

## **Is Current Recession Affecting Marital Relationship?**

Ending a marriage is very stressful and overwhelming still it is roughly estimated that half of all U.S. marriages end in divorce. There can be different reasons for different people to get divorce and one of the major reasons is finance or income. It is always a matter of debate that whether “divorce causes lower income, or whether lower income (or its correlates) causes divorce.”

The recent recession has witnessed an enormous increase in the divorce rates confirming that income is correlated to the marital relationship. "Recession has always been a factor raising divorce rates," explains University of Chicago Business School economist Gary Becker. In his research, he concludes “couples that experience any sudden significant and unexpected change in income--positive or negative--are at risk of divorce.”

There can be several explanations for how and why recession impacts divorce but marriage counselors seem to agree that low home values and a recession can strain marriages, leading to divorce. The reason for relationship breakdown is scarcity of resources and more disagreements over financial matters.

Census Bureau figures show that over the past 2 1/2 decades, recessions have had only minor effects on divorce rates, which have been slowly declining since the early '80s after 20 years of steadily rising. The divorce rate in 2005 (per 1,000 people) was 3.6 -- the lowest rate since 1970, and down from 4.2 in 2000 and from 4.7 in 1990. (The peak was at 5.3 in 1981, according to the Associated Press.) But situation in US is graver than ever and it is estimated that a historic spike in divorce rates could be on the way.

Marriage counselors are predicting that there will be an increase in the divorce rate in the coming months as couples are incapable to overcome the multiple stresses of debts, mortgages and recession. In an article in [NY Times](#), it is noted that:

“In a normal economy, couples typically build equity in their homes, and then divide that equity in a divorce, either after selling the house or with one partner buying out the other’s share. But after the recent boom-and-bust cycle, more couples own houses that neither spouse can afford to maintain, and that they cannot sell for what they owe. For couples already under stress, the family home has become a toxic asset.”

It has also been observed that recession has different impacts on middle and upper classes. For upper class, recession offers an opportunity to end the marriage at bargain basement prices as property will be distributed at lower valuations. However, in some cases where couples cannot afford to pay attorney fees, they are forced to live together.

In a nationwide survey of divorce lawyers by the American Academy of Matrimonial Lawyers, 37 percent reported a drop in divorce cases during the recent tough economic times, nearly twice the 19 percent who said their business had grown. The rest cited little or no change.

Although it is too early to predict the real impact of recession on divorce rates, the increase in the number of unhappy married couples living together is inevitable. The financial stress could lead several couples seeking divorce or legal advice this year.