be taken at the lowest level,” or “it is basically decentralization.” In this context, subsidiarity sounds like a maxim for efficient institutional design: decisions and production should take place on a local level, closest to those affected by them.

This thumbnail definition is not false, exactly, but it is misleadingly incomplete. The local control and decision making at stake in subsidiarity are not aimed at efficiency primarily, but at the protection of local communities, starting with the family. Families and local communities often are efficient centers of production and distribution, but they are more than that; they are places where people share in friendship and love, receive and transmit wisdom, are formed in virtue, and establish their identities. A narrow focus on the efficiency aspects of subsidiarity obscures the central concern of the Catholic social tradition, to safeguard a social space within which true community can develop and flourish.

The treatment of subsidiarity in Catholic Social Teaching (CST) sometimes contributes to confusion about its meaning, but nevertheless strongly suggests that subsidiarity is more than decentralization. Pius XI, in *Quadragesimo Anno* (1931), defines subsidiarity as the principle that “the State ought ... to let subordinate groups handle mat-

ters ... of lesser importance.... Thereby the State will more freely, powerfully, and effectively do all those things that belong to it alone.” This sounds a lot like an efficiency principle, to be applied by an optimizing state. However, Pius XI uses very strong language in the introduction of this principle: “it is *an injustice and at the same time a grave evil and disturbance of right order* to assign a greater and higher association what lesser and subordinate organizations can do” (italics mine). If subsidiarity is no more than a principle of organizational efficiency, it is hard to imagine someone getting so morally worked up about it. There must be something more to subsidiarity than productive efficiency.

The *Catechism* definition of subsidiarity makes the moral stakes clearer:

“A community of a higher order should not interfere in the *internal life of a community* of a lower order, depriving the latter of its functions, but rather should support it in case of need and help to co-ordinate its activities with the activities of the rest of society, *always with a view to the common good* [*Subsidiarity*] aims at *harmonizing the relationships between individuals and societies*” (paras. 1883-85, italics mine).

The reference point for subsidiarity is “the internal life of a community,” “the common good,” the harmony between individual and society. Consequently, a complete account of subsidiarity must take into account not only efficient function in the production of goods, but the intrinsic value of the communities protected by subsidiarity.



Andrew M. Yuengert, Professor of Economics at Pepperdine University

not surprising that arguments for subsidiarity are often made in terms of efficient production. Modern accounts of the economy and regulation emphasize traded goods and services, and take an ethically neutral, technical approach to production and evaluation. In this account the primary purpose of the economy (and of regulation) is to secure more efficiently the goods that people demand. Within this framework, the value of decentralization is measured by the expansion of consumption possibilities, allowing everyone to have more of what they happen to want.

Purely functional efficiency arguments for subsidiarity are radically incomplete, since they fail to value the internal goods of local community. If these internal goods do not matter, higher level organizations should produce goods and services whenever they can do so more efficiently than decentralized institutions (by overcoming market failures, for example). If local communities produce internal as well as external goods, however, then decision making and production at a higher level may result in the loss of internal goods, even as it increases efficiency in the production of external goods.

To grasp the full force of the principle of subsidiarity, we must first understand 1) the purpose of communities in CST, 2) the two kinds of goods produced by communities (external and internal), and 3) the close relationship between the two kinds of goods. In developing this last point (that the internal and external goods of community are closely related in production), I am getting ahead of CST a bit, since the relationship between external and internal goods is not fully developed in CST. Nevertheless, closer attention to the connections between the internal and external goods brings into focus the full force of the principle, and explains Pius XI's sharp condemnation of violations of subsidiarity, quoted above. Here I think economists can help by exploring more carefully the interactions between the good of 'friendship' and the institutional challenges of production.

To fully understand the meaning of subsidiarity in CST, we must begin with the social nature of the person. Because human beings are created in the image of God, and God has revealed himself to be a loving community of persons (the Trinity), we are naturally social: "The human person needs to live in society. Society is not for him an extraneous addition but a requirement of his nature" ([Catechism of the Catholic Church](#), para. 1879). Economic analysis which takes individuals and their preferences as given overlooks the social context in which human beings are born and formed as agents. The Vatican II document [Gaudium et Spes](#) asserts that human beings cannot understand themselves apart from social relations: "for by his innermost nature man is a social being, and unless he relates himself to others he can neither live nor develop his potential" (para. 12).

The claim that "people are by their nature social" means more than that people want to love and be loved (although it does mean that). People do not simply sit around a circle exchanging abstract love; they want to *do things together*, and not just *any* things, but *practical* things. People are by nature oriented toward common projects. In part this desire to do things with other people is simply a desire for friendship, but it is motivated by practical need as well. We are each deficient in production by ourselves; although we are drawn to the company of others, we are also drawn to their skills and knowledge. Our practical needs and our need for communion reinforce each other: we are spurred to join social ventures by our material needs, our projects foster friendship, and the friendship we find in social ventures makes practical success in those ventures more likely.

When people organize themselves intentionally toward a joint project—a marriage, a local charity, a business—they become what Catholic thought calls a 'society' (although I shall use the term 'community' here), and the object of *social* teaching (for a rich treatment of 'societies' in CST, see [Russell Hittinger's discussion for the Papal Academy of Social Science](#)). Typically, a joint project generates two kinds of goods: external and internal. External goods are what economists call 'goods and services'. Even though these goods are usually consumed individually, because they are produced in a joint productive effort, they can be called "common goods." Because they are usually divisible, and to varying degrees rival and excludable, the rules and institutions by which they are divided among the community members are a potential source of conflict, and may erode the

bonds of friendship in a community.

The internal goods of a community are its intentional order and the friendship realized in the joint venture. The second of these internal goods, 'friendship', is defined broadly, to cover the wide range of communion possible between people: the love of a married couple, the generation and nurturing of families, friendship as we usually define it, and the good will among neighbors, co-workers, and anyone involved in a joint project (including business). These internal goods are indivisible, since they cannot be divided among the group members (you cannot each take half of the marriage with you after a divorce), and the internal goods persist even when a joint project fails in its purpose to secure external goods (a losing softball team is still a team).

The nature of the internal good of friendship, and its relationship to external goods, is crucial to subsidiarity. If the external goods can be called "common goods," the friendship which is realized in community is "*the* common good." Friendship among community members is intrinsically good (it is a constituent of human flourishing) even while it promotes the production of external goods. The other internal good, the intended order of the community, is valuable for the external goods which it makes possible, but is also intrinsically good to the extent that it is a practical expression of the natural desire of humans to act together.

We should not overly romanticize the good of friendship, or to claim too much for joint projects in creating these human goods. The members of a community orchestra or a school fundraising committee may not enter

into these projects seeking profound communion, and the ties of friendship which result may be weak or fleeting. Nevertheless, the goods of friendship should not be dismissed because the friendship falls short of some ideal of passionate, total self-giving. The numerous social connections within local communities, neighborhoods, and families make possible a range of goods, including emotional support, the transmission of identity and character, and a sense of identity.

If the only purpose of joint projects was the production of external goods, then nothing would be lost when a project disbanded, unless the project happened to be a particularly efficient way of procuring external goods. Because our social nature is oriented toward both the spiritual good of friendship and the practical goods of coordinated production, the intrinsic goods of community are closely connected to the external goods around which communities form. Although the external goods should always be placed in the service of the spiritual goods ([as explained by Mary Hirschfeld](#) in the last issue of this newsletter), the spiritual good of friendship will seldom exist without some material expression, as a concomitant of joint production, gift-giving, or joint consumption. Consequently, there will always be some mix of both external and internal goods in most communities.

The close connection between external and internal goods in local communities transforms subsidiarity from a maxim of productive efficiency into a defense of local community (including families). The purposes of external goods production and friendship do not happen to exist side-by-side

in communities; they are related in an integral way. Communities are not simply groups of people who come together because they happen to love each other; neither are they groups of people who do not care for each other but find their relations temporarily useful. The two purposes—friendship and external good provision—are intertwined: communities are groups of individuals who are committed together to common projects; these projects can foster friendship, and often rely upon it for success. If responsibility for the production of external goods is taken from a community, the community will be less likely to perpetuate itself, not because the community's only purpose was the production of the external goods, but because the external and intrinsic goods are jointly produced.

The connections between the intrinsic and the external goods of community are under-researched in both economics and CST. CST emphasizes the intrinsic goods of community, but has been reluctant to emphasize their connections to the external goods of community because of its concerns that the pursuit of external goods undermines the mutual self-giving of friendship. Economists for their part evaluate community in terms of the external goods as far as possible, and since there are almost always external goods at stake in the self-ordering of communities, intrinsic goods are often ignored as an unnecessary theoretically complication.

As higher levels of government take over the production of external goods which used to be provided by local communities (social insurance and education, for example), and treat lower levels of government and local community institutions as centrally-man-

aged service-delivery institutions, local communities (including the family) have been weakened. A full accounting of what is at stake in the loss of local community requires an careful theoretical and empirical account of the interconnections between the internal and external goods of community institutions.

Much of what economists are already doing can be employed to explore the connections between the intrinsic and external goods of community. The role of community institutions in the production of external goods is already well researched in economics, and the importance of community for human well-being is documented in the identity and happiness literatures. More research is needed, however, to explore the connections between trust and friendship on the one hand, and external goods on the other. The connections probably go both ways: trust and friendship foster the production of external goods, and the joint production of external goods in turn calls forth and encourages the development of friendship and trust.

The large literature on the role of the family in human capital development and in the generation of well-being documents the importance of identity and belonging at the most basic level of community, the interconnectedness of the intrinsic and external goods produced in families, and the difficulty of replacing the practical functions of unstable families and communities (for summaries of this research, see [The National Marriage Project](#)). The equally large literature on civil society and [social capital](#) highlights the ability of local community to overcome the coordination and information problems which drive public policy arguments.

Economists can contribute to a better understanding of the connections between internal and external goods by documenting the existence of greater levels of trust and friendship in local communities, and the role of those communities in overcoming coordination problems. There are other promising lines of inquiry, however. Economists are developing theories and empirical explorations of how joint production and exchange can itself foster the development of friendship and fellow-feeling. The concept of reciprocity (see Joel Sobel's 2005 review in the *Journal of Economic Literature*), developed in experimental economics as an alternative hypothesis for cooperation, offers a promising explanation for both the orientation of agents toward mutual benefit, and the generation of friendship and gratitude that result from successful cooperation. The work of Luigino Bruni and Robert Sugden (*Economics and Philosophy* 2008, *Jour-*

nal of Economic Perspectives 2013) on the development and function of fellow-feeling (fraternity) and the virtues required for market exchange, offers an integrated account of how intrinsic and external goods need not be in tension.

Benedict XVI, in [Caritas in Veritate](#), calls for a more integrated account of human relations, in which the practical, material needs which partially or wholly motivate us to cooperate are integrated with the spiritual goods of community. This is true even in commercial relations: "the Church's social doctrine holds that authentically human social relationships of friendship, solidarity, and reciprocity can also be conducted within economic activity, and not only outside it or 'after' it" (para. 36). Catholic theologians are, I think, hampered in their ability to provide an integrated account by their suspicion of the mixed motives of those who enter into community seeking

both external goods for themselves as well as the mutual self-giving of friendship. Economists prefer self-interested explanations, and are methodologically suspicious of other-regarding explanations, but many are already at work blurring the boundary between 'purely self-interested' and reciprocal and altruistic accounts of human behavior and institutions. I suspect that economists are also more comfortable with mixed motives in behavior, and are less likely to dismiss all self-interest as corrosive of friendship, or to dismiss other-regarding explanations as a rejection of all self-interested motivations. In short, I think economists have much to offer to an account of community which links the internal goods of friendship and the external goods which communities often produce. Such an account will make it easier to connect subsidiarity as efficiency and subsidiarity as a necessary safeguard of the goods of local community.



At the Seventh Annual Conference on Economics and Catholic Social Thought [Left to Right] Gian Luca Clementi (NYU) poses a question to the panel; Anna Aizer (Brown University) speaks on "Vulnerable Families and their Children in the Changing Economy."

individual to nothing more than an autonomous rights-bearing consumer.”

The family is “meant to be the training ground for all social relationships... the foundation for a whole society, a civilization of love,” but it faces many challenges, said Cantú.

“If you want to know how the bishops are going to feel about anything, just ask, ‘How will this impact the family?’” he explained.

Reflecting on his own pastoral experience, Bishop Cantú also stressed that the Church itself must do more to support families. “More and more, we need to teach some of the basic human skills that strengthen families. We can’t simply tell them about God.”

The two bishops talks were followed by complementary responses by leading academics.

Ramey addressed why economists are interested in the family, and what economists can bring to the conversation. In one example, she described how economists have analyzed the importance of long term commitments are crucial for investments in the market, and drew an analogy with committed parents and their investment in children. “Study after study is finding that broken families, single heads of household, even blended families: the

outcomes for children are not as good as they are when parents have a long term relationship with each other.”

In her discussion, Firer Hinze explained that in Catholic social ethics the purpose of an economy is to provide livelihood for people and families. However, it often fails this function of “inclusive provisioning” because we disorder priorities and confuse means with ends. “From this lens, an economy that doesn’t provide for participation and access to sustenance for all its members is kind of like a knife that doesn’t cut.” Historically, she explained that the living wage movement stemmed from an understanding of this function of an economy, with goals of securing both the market and household or familial functions.

Chiappori focused on several trends in the changing economy that were crucial to the family. First, he emphasized that human capital, both cognitive skills like education and noncognitive skills like socialization are becoming increasingly important. Many of these skills are formed at very early ages in children, and the family plays a crucial role. Second, the marriage rates have declined, especially among the less educated, and the fraction of children in single households has increased. Third, less educated families and single parent families spend less time with their children, further disadvantaging their children later in life and reducing upward mobility. “If you look at the

long term consequences, in terms of inequality, I think they are extremely frightening,” he explained.

Evans wrapped up the panel, by examining the role of economic opportunities in the rise in unmarried childbearing. He explained that the rise in unmarried childbearing has been dramatic and pervasive across western countries. Focusing on the U.S., he evaluated whether the declining job prospects for low-skilled men as a potential cause. He demonstrated that confusing correlation for causation can lead to erroneous conclusions, Evans explained how economists try to distinguish true causation. “The evidence is hard to come by... what evidence we do have suggests there is a role for the economy but it is clearly not the whole story.”

CREDO members Flávio Cunha (Rice) and Joe Hotz (Duke) made presentation on the second day of the conference. The second day also included presentations by economists Anna Aizer (Brown), Kasey Buckles (Notre Dame), Kathleen McGarry (UCLA), and Claudia Olivetti (Boston University), as well as theologian Fr. Michael Sweeney (Dominican School of Philosophy and Theology) and sociologist Brad Wilcox (Virginia).

CREDO members Joe Hotz (Duke) and Valerie Ramey (UC-San Diego) organized the program. Full videos of the presentations are available [HERE](#).



At the Seventh Annual Conference on Economics and Catholic Social Thought [Left to Right] Archbishop Blase Cupich speaks at the public symposium; conference attendees listen to a presentation; Kasey Buckles (Boston College) discusses marriage and the modern economy.

Is the Legal System Ready for All the Acrimony over Matrimony?

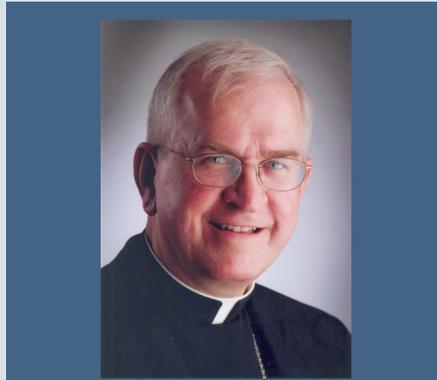
Archbishop Joseph Kurtz

As the Supreme Court prepares to consider the definition of marriage, the public debate grows only more rancorous. The Court's deliberations will hopefully take place more prudently than the fractious public debate. As president of the United States Conference of Catholic Bishops, it is my personal responsibility and civic duty to speak for the common good, which I believe is served by preserving natural marriage protection through state laws.

The question is whether the long standing definition of marriage should be overturned. It is a far reaching question, but not merely because marriage is connected to more than a thousand laws or regulations, everything from the tax code to health benefits to higher education. It is a far reaching question because if the Supreme Court does not uphold the right of states to protect a natural definition of marriage as the union of one man and one woman, it will unleash a lengthy litany of litigation that could unravel the very fabric of society.

What's being lost in the debate is why marriage wound up in civil law at all. Civil law has long recognized the unique way that the twin goods of marriage contribute to the common good of society. To thrive, society must recognize the foundational and indispensable union of man and woman as the irreplaceable basis of family life. To survive, society must protect this union as the way civilization replenishes itself through the gift of new human life.

Recognizing the essential meaning of marriage means recognizing the match-



Most Reverend Joseph E. Kurtz, D.D.
Archbishop of Louisville

less contribution it makes to society. There remains only one stable way to bring a child into the world. The divine origin of life is uniquely found in the union between a man and a woman, and this is why marriage is afforded special status in law. In honoring marriage as exclusively between a man and a woman, as has every civilization and generation from antiquity, civil law merely reflects a society's desire to continue to exist. To confirm the undeniable truth of this is not in any way to discriminate against anyone. It is merely to point to the past, the present, and the future.

Lifelong companionship and legal rights are noble goals, often cited by those seeking to redefine sexual difference out of the unique natural definition of marriage. Marriage, however, is far more than two adults coming together for their mutual benefit. The life-giving potential of marriage calls each couple to a unique self-giving sacrifice – man to woman and woman to man – in being open to the potential gift of children. Within the divine spark of life is the fundamental right of every child to know his or her mother and father.

Of course, not everyone has the benefit of both parents present, due to unforeseen tragedy or some other unavoidable event. And in that special setting, we – family, friends, church or society – have a responsibility to support single or foster parents. While single or foster parenting is a heroic act, the desire to know one's own mother and father never entirely fades.

Government has codified marriage for the protection of the child. In doing so, government remains neutral as to the question of two consenting adults choosing to spend their life together outside of life's natural potential. Every person has an inherent dignity worthy of protection against unjust discrimination, but we must do so in ways that do not redefine the unique status of marriage and discriminate against what human nature itself tells us marriage is.

As the public square becomes less inclusive of faith-based voices, it has become increasingly more difficult to speak in defense of marriage without being ridiculed, but a witness is needed now and into the future as we accompany a generation seeking to embrace our eternal destiny. Recognition of natural marriage is about protecting the bond on behalf of the child, so that he or she has the best possible environment in which to grow and then contribute to society. What we shouldn't do is actively encourage the breaking of that sacred bond. Marriage must be more about the needs of children than the wants of adults. At the very least, those wants should not undermine family protections in more than a thousand ways.

The Lumen Christi Institute's conference on the "Family in the Changing Economy" involved many presentations (see lead story) full of interesting empirical facts, some of which are not well-known among economists, much less the overall populations. Given their importance to the goals of the church, we have attempted to summarize some of them below.

Keep in mind that these facts are primarily descriptive rather than cleanly identifying causal relationships. Indeed, many of the cross-sectional relationships are simple correlations that ignore other potentially interrelated factors (race, income, education, family structure, etc.) Looking over time, changes may be confounded by composition of the populations (e.g., the types of people who are getting married, going to college, having children, etc.)

They are nonetheless striking:

MARRIAGE

- **Fewer women marry in recent decades.** The fraction ever married has followed an inverted pattern to the age at first marriage: it was steady at about 90 percent for women between the 1870 and 1910 birth cohorts before rising to a peak above 95 percent in for the cohort born in the 1940s before falling to below 90 percent for women born in the 1960s. (Bailey, Guldi, and Hershbein, 2013, via Buckles and Olivetti).
- **Women marry at later ages in recent decades.** The age of women at (first) marriage in the U.S. was steady at about 22.5 years for women born between 1870 and 1910. It fell steadily to less than 21 for wom-

en born in 1940, but rose there after to about 24.5 for those born in 1970. (Bailey, Guldi, and Hershbein, 2013, via Buckles and Olivetti)

- **The age of marriage is declining for recent cohorts of more educated women.** Patterns again differ by education, with more educated women marrying at older ages than less educated women. Across all levels of education, average age of marriage rose over time for women born after World War II, but for highly educated women born after 1963, the trend has reversed in recent years, and these women are marrying earlier.

DIVORCE

- **Divorce rates have been rising slowly over the long run.** Annual divorce rates per 1000 marriages rose steadily in the U.S. from less than 2 in 1870 to about 7 before the Great Depression. They fell to 5 in the depth of the Great Depression before spiking to 17 in World War II and falling back to 9.
- **Divorce rates spiked with no fault divorce in the 1970s but have declined somewhat since.** The introduction of no fault divorce caused in the 1970s caused a steep increase, peaking out at 23. They have since fallen to 16. (Stevenson and Wolfers, 2007, via Buckles and Olivetti). The spike in divorce was a combination of a larger fraction of divorces in recent marriages, and a bunching in time of divorces across many age cohorts.
- **The divorce rate is half the marriage rate.** Since 1976, the number of divorces is roughly half of the number of marriages in any given year (Statistical History of the Unit-

ed States, Millennial Edition).

- **But it is not true that half of marriages end in divorce, and the fraction of marriages ending in divorce has declined somewhat in recent decades.** Tracking cohorts of marriages, far fewer than half of marriages end in divorce. How can this be true? The two claims are reconciled by the fact that marriage rates themselves are falling over time.¹ Divorce rates for cohorts were quite low for those married before 1960, they rose for marriages started in the 1960s, and peaked in the 1970s and 1980s, before declining somewhat for marriages after 1990. Divorce rates are still higher than those for marriages in the 1960s and before, however (Stevenson and Wolfers, 2007, via Buckles and Olivetti)
- **Divorce rates are lower and declining more rapidly for college-educated women.** Divorce rates are lower for college educated women, and while divorce rates have fallen for marriages after 2000 across all cohorts, they have fallen more dramatically for college-educated women. Thus, more-educated women are marrying earlier and divorcing less.

FEMALE LABOR FORCE PARTICIPATION & INCOME

- **The increase in female labor force participation has plateaued.** Female labor force participation increased across all education levels from 1962 until the late 1990s, but

1. Imagine there are ten marriages in a given year, and the following year four of them divorce. The fraction divorced would be 40 percent, but if there were only eight marriages the next year, the number of divorces would equal half the number of marriages that year.

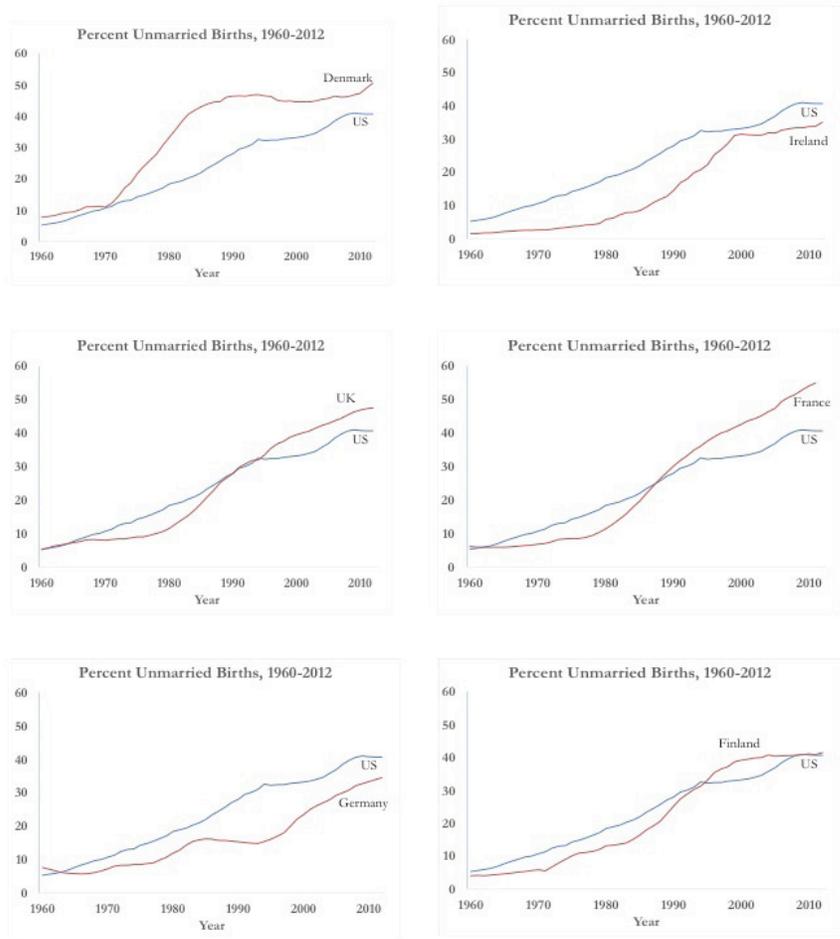
it has fallen somewhat since.

- **Increases in hours worked were concentrated among married women.** Between 1950 to 2000, hours worked (in the market) increased by 175 percent for married women, while they decreased for married men, single men, and even single women.
- **Income are higher for households with dual earners, than for households with a working husband, and especially single mother households.** In 2012, the median income of dual earner households is 80 percent higher than for married couples with only husband working, and three times as high as for single mother households.
- **Income gains only among households with working mothers.** Real median family incomes of married households with wives working rose by 40 percent between 1970 and 2012, while the median family income of married households with wives who stay at home remained essentially unchanged. The median income of single working mother households, while substantially lower, nevertheless rose by about 10 percent over the same period. (Buckles and Olivetti)

SINGLE PARENT FAMILIES

- **Out-of-wedlock childbirth has increased dramatically in recent decades.** The fraction of births to unmarried women rose from 3 percent in 1942 to 6 percent in 1962 to 41 percent in 2012. Similar increases have occurred in European countries as shown in Figure 1. (Evans)
- **They have risen across all education levels but it has been overwhelmingly concentrated among**

Figure 1: Pervasive Rise of Out of Wedlock Childbirths



Source: Evans presentation, 2014

the less educated. In 1953, 20 percent of children of mothers with high school education or less spent at least some of their childhood in a single parent household. In 2012, this number had more than tripled to 65 percent. For children of mothers with bachelor's degrees or more, the number increased from just 6 to 8 percent (Putnam, *Our Kids: The American Dream in Crisis*, 2015 via Chiappori).

- **Rates of out of wedlock births vary by race, but they have risen across all races.** In 2013, three-quarters of black children, over half of Hispanic children, and almost one-third of white children born in the U.S. were

born out of wedlock. (Evans)

FAMILY STRUCTURE AND POVERTY

- **Poverty rates are higher in single parent families.** In the U.S., 1 in 2 children who lived with their mother only, two unmarried parents, or no parents at all were living below the poverty level. These rates are three times as high as for children in two parent homes (U.S. Census via Cantu).
- **Other social ills are correlated with single parent families.** In Sweden, suicide rates are twice as high for boys in single parent families, and

drug addiction rates are three times as high. Suicide and drug addiction rates are 80 percent and 140 percent higher, respectively, for girls from single parent families. (Weitof et al., 2003, The Lancet, via Wilcox)

AGE, FAMILY STRUCTURE, AND POVERTY

- **Poverty rates among the elderly have declined steadily.** The fraction of people aged 65 and older in poverty fell steeply from 35 percent in 1960 to 15 percent in 1975 and has declined further to 9 percent by 2010. (U.S. Census Bureau via Ramey).
- **More elderly live with alone, but this trend has somewhat reversed.** At the same time, the fraction of people aged 65 and older living alone rose from about 10 percent in 1940 to 29 percent in 1990 but fell to 27 percent in 2010. (Pew Research Center via Ramey)
- **Poverty rates for children have not fallen over the past forty years.** The fraction of children in poverty declined from 22 percent in 1960 to 12 percent in 1975, but has remained fairly steady since, standing at about 15 percent in 2010.
- **Adult children are increasingly living with their parents, reversing an earlier trend toward living alone.** The fraction of adults aged 25-34 living in multi-generational households fell from 30 percent in 1940 to 11 percent in 1980, but it has risen since to 22 percent in 1980 (Pew Research Center via Ramey)

CHILDHOOD INVESTMENTS AND INCOME

- **Much of adult earnings inequality**

is driven by childhood experience. About 40 percent of the increase in human capital inequality among college-educated workers is due to increases in the stock of human capital by age 19. The same number is 20 percent. (Cunha and Heckman, 2015, via Cunha)

- **Inequality in early childhood investments by income has risen.** The amount of money spent on early childhood human capital investments increased by 50 percent for households with median income but by 300 percent for households in the highest income decile between 1972 and 2006. They increased by 100 percent for the lowest income decile over the same time. (Furstenberg and Kornrich, 2013, via Cunha)
- **Inequality in test scores by income has also risen.** The trend in the reading test score gap between blacks and whites has trended down from 1940 to 2000, falling by over 50 percent, but the reading test score gap between those in the top income decile and those in the bottom income decile has trended up, almost doubling over the same period. (Reardon, 2012, via Cunha)
- **College-educated mothers spend increasingly more time with their children.** In 1975, college-educated mothers spent roughly the same amount of time in childcare as less educated mothers. By 2008, college-educated mothers spent almost twice as much time with their children as they did in 1975, and about 40 percent more time than less-educated mothers do. (Ramey and Ramey, 2010, via Cunha)
- **Educational attainment is substantially higher for children from intact families.** Rates of college education for men and women are

almost fifty percent higher if they were raised in intact families. This effect is true even after controlling for the education of the mother. (Wilcox, 2013, via Wilcox) Across a host of countries, the odds of being held back in school are significantly higher for children coming from a single parent household, or a household with no parents: 54 percent more likely in the United States and 78 percent more likely in Sweden, for example. (World Family Map Project, 2013, via Wilcox).

TEEN PREGNANCY AND FAMILY STRUCTURE

- **Teen pregnancy rates have fallen,** by over 50 percent between 1991 and 2012 (Kearney and Levine, Brookings Institution, 2014).
- **Teen pregnancy rates are much higher for girls from single parent families.** Rates of pregnancy are over five times as high for teen girls whose fathers left when they were under five years old as they are for those with fathers who lived with the child (Ellis et al, 2003 via Wilcox).
- **Teen pregnancy rates are much higher for girls with less educated mothers.** Teen pregnancy rates were roughly three times as high for teens whose mothers were high school dropouts as for those whose mothers had attended any college (Kearney and Levine, 2012, covering data from 1982-2008, via Buckles and Olivetti)

PRISON

- **Prison populations have grown over time, but they are concentrated among black males.** About 15

percent of black male high school dropouts born between 1945-49 had been in prison by the time they turned 30. This number has risen over time, such that for black male high school dropouts born between 1975-79, this number had risen to nearly 70 percent. The rates for black males overall (regardless of education level) rose from 10 percent to 20 percent across the same

cohorts. For white males, the numbers have risen slightly but are under 5 percent. (Evans)

- **Prison populations have risen at both the state and federal levels.** The state prison population increased by a factor of 4.5 between 1978-2013. The federal prison population is only about a fifth as large in 2013, but it had risen by a factor of about 7.5 over the same time.

(Evans)

- **The odds of incarceration are higher for men who grew up in single parent families.** ^{ww}The fraction of people incarcerated by age 30 is 2.2 percent for those from single parent families compared to 1 percent for those from intact families. (Harper and McLanahan, 2004, via Wilcox)

CONTRIBUTORS

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[Top to Bottom] Reception following the public symposium; Flávio Cunha (University of Pennsylvania) presents on “Vulnerable Families and their Children in the Changing Economy”; Over 150 people attended the public symposium on “The Family in the Changing Economy.”