Marriage Boom in Hungary in the 2010s: Recuperation after the Great Recession or the Byproduct of Pronatalist Policies?

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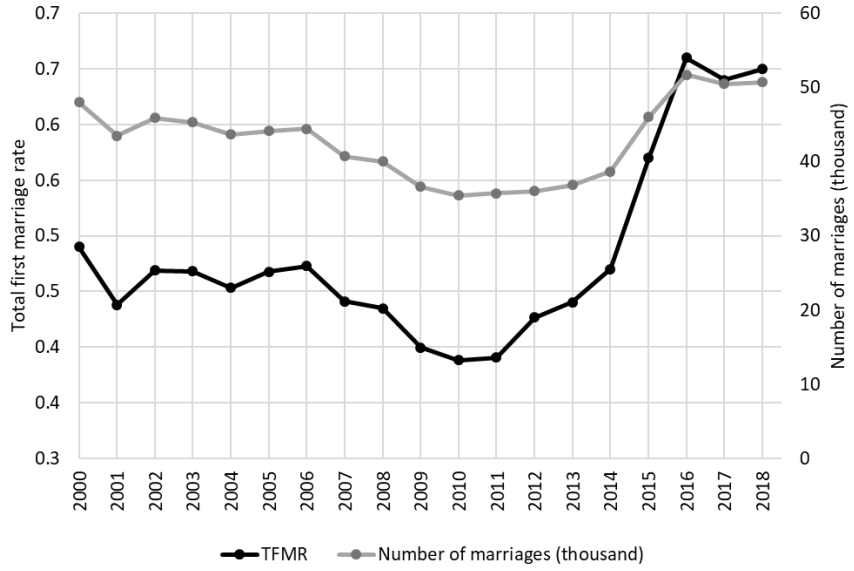
Background

In recent decades, the transformation of marital behaviour has been one of the most important on-going changes related to partnership practices in Hungary. The decreasing tendency in the number of marriages between the mid-1970s and the end of the 1990s was followed by stagnation from 1998 to 2006 and a further decline from 2007 onwards. In recent years, however, the low point of 2010 was followed by an initial slow rise, and then more rapid growth after 2013. Between 2010 and 2018, the number of marriages increased by 45% (they reached the level of the mid-1990s), and total first marriage rate grew from 0.39 to 0.65 (*Figure 1*). The increase continued in 2019 (in the first eight months of 2019, the number of marriages was 17.8% higher than in the same months of 2018).

Figure 1: Number of marriages and total female first marriage rate (TFMR) in Hungary, 2000–2018



Source: Hungarian Central Statistical Office, 2019.

The post-recession growth in the propensity for marriage is not a solely Hungarian phenomenon. After 2010, the number of marriages increased in several European countries (for example, in Eastern Central Europe and the Baltic region), compensating for the weddings postponed during the economic crisis. However, the magnitude and speed of the increase is much higher in Hungary than in the other countries.

In Hungary, some newly introduced government measures and legal amendments have offered advantages to married couples. (1) From January 2015, first-time married couples are eligible for a monthly *tax break* of HUF 5000 (about EUR 15) for two years. (2) The New Hungarian *Civil Code* entered into effect on 15 March 2014, and its wording coincides with that of the new Constitution (2011) that protects marriage and the family. Cohabitation is held to be a special type of contract and not family, and cohabiting partners count as close relatives only if the partners have lived together for at least one year and they have a common child. This means that many rights that are available to married partners do not apply to cohabitees, especially if they have no children in common (Szeibert 2017). The new Civil Code also instituted changes in the order of inheritance that are advantageous to people who remarry: for example, a widow's (or widower's) pension does not cease upon remarriage, and the surviving spouse no longer gets usufructuary rights to all the property (this is advantageous to the children of the deceased from a previous relationship). (3) In July 2015, the government announced the *Family Housing Support Programme* (and has widened the programme several time since then): families receive generous subsidies to buy or build new homes, and the

subsidies scale up based on their marital status and the number of children they had. The subsidized loan and the support by right of future children are only available to married couples, and children not common to the spouses only 'add up' in the case of married couples.

The link between marriage decisions and housing is not a new phenomenon in Hungary. In pre-transition Hungary (Dupcsik & Tóth 2008), similarly to the former German Democratic Republic (Salles 2006), limited housing supply called for centrally controlled allocation, which prioritized married couples (especially with children). The other route to independent housing – building a home with help from family and friends – also needed the couple to marry. In other words, it was practically impossible for an unmarried couple or a single person to obtain housing. As a result, housing was an important motivation for early and almost universal marriage.

There are few documented European examples when the introduction of a policy measure increased marriage propensity. For example, the number of marriages was exceptionally high in *Romania* in 2007, coinciding with the introduction of significant financial benefits for people marrying for the first time. The impact proved temporary and solely affected timing. Moreover, *Sweden* experienced exceptionally high number of marriages in November and December 1989 as a result of changes in public pensions for widows, effective from 1990 (Hoem 1991). The Swedish case exemplifies how "moderately strong impulses and fashionable trends" (Hoem 1991: 132–133) may trigger a strong reaction if there is considerable media coverage and if the norms regarding marital behaviour are weak. This Swedish example is also interesting because thousands of non-affected couples seemed to marry 'just in case'. These policy-motivated couples benefited less from marriage in terms of long-term union stability and mortality risk than couples who married under normal circumstances (Holland et al. 2017).

Additionally, a slow but persistent rise in the number of marriages has been typical of Sweden (and other Northern countries to some extent) since 1998. Researchers attribute this to the transforming practice and concept of marriage: marriage has become an optional element of the individualized life course, which does not limit individual autonomy and self-fulfilment (Ohlsson-Wijk 2001; Strandell 2018). However, the Hungarian case is different from Sweden: it is unlikely that marriage boom has been influenced by (a sudden) value change. Instead, the generally positive attitudes towards marriage (Murinkó & Rohr 2018) and the high level of marital intentions among cohabiting couples (Murinkó 2019) may help us understand why economic incentives may turn many Hungarian couples towards marriage who would not have married otherwise.

Aims of the study

The study aims at exploring the probable mechanisms behind increased marriage propensity in Hungary in the 2010s. We think that several factors are at play, exerting their influence during different periods and on different socio-demographic groups. We look at two alternative explanations.

(1) Economic recovery after the Great Recession may have triggered an initial growth due to the recuperation of previously postponed marriages, but the marriage surge after 2014 cannot be attributed to an economic boom.

(2) The most probable reasons for the steep increase of recent years are policy changes. In particular, pronatalist family policies that support housing and some of the benefits are conditioned on marriage, the tax break for first-time married couples and the new Civil Code. We expect that the introduction of these measures has had differential impact on the marital behaviour of different socio-economic groups (depending on the age, parental status, education or employment of the person).

Data and methods

We use two different data sources (that cover the same period) for the two parts of the empirical analysis.

(1) We use administrative microdata on marriages from vital statistics from the Hungarian Central Statistical Office for the period between 2000 and 2018. We compare the distribution of brides and grooms in 2000, 2010, 2014 and 2018 to study if changes reflect recuperation or policy priorities. The period before the Great Recession is included as reference. The main dimensions are age, previous marital status, time since marital dissolution (if applicable), number of children, level of education, employment status and place of residence.

(2) We also use the five available panel waves of the Hungarian Generations and Gender Survey (2001/2, 2004/5, 2008/9, 2012/13, 2016/17), supplemented by a refreshment sample of respondents aged 18–49 in wave 4 and followed-up in wave 5 (see Vikat et al. 2007; Murinkó & Spéder 2016). Our main variable of interest is policy period: we distinguish between shorter periods based on the introduction of policy measures related to housing benefits for families, tax relief for first-time marriages and the new Civil Code. We also include interaction terms between the policy variable and the respondent's age, parenthood status, education or employment to see if policy effects are conditioned on socio-economic status.

We assume that if the risk of marriage increased or decreased significantly between policy periods (controlling for the effects of other relevant factors), this was linked to measures introduced at the beginning of the period. We are aware that numerous other events in the same period (confounding factors) may have also influenced marriage risks (cf. Milligan 2005), but this is an analytical strategy successfully applied in many other studies examining policy effects on demographic behaviour (i.e. Hoem et al. 2001; Oláh 2003; Aassve et al. 2006; Ohlsson-Wijk 2011).

We look at first marriages and re-marriages separately. The risk period, measured in months, starts at age 18 and ends at age 45 (or censored at interview) in the case of first marriages, and it starts at divorce or widowhood and lasts for at most twenty years for re-marriages. Piecewise-constant proportional-hazard model is our tool of analysis, which assumes that the risk is constant in each category of the pre-selected time intervals of our time variable. Control variables include sex, age, education, employment status, parenthood status, time since the end of previous marriage or cohabitation (if applicable), partnership status, length of current partnership (if applicable), ethnicity, religiosity, parental divorce in childhood and parental education. We also include monthly macro-level data on GDP change or Consumer Confidence Index in additional models in order to control the possible effect of the macro-economic climate.

First results

We have already analysed which socio-demographic groups experienced the greatest increase in the number of marriages between 2010 and 2016 (*Table 1*). The total number of marriages rose by 145.8% over the period under review. An increase can be observed in every age group, but there was a higher-than-average increase among those aged over 35, and especially among people in their 40s or over 60. The increase was greater among people marrying for the first time than among people remarrying. Of the latter, the increase was more significant among those whose previous marriage had been dissolved over 15 years previously.

Among the childless, the rise in the number of marriages was below average; meanwhile, men and women with at least one child had about twice as many weddings in 2016 as in 2010. In the case of childless couples, those in their 40s stand out: the number of marriages among them rose by 2.3 times in the period.

We have no information as to whether the proportion of marriages was higher among couples who had already been cohabiting for a while or among those for whom the relationship was new. However, the age pattern, and results with regard to time since the dissolution of a previous marriage and the number of children suggest that a significant proportion are marrying after a lengthy period of cohabitation.

The number of marriages among the unemployed and the dependent population decreased considerably for men, but only slightly for women; meanwhile, the increase was significant among the employed and women on childcare leave (the latter are included among inactive earners). The number of marriages doubled among couples marrying for the first time where the man was employed and the woman was on childcare leave – that is, a couple with small children. If both parties are remarrying, a different pattern emerges: growth was average among the employed and above average among inactive couples.

From a regional point of view, growth was above average in villages (especially in settlements with populations below 2,000), in the eastern half of Hungary and in Southern Transdanubia (i.e. primarily in the less-developed regions), while in Budapest, for example, the number of marriages increased by only 20%.

We can establish some links between the rising propensity for marriage and policy changes. First-time marriage propensity increased most among the employed, which suggests that the tax break had some effect. The low amount of the tax break presumably motivates mainly low earners: this is supported by the fact that the number of first-time marriages among those with at most primary education doubled, and that the growth was above average in the underdeveloped regions of the country. The rules for the housing support programme may explain the above-average increase in marriage among parents aged below 50. The dispreferential treatment of cohabiting couples with no common children in the new Hungarian Civil Code may partly explain the increase in the willingness of childless people in their 40s to marry.

Table 1: Change in the number of marriages by the main socio-demographic characteristics of wife and husband between 2010 and 2016 (2010 = 100%)

		Wife	*Husband*
Age group	15–19	117.8	128.3
	20–24	131.2	140.3
	25–29	135.0	130.8
	30–34	131.7	121.3
	35–39	180.4	173.6
	40–49	216.4	208.5
	50–59	150.3	143.9
	60+	211.3	173.9
Previously married	neither party	151.4	
	one of the parties	134.9	
	both parties	134.1	
Time since the previous marriage ended (among people who remarried)	0–1 year	110.7	103.8
	2–4 years	110.4	113.0
	5–14 years	145.2	141.1
	15+ years	181.3	192.3
Number of children	0	124.8	127.1
	1	193.1	196.5
	2	197.9	198.2
	3+	210.5	178.1
Level of education	at most eight years of primary school	166.4	167.9
	vocational school	153.4	146.1
	secondary school	156.9	153.8
	tertiary education	127.2	129.2
Labour market status	employed	148.1	154.2
	unemployed	98.1	76.0
	inactive earner	192.4	12.4
	dependant	95.6	74.8
Region	Central Hungary	128.8	
	Central Transdanubia	145.4	
	Western Transdanubia	146.1	
	Southern Transdanubia	151.9	
	Northern Hungary	163.5	
	Northern Great Plain	162.8	
	Southern Great Plain	157.5	
Type of settlement	Budapest	120.5	
	City or town	146.0	
	Village	168.8	
Total		145.8	

Source: Murinkó & Rohr 2018: 19.

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