Center on Opportunity and Social Mobility

The Evidence on Family Affordability

Angela Rachidi

APRIL 2023

AMERICAN ENTERPRISE INSTITUTE

Executive Summary

Over the past several years, a major part of the political debate has centered on whether young adults have enough money to raise a family in the US. Indisputably, the data show that fewer Americans are getting married than in decades past, and if they do, they are marrying later in life and having fewer children. Combined with concerns over declining fertility rates generally, there is also a concern over an increasing share of Americans who have children—especially those with low incomes—outside of marriage, which carries a host of social and economic challenges in the US.

It has become nearly omnipresent in American political discourse—on both right and left—to blame these declines in family formation on economic hardship. The ascendant narrative suggests that it has become harder for the average American to afford forming a family, which in turn has driven down marriage and fertility rates. In other words, as the relative economic fortunes of Americans have worsened, raising a family has become less financially viable over time.

This report takes a closer look at the "family affordability" hypothesis when it comes to our half-century decline in marriage and childbearing. In all, a close and comprehensive look at measures of income and expenses today in comparison to the past suggests that the true causes for declines in family formation are more complex than simply an increase in the financial burdens of raising a family.

By most measures, incomes have grown slowly but steadily over the past several decades in real terms. And although incomes have grown much more quickly at the top than the bottom, they have nonetheless grown in real dollars for almost everyone. Some populations, like single mothers with children, face particular financial challenges, but both the growing safety net and increased earnings have made them better off than they were in previous generations.

Additionally, contrary to conventional wisdom, the costs of raising a family—including housing, childcare, and higher education costs—have not grown so substantially over the past several decades that they indicate an affordability crisis. The data do show that certain costs have increased in recent years for some populations. For example, the costs of housing for low-income and working-class renters in certain parts of the country and childcare for high-income families have risen sharply in recent years. These financial "pinch points" help explain the plausibility of the "family affordability" hypothesis. However, it is difficult to tease out whether increasing costs in these areas reflect changing preferences among families for a higher standard of living (such as larger homes or higher-quality childcare) or an affordability crunch.

If incomes have grown and costs reflect preferences, why does the affordability crisis narrative persist? One reason is that standards and perceptions change. Some goods and services that people need or perceive as necessary today may have been seen as luxury goods in years past. And in some cases, tastes have outgrown means—evidenced by increased consumption, vehicle ownership, and housing size.

Another reason is that our stock of social capital—the value of our social networks—has declined in recent times. Strong connections to individuals and institutions offer social support, which can reduce the costs of raising a family. When these connections decline, so can the affordability of family life.

Based on my review of the evidence, declining incomes and rising costs from years past are not the primary force driving a deterioration of family life. Certainly, some groups, such as low-income renters, single mothers, and families forced into center-based childcare, may face higher costs than in the past. But these changes are not sufficient to explain the pervasive sense that it is more difficult for the average American to raise a family today than it was in past generations. Instead, incomes not keeping pace with changing preferences likely are behind perceptions of an affordability challenge, as is the availability of less social support than in years past.

The Evidence on Family Affordability

Angela Rachidi

Families are the foundational unit of our social order. Countless social activities and institutions branch from the family unit. It is under the guidance of the family that young men and women develop into well-formed citizens prepared to enter society. As Edmund Burke notes, "To be attached to the subdivision, to love the little platoon we belong to in society, is the first principle (the germ as it were) of public affections."[1] In other words, many of our passions, experiences, and, ultimately, skills invariably point back to the families that raise us.

Research shows that marriage and childbearing—the foundations of family formation—are declining in America. Marriage rates reached a five-decade low in 2020, and the fertility rate (i.e., births per woman) has declined since at least the 2000s, also reaching historic lows by 2020.[2] According to the US Census Bureau, the share of households that include related family members has declined steadily from 74 percent in 1980 to 69 percent in 2000 and 65 percent in 2020.[3] Additionally, the number of one-person households reached an all-time high in 2020, constituting 28 percent of all households.[4]

Research suggests that low fertility can have long-term economic consequences,[5] reducing gross domestic product in the long run,[6] threatening the solvency of government programs such as Social Security,[7] and prompting shifts in global politics and power.[8]

Not only are declines in family formation concerning from a public policy perspective, but the well-being of existing families plays a crucial role in the strength of our economy and society. Families play a central role in shaping children's healthy development. Social science research continues to reinforce that family environments have the greatest influence over promoting (or preventing) a child's human capital development.[9] As Nobel laureate James Heckman has noted, "The family is the whole story. And it's a whole story about a lot of social and economic issues."[10]

More importantly, *healthy* family environments encourage the formation of *flourishing* children. Unhealthy family environments work against the formation of happy, thriving children. What is the best family context for nurturing a child's development? A wealth of social science literature has made it abundantly clear that children from strong, two-parent families are much more likely to flourish across a range of outcomes—including economics, education, social life, and health (both physical and mental).[11]

From an educational standpoint, research suggests that children raised by two married parents are much more likely to graduate from college[12] and earn better GPAs in school[13] and are less likely to display behavioral problems at school or drop out of school prematurely.[14] Being raised in a married family is also associated with greater incomes and higher levels of economic mobility than is being raised in a single-parent household or a home headed by two cohabiting adults.[15] Children raised by single parents are also four times more likely to be exposed to poverty than are kids raised by married parents.[16]

Admittedly, marriage decisions are complex. However, given the outsized role families play in promoting the healthy development and socialization of the next generation, it is in our collective interest to support public policies that encourage, or at least do not discourage, strong and stable family formation moving forward. This includes promoting higher marriage rates among young adults and encouraging more childbearing within the context of a stable marriage. Therefore, policymakers should create and support policies that allow families to form and thrive.

Strong and stable families are also a paramount force in our nation's political discourse, spanning across the ideological spectrum. Supporting families has always been a political priority for American policymakers, but policies directly aimed at relieving the economic burdens of families have gained traction in recent years and now wield a central role in a large share of policy discussions.[17] Reflecting on her 2020 presidential campaign, Sen. Kirsten Gillibrand (D-NY) said, "I very much thought families should be on the presidential stage."[18] On the other side of the political aisle, Sen. Marco Rubio (R-FL) also considers family issues a top priority for Americans:

> The family is the central institution in any society. It's in the family where you pass down values, it's the family that teaches you to love, it's the family that teaches you work ethic, it's the family that passes down traditions, it's the family that provides support in times of tragedy or distress.[19]

Given the central role of strong families in paving the way for our society and the growing importance of families in political discourse, elected policymakers should pay close attention to families' best interests. Over the past several years, a narrative has emerged that middle-class families face insurmountable costs for the goods and services needed to raise healthy, happy children (e.g., paid leave, health care, quality schools, and childcare). The rise of this narrative has generated a renaissance in family-centered public policy debate and proposed legislation on the right and left.

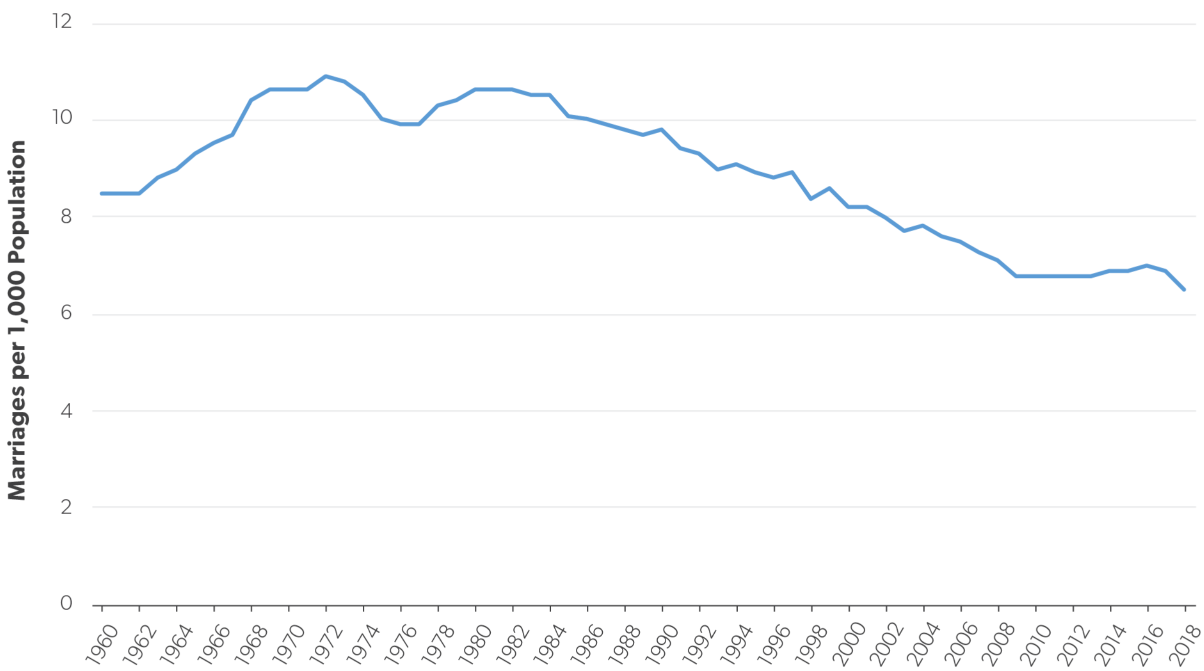
Since at least the 1990s, federal policymakers on both sides of the political aisle have created and expanded government-provided supports for families, including child-related tax credits.[20] In the past several years alone, President Donald Trump and Republican lawmakers expanded the child tax credit as part of the 2017 tax overhaul, and Trump signed legislation that expanded paid leave to federal employees after the arrival of a new child. He also included in his executive budget a proposal for six weeks of paid parental leave for all workers.[21]

More recently, President Joe Biden framed the Build Back Better Act—a proposal to spend nearly $1 trillion on social policy and climate change—as "the most transformative investment in children and caregiving in generations."[22] The plan included a sweeping list of longer-term legislative priorities including universal pre-K, public paid family leave, free community college, and a massive expansion to the child tax credit.[23] For each issue, proponents argue that middle-class families now face a choice between raising the family they desire and earning a stable, decent income. For example, in support of his plan for 12 weeks of universal public paid leave, President Biden noted that "no one should have to choose between a job and a paycheck or taking care of themselves, their parent, their spouse, or a child that's ill."[24]

Part of the push for more family-related government assistance centers on the notion that many middle-class Americans face insurmountable financial barriers to building the families they desire in the first place. While Americans are waiting longer to marry and having fewer children overall, it is unclear the extent to which actual or perceived financial constraints are driving these trends. Nonetheless, policymakers have proposed ways to relieve those financial constraints. For example, in 2020, Sen. Josh Hawley (R-MO) outlined his proposal for a parent tax credit, which would send $500 to single parents and $1,000 to married parents on a monthly basis for each of their children.[25] As justification for such a large investment in families, he argued:

> Starting a family and raising children should not be a privilege only reserved for the wealthy. Millions of working people want to start a family and would like to care for their children at home, but current policies do not respect these preferences. American families should be supported, no matter how they choose to care for their kids.[26]

Figure 1. US Marriage Rate per 1,000 Total Population, 1960–2018



Source: Marriage rate found at Centers for Disease Control and Prevention, National Center for Health Statistics, "Marriage and Divorce," https://www.cdc.gov/nchs/fastats/marriage-divorce.htm.

Questions remain, however. How has forming and raising a family in the US become less affordable, for what groups has it become less affordable, and why? In this report, I examine recent trends in marriage and family formation and trends in income and costs to help answer these questions. I also explore the role of institutions in helping explain concerns over family affordability and the role of perceptions. The two main questions guiding the analysis are:

1. Has it become less affordable to raise a family in the US?

2. What are the causes of affordability challenges—income or costs—and what groups are most likely to face affordability challenges?

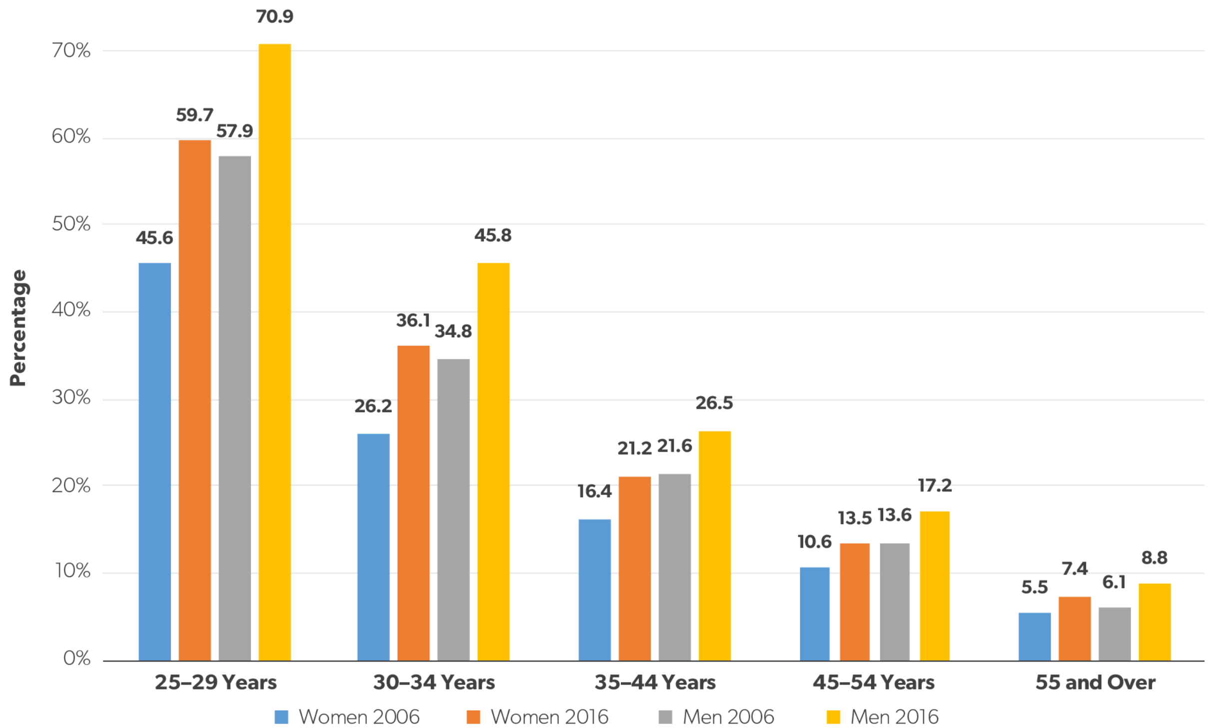
I identify possible narratives that might explain how, in the context of rising incomes across the economic spectrum, families still face anxiety around core expenses. Finally, I outline several key research questions and possible policy solutions in need of further research and exploration.

A Context of Family Life in Decline

Understanding trends in family affordability is crucial from a public policy perspective for at least two reasons: It can help policymakers address the overall decline in marriage and family formation, and it can help existing families thrive. This conversation comes on the back end of a retreat from marriage and childbearing that has now spanned multiple generations of Americans. Though its decline has slowed in recent years, the marriage rate has reached a record low after a 50-year decline (Figure 1).[27]

The trends in marrying later have evolved over time, but even since 2006, the median age at first marriage has declined, resulting in higher rates of

Figure 2. Percentage Never Married by Sex and Age, 2006 and 2016



Source: Author's calculations using the US Census Bureau, "American Community Survey Data," https://www.census.gov/programs-surveys/acs/data.html.

never being married at each age cohort by at least 2016 (Figure 2).[28]

Regarding childbearing, data suggest women are having fewer children and having children later in life than previous generations did.[29] After remaining relatively stable since the 1970s, the general fertility rate (i.e., births per 1,000 women) started declining in 2007 and has continued to decline in the years since (Figure 3).

As shown in Figure 4, since at least 1990, women older than age 30 have experienced higher birth rates, while births rates among younger women have declined dramatically.

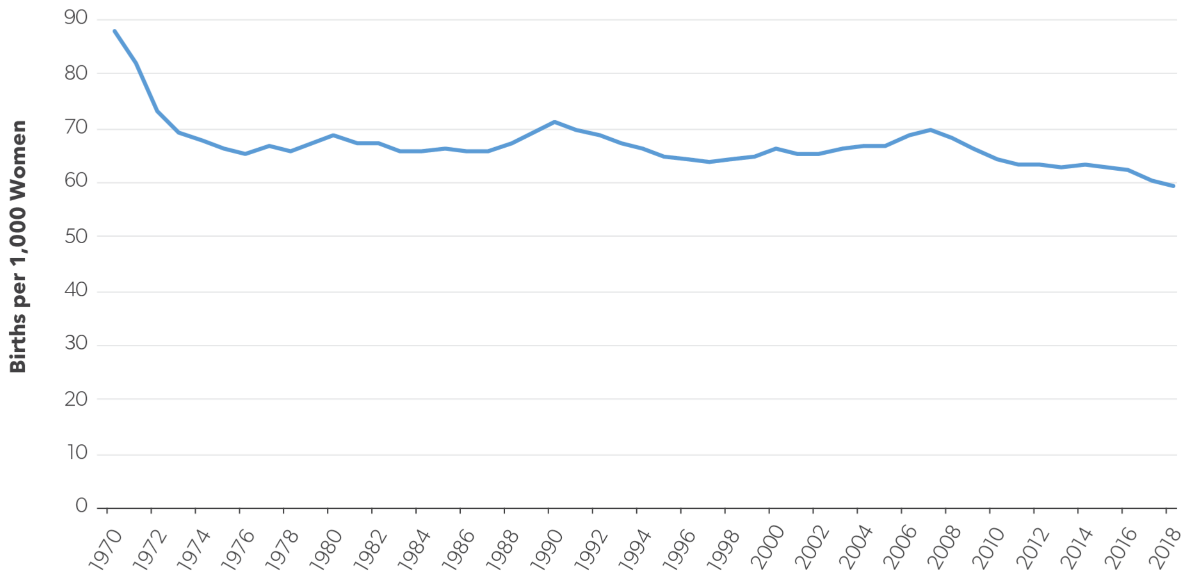
As a 2017 report from the Social Capital Project detailed, marriage declines stem from various causes, including increased educational and professional opportunities for women, rising affluence, and general perceptions about family life. The report noted, "These trends can also be interpreted in terms of Americans perceiving marriage as less necessary."[30] Declining and delayed marriage rates have a direct correlation to declining fertility. With fewer people tying the knot, fewer children are being born.

However, the root causes of declining fertility remain unclear. Data suggest a general decreased interest among Americans in having children, but some believe finances play a major role. For this reason, it is important to better understand how trends in family income and costs associated with building and nurturing a family inform our understanding of such a dramatic decline in family formation.

Have Family Incomes Fallen, Stagnated, or Risen?

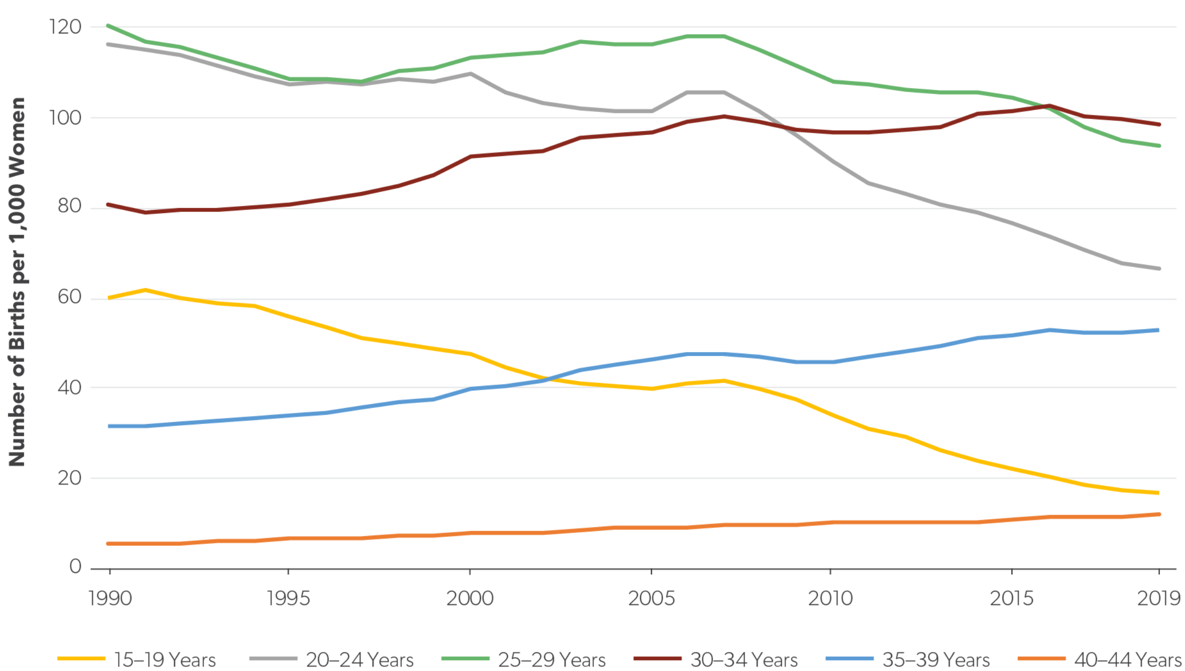
The existence of several different ways of measuring income complicates attempts to answer the question of whether family incomes have fallen, stagnated, or risen over time. On some measures and for some subgroups, income in the US has declined

Figure 3. General Fertility Rate, 1970–2018



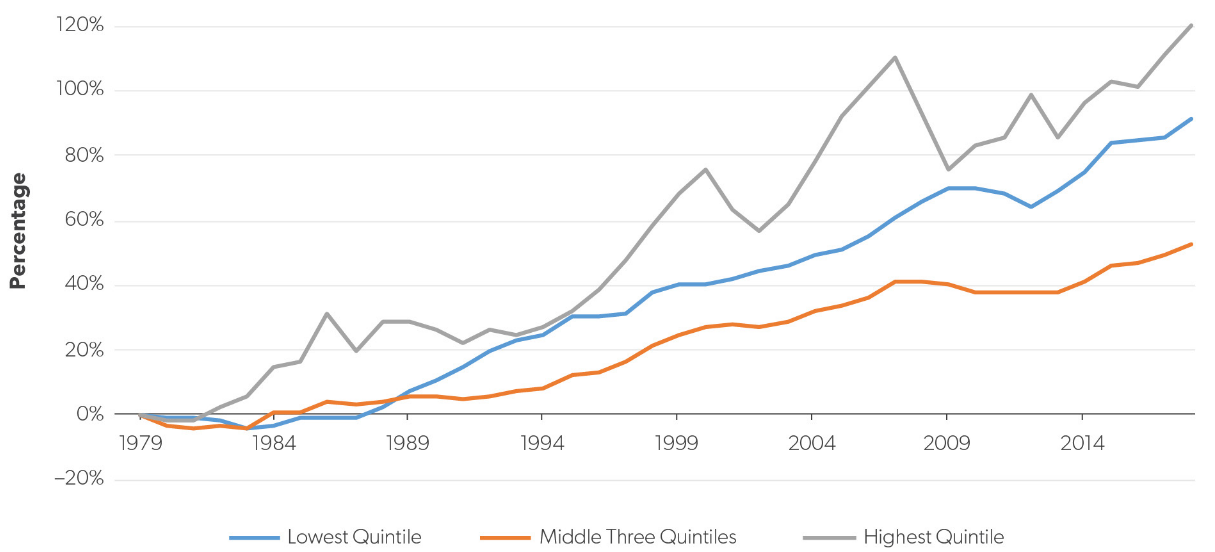
Source: Centers for Disease Control and Prevention, NCHS—Births and General Fertility Rates: United States, March 28, 2022, https://data.cdc.gov/NCHS/NCHS-Births-and-General-Fertility-Rates-United-Sta/e6fc-ccez.

Figure 4. US Birth Rates by Selected Age of Mother, 1990–2019



Source: Joyce A. Martin et al., "Births: Final Data for 2019," Centers for Disease Control and Prevention, March 23, 2021, Table 2, https://www.cdc.gov/nchs/data/nvsr/nvsr70/nvsr70-02-508.pdf?ACSTrackingID=USCDC_371-; and Joyce A. Martin et al., "Births: Final Data for 2015," Centers for Disease Control and Prevention, January 5, 2017, Table 4, https://www.cdc.gov/nchs/data/nvsr/nvsr66/nvsr66_01.pdf.

Figure 5. Cumulative Growth of Income After Taxes and Transfers (in 2018 Dollars), 1979–2018



Note: The base year is 1979.
Source: Congressional Budget Office, "The Distribution of Household Income, 2018," August 4, 2021, https://www.cbo.gov/publication/57061.

in recent decades, suggesting family affordability challenges. However, according to other measures, household and family incomes have grown over time—and more robustly than many acknowledge. Nonetheless, sluggish income growth during economic downturns and income stagnation for some groups likely feed the perception that incomes have not kept pace with expenses, even when price inflation was low.

Another important factor is that expansive government tax and transfer programs, not rising wages, explain much of the income growth for those at the bottom. A recent report by the Social Capital Project found an upward trajectory in pay over the past three decades but slower growth for men than women and for those at the bottom of the wage distribution.[31]

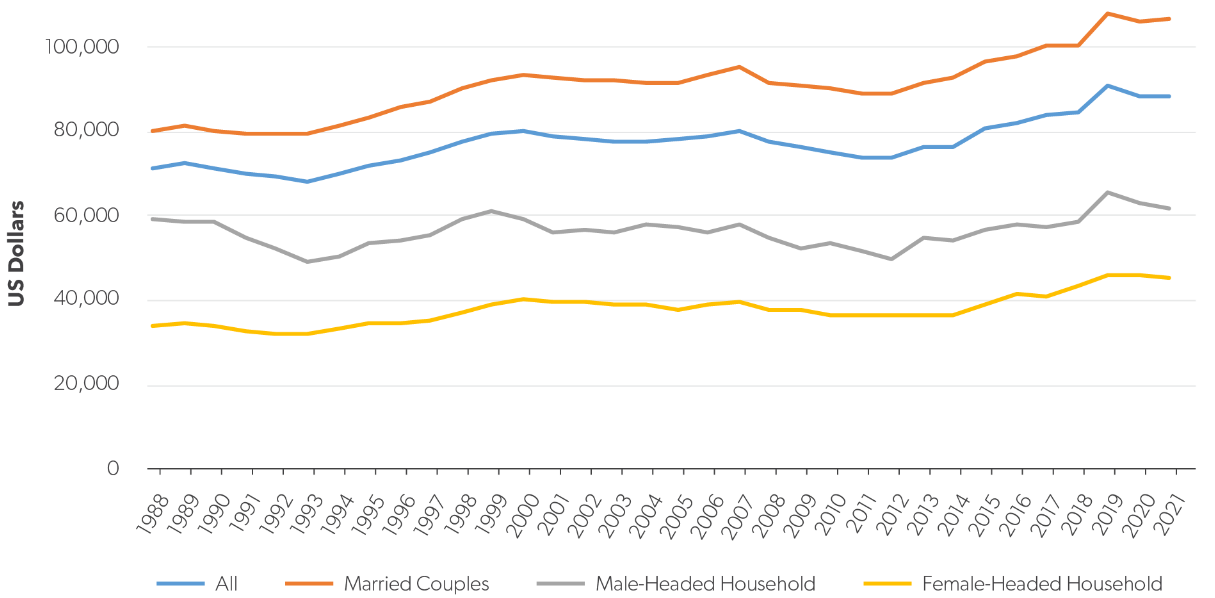
Household Income

Regarding household incomes, the data show positive cumulative growth across income quintiles. The Congressional Budget Office produces an annual report on the distribution of household incomes using three different measures. Figure 5 shows cumulative growth by quintile in real income after taxes and transfers from 1979 to 2018.

According to the Congressional Budget Office, households in the lowest quintile saw their average annual incomes rise 91 percent (an average annual rate of 1.7 percent) when taxes and transfers were accounted for, while average income after taxes and transfers for households in the middle three quintiles increased 53 percent (or 1.1 percent per year). Households in the highest quintile experienced the strongest growth in their posttax and transfer income. The trends using alternative income measures, such as market income and income before taxes and transfers, show similar trends but less robust growth for households in the lower four quintiles.[32]

Growth in median household income depends on the type of income measured, which might help explain the perception that incomes have stagnated. Market income and income before taxes and transfers have seen cumulative growth over the past few decades, but both measures of income declined dramatically during the Great Recession and barely started to exceed prerecession levels by 2016.[33] Cumulative growth in median household income

Figure 6. Median Family Income (in 2021 Dollars), 1988–2021



Source: US Census Bureau, "Table F-7. Type of Family by Median and Mean Income," https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-families.html.

after taxes and transfers has been strong since the mid-1990s, but even this measure of income stagnated during the Great Recession.[34]

As Michael R. Strain argues in his book *The American Dream Is Not Dead: (But Populism Could Kill It)*, "For households in the middle and those nearer the bottom, [household] income growth over the past three decades can't be reasonably described as stagnant."[35] That said, it is easy to understand why people perceive their incomes have been stagnant because incomes before taxes and transfers took a tremendous hit during the Great Recession and recovered slowly afterward. Nonetheless, in the years leading up to the COVID-19 pandemic, household incomes after taxes and transfers showed robust growth.

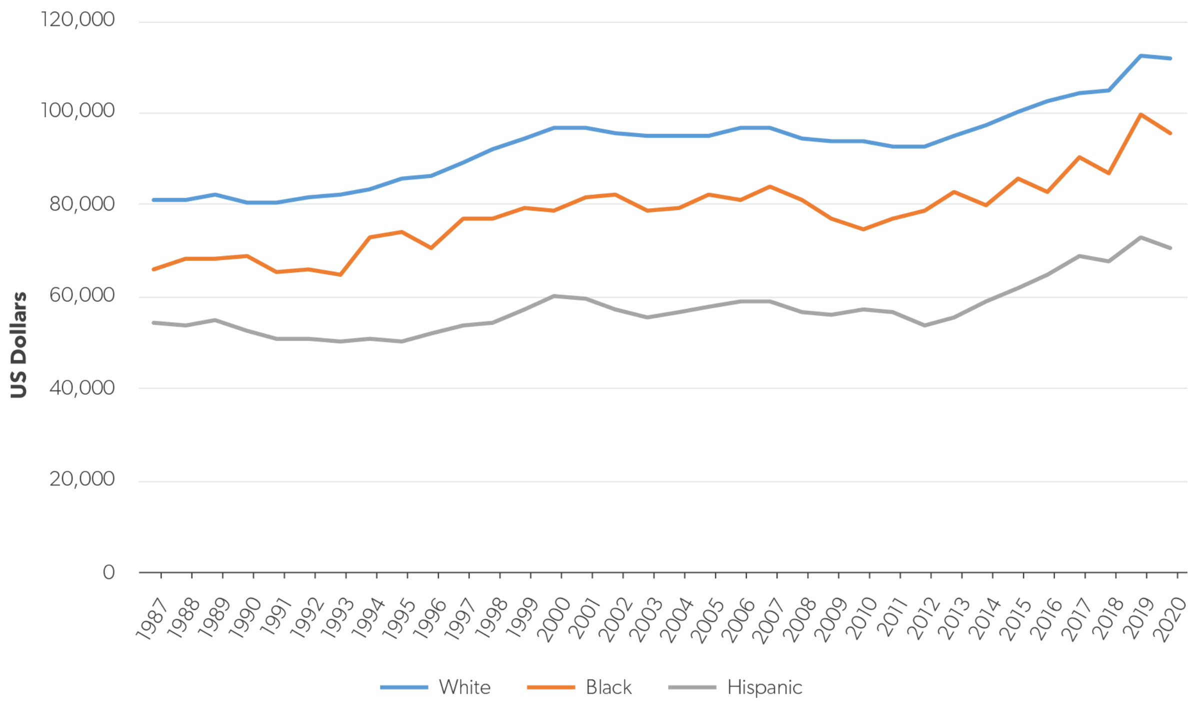
Family Income

Households can include a variety of family types and even unrelated individuals, precluding us from drawing conclusions about families with children from household income statistics alone. To better understand issues around affordability for families with children, we can look at family income by type. The US Census Bureau includes all cash sources of income in calculations of family income, including cash-based government benefits such as Social Security, cash welfare, and unemployment insurance.

However, Bruce D. Meyer, Wallace K. C. Mok, and James X. Sullivan show that government benefits are vastly underreported[36] and the largest government assistance programs for low-income families, the Supplemental Nutrition Assistance Program and earned income tax credit, are not considered in family income calculations. This means income is understated for the types of families most likely to receive government benefits, including single-parent households.

Nonetheless, it is still useful to explore family income to get a sense of income trends when taxes and in-kind government benefits are excluded. Figure 6 shows that, overall, family income has increased over the past two decades for all families, but there was a period of income stagnation during the 2000s. Starting around 2013, however, family income began to increase again, especially for married couples.

Figure 7. Median Family Income for Married Couples with Children (in 2020 Dollars), 1987–2020



Source: US Census Bureau, "Table F-10. Presence of Children Under 18 Years Old—Black Families by Median and Mean Income: 1974 to 2020," https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-income-families/f10b.xlsx; US Census Bureau, "Table F-10. Presence of Children Under 18 Years Old—Hispanic (Any Race) Families by Median and Mean Income: 1974 to 2020," https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-income-families/f10h.xlsx; and US Census Bureau, "Table F-10. Presence of Children Under 18 Years Old White Families by Median and Mean Income: 1974 to 2018," https://www2.census.gov/programs-surveys/cps/tables/time-series/historical-income-families/f10w.xls.

Although there are consistent racial and ethnic gaps in family income among married couples with children, with married white couples with children having higher income than black and Hispanic couples with children,[37] the trends for married couples with children across time were similar across race. Family income in constant dollars increased throughout the 1990s, stagnated in the 2000s, and started increasing again after 2010.

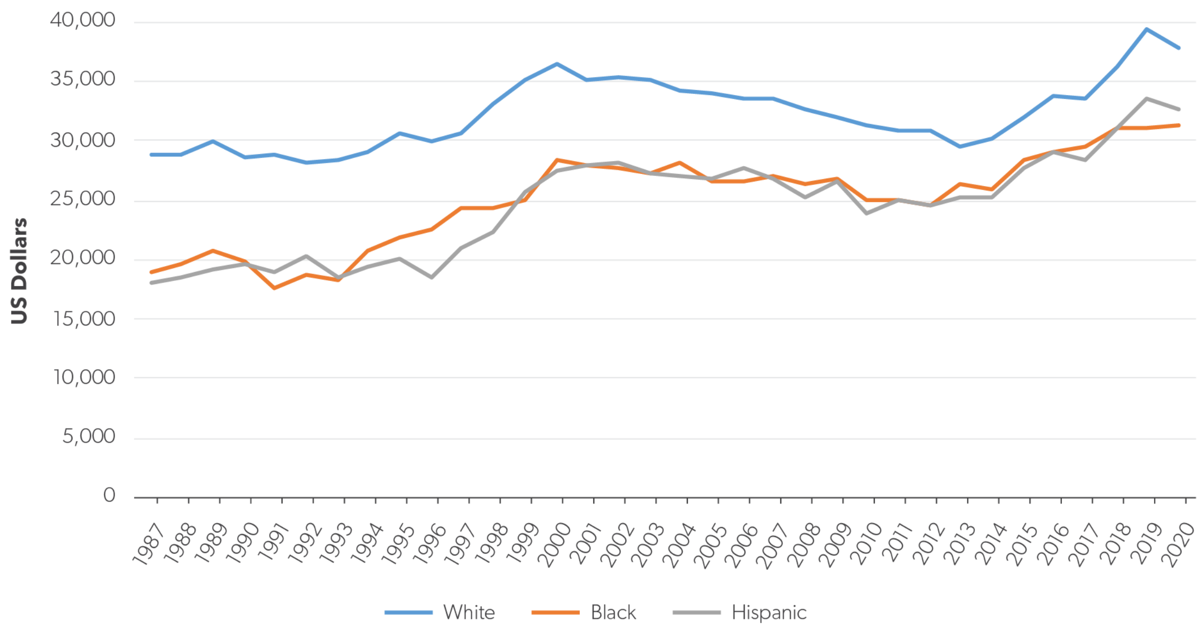
We see a slightly different pattern for female-headed families with children by race and ethnicity. Although we see a similar pattern of income growth, stagnation, and growth again after 2010, the gap between white female–headed families and black and Hispanic female–headed families narrowed throughout the 2000s (Figure 8).

Overall, income data show that families bring in greater income today than in the 1990s, whether measured at the household or family level. Posttax and transfer incomes experienced particularly strong growth during this period according to the household income data, especially among households in the lowest quintile of income. However, when considering incomes among families with children—and excluding many government benefits—income stagnated between 2000 and 2013 but has since increased sharply among all racial and ethnic groups and family types.

Income Trends and Family Structure

The family income data above suggest that single-mother households with children are the most likely to experience family affordability challenges today. If more children are born into female-headed families over time, an increasing share of families will face affordability challenges because these families

Figure 8. Median Family Income for Female-Headed Families with Children (in 2020 Dollars), 1987–2020



Source: Author's calculations from US Census Bureau, "Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS)," October 8, 2021, https://www.census.gov/programs-surveys/saipe/guidance/model-input-data/cpsasec.html.

have seen less promising income trends over the past few decades.

This is particularly concerning because, over the past several decades, the composition of families with children has shifted toward single-parent families, which has likely exacerbated both perception and reality of family affordability challenges. In 1974, 84 percent of children lived in a married-parent household. By 2020, that share had fallen to 66 percent (Figure 9). Single parents experience a greater burden of cost for raising families because they earn less income, so further increases to the share of children raised outside a two-parent family structure would likely deepen family affordability challenges.

Has the Cost of Raising a Family Outpaced Income Growth?

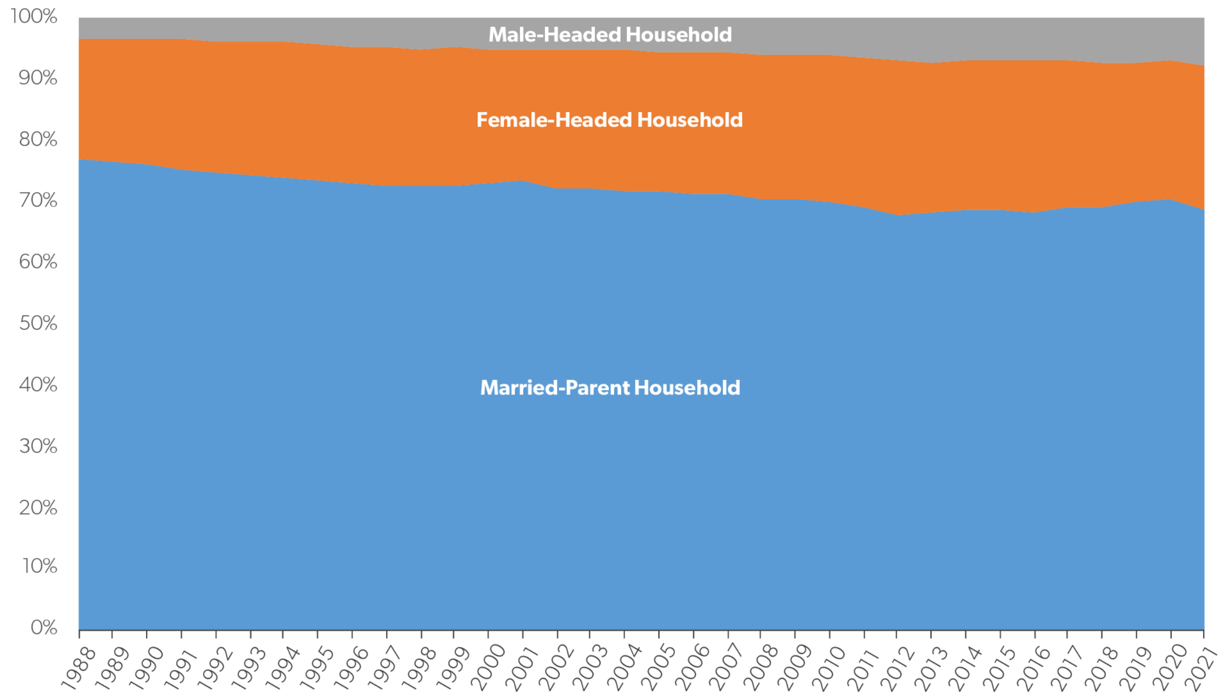
The above section suggests that incomes have grown over time, pushing back on the narrative that raising a family on a middle-class income has become less affordable over time. However, costs also influence affordability. If cost increases have outpaced income growth, families will still feel a growing financial burden. Additionally, if family preferences around consumption—home size and education quality, for example—have outpaced income growth, families might still feel stretched financially. The following sections explore whether changing costs and preferences might explain family affordability challenges.

Housing Costs

Housing is often cited as one area in which costs may place an undue burden on families. A good way to assess family affordability in this context is to examine cost burdens. Economist Mark J. Perry recently summarized data from the Bureau of Labor Statistics Consumer Price Index and found that housing costs overall have largely kept pace with inflation since 2000.[38] However, this does not reflect divergent trends across different groups, especially when comparing renters to homeowners and housing costs by geography.

Housing cost burdens compare reported housing expenditures to reported income. Research suggests

Figure 9. Composition of Families with Children Under Age 18, 1988–2021



Source: Author's calculations from US Census Bureau, "Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS)," October 8, 2021, https://www.census.gov/programs-surveys/saipe/guidance/model-input-data/cpsasec.html.

that families facing higher cost burdens also typically experience material hardship,[39] though the metric used to reflect cost burden is important.[40] Researchers traditionally define a housing cost burden as spending 30 percent or more of income on housing and often calculate housing cost burdens for renters and homeowners separately.[41]

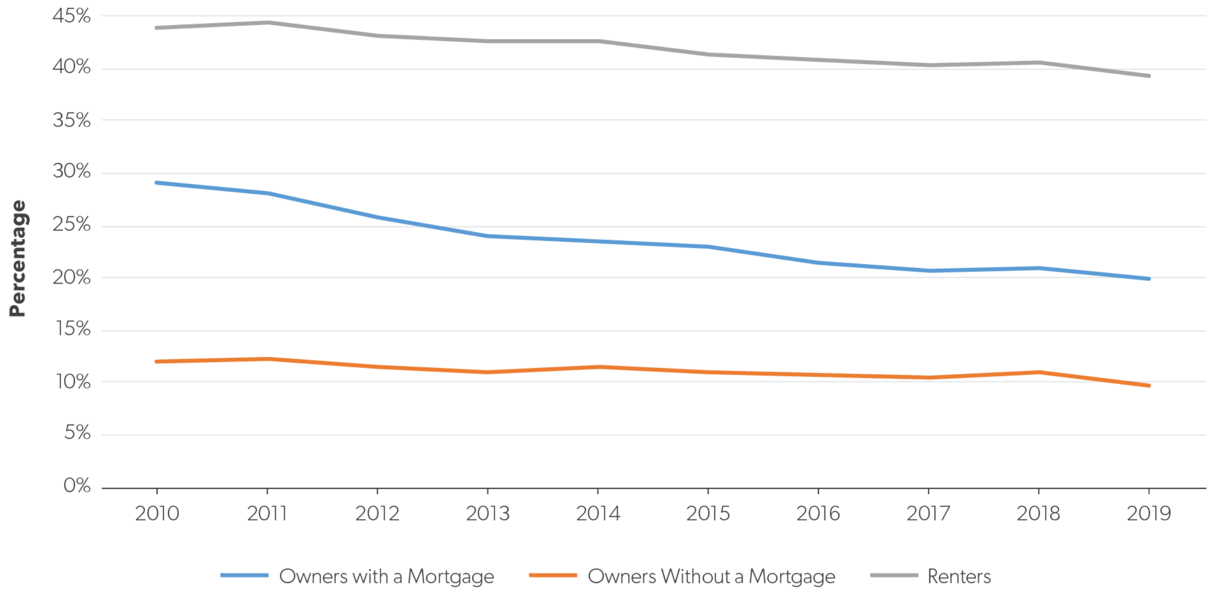
Rental cost burdens (i.e., housing costs compared to income for renters) show different trends over time than homeowner cost burdens (i.e., housing costs compared to income for homeowners) show. Even among homeowners, different trends in housing cost burdens exist depending on whether homeowners have a mortgage.

A 2019 study by Andrew M. Dumont for the Federal Reserve Board of Governors illustrates these differing trends starting in 2009. He found that, from 2009 to 2017, the share of renters with a housing cost burden increased slightly, while housing cost burdens for homeowners declined.[42] However, low-to-middle-income renters (i.e., renters with household income between $20,000 and $75,000 per year) saw sharp increases in their housing cost burdens over the same period. Dumont also found considerable variation in housing cost burdens among middle-income renters across metropolitan areas but less variation for low- and higher-income renters. Dumont concluded,

> The analyses conducted above show that the rate of housing cost burden among homeowners is significantly lower than the rate for renters, and that the burden rate for homeowners is down substantially since the housing crisis, while the rate for renters is up.[43]

Stuart Gabriel and Gary Painter explored the longer-term trend in housing cost burdens from 1960 to 2014, and like Dumont, they concluded that a larger share of renters had become burdened by housing costs during this time.[44] Their analysis showed a steady increasing trend in the share of renters with a housing cost burden (paying more than

Figure 10. Percentage of Cost-Burdened Households by Tenure, 2010–19



Source: US Census Bureau, "B25091: Mortgage Status by Selected Monthly Owner Costs as a Percentage of Household Income in the Past 12 Months," https://data.census.gov/table?q=B25091:+MORTGAGE+STATUS+BY+SELECTED+MONTHLY+OWNER+COSTS+AS+A+PERCENTAGE+OF+HOUSEHOLD+INCOME+IN+THE+PAST+12+MONTHS&tid=ACSDT1Y2019.B25091; and US Census Bureau, "B25070: Gross Rent as a Percentage of Household Income in the Past 12 Months," https://data.census.gov/table?q=b+25070.

30 percent of income on rent) since 1960, with this trend accelerating from 2000 to 2010, especially for middle- and higher-income renters, and then flattening through 2014.[45]

Furthermore, even though the share of rent-burdened low-income renters increased more slowly than higher-income renters, a large majority of renters in the bottom income quartile faced housing cost burdens throughout this period, reaching over 80 percent in 2010.[46] The analysis by Gabriel and Painter showed that most low-income renters have historically faced housing cost burdens but that this share increased slightly over time.

Compositional changes in who owns a home versus who rents likely explain some of the trends in cost burden, however. For example, homeownership rates declined after the housing crisis in 2007,[47] changing the composition of households that rent. Cost burdens also fail to capture income fully by excluding government benefits as income. This is particularly important for considering the housing cost burden of low-income households because a large share of their income likely comes from government benefits, such as food assistance, the child tax credit, and the earned income tax credit. If the data fully captured these income sources, the housing cost burden for renters would likely be lower, and the trend might be different over time.

Overall, the data on housing costs present a mixed picture. Despite data limitations, the trends in housing cost burdens suggest that renters have faced more affordability challenges compared to homeowners at least over the past decade. For renters, a larger share over time have experienced housing cost burdens, and the vast majority of households in the bottom income quintile face housing costs that exceed 30 percent of the reported income (excluding most government benefits).[48]

Although the historical data are limited, since at least 2010, the share of households with a mortgage facing high housing cost burdens has actually declined, while the share of burdened homeowners without a mortgage and renters has remained relatively constant (Figure 10). This means that over time, more families that fall on the lower end of the income spectrum and rent their housing have likely felt the crunch of rising housing costs, while homeowners appear not to have faced the same challenges.

Childcare Costs

Childcare is another area in which families, especially those with young children, often face financial constraints. However, the research is mixed on how childcare costs have changed over time and the types of families that have absorbed cost increases. A study by the Department of Health and Human Services Office of the Assistant Secretary for Planning and Evaluation found that fewer families across income levels had out-of-pocket childcare expenses in 2016 than in 1995.[49] However, the same study found that *average* childcare costs increased dramatically during this time.[50]

Some of the trend showing a large increase in average childcare costs can be explained by (1) the types of families paying for care and (2) cost outliers. If families that are less willing or capable of paying for childcare find other no-cost arrangements, those that remain with out-of-pocket costs drive up the average cost. A study by Chris Herbst at the University of Arizona adjusted for outliers and work schedules, finding that median childcare costs have increased only modestly. Herbst examined childcare costs using Survey of Income and Program Participation data through 2011 and found that median childcare costs increased 14 percent from 1990 to 2011 but that families with preschool-age children experienced the bulk of this added cost burden.

Undoubtedly, these studies show that childcare costs have increased. But the question remains to what extent increasing costs are causing financial strain for families. Herbst also examined the cost burden of childcare, which factors in a family's ability to pay given their family income. In a 2015 published study, he found that the cost burden of childcare has not changed from 1990 to 2011, suggesting that cost increases at least partially reflect a greater ability for families to pay more for childcare.[51]

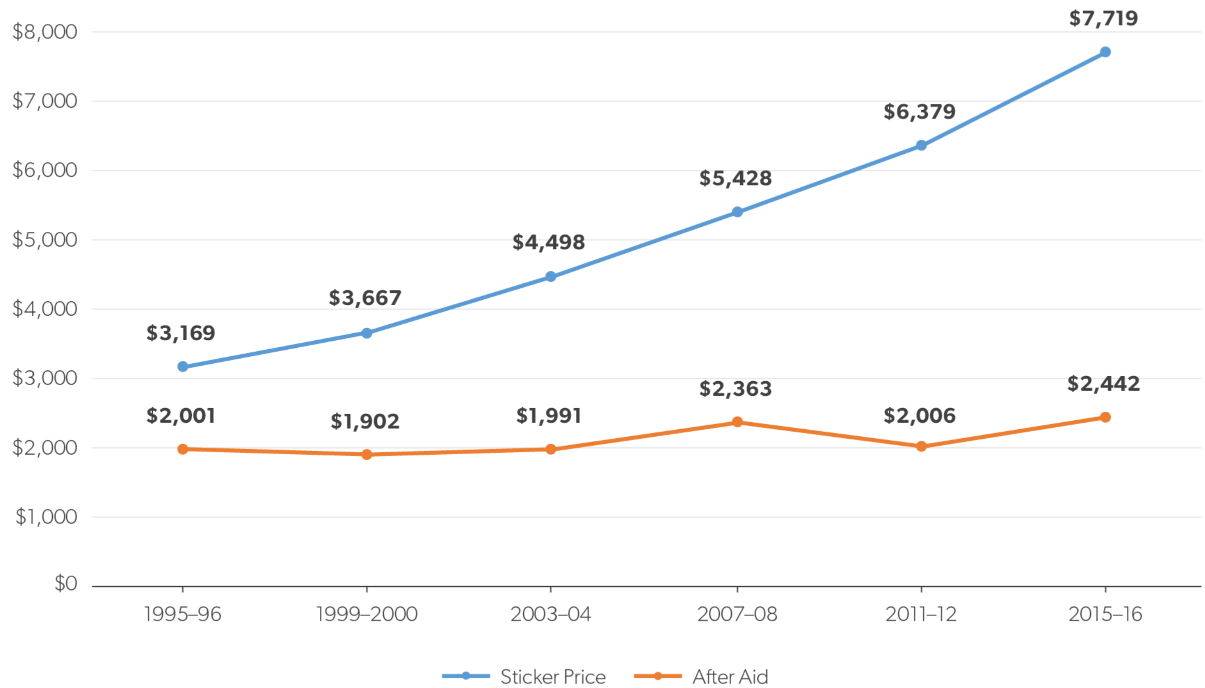
One other possible source of stress for families regarding childcare is that, over the past several years, childcare arrangements have increasingly shifted in favor of center-based care providers instead of smaller, family-based providers. Middle- and higher-income families are much more likely to use center-based care than their lower-income counterparts are.[52] This affects the costs of childcare. In fact, research shows that the number of licensed childcare slots has increased 7 percent from 2005 to 2017, while the number of small, family-based providers decreased by half. Childcare slots are increasingly found in centers, which cost more than in-home family providers do, and middle- and higher-income families are becoming a larger share of total families that pay for childcare.

Higher Education Costs

Education, particularly higher education, is another area in which many claim costs have far outgrown middle-class families' incomes. As Perry finds, college tuition has undoubtedly grown much faster than wages have.[53] However, careful examination into the dynamics of higher education expenses reveals a different story than what may seem obvious at first glance. While upper- and upper-middle-income Americans have been spending much more on higher education over the past few decades, costs have increased only modestly for middle-class families.

Jason Delisle, for example, argues that rapidly growing public aid and slower tuition growth have significantly offset higher education expenses for students whose families earn less than $125,000 (in 2015 dollars) and who attend in-state, public universities.[54] Whereas the average "sticker" price for these schools had increased from just over $3,000 in the mid-1990s to nearly $8,000 in 2015–16, the true cost for students, when factoring in public aid and scholarships, had only increased from $2,000 to $2,400 (Figure 11). Granted, that is still a 20 percent increase in tuition and fees after adjusting for inflation, and this analysis includes public universities, but it is far from the astronomical price increases across all higher education that some have suggested.

Figure 11. Average Tuition and Fees at Public Universities for In-State Students from Families Earning Less Than $125,000 by Academic Year, 1995–2016



Source: Jason Delisle, "The Cost of Free College Plans," *National Affairs*, Spring 2020, https://www.nationalaffairs.com/publications/detail/the-cost-of-free-college-plans.

So why does a narrative of crippling higher education costs persist? The answer, according to Delisle, comes when looking at trends for higher-income students, those who attend private universities, and those who go to out-of-state public universities. Average tuition and fees rose from about $9,000 in the mid-1990s to just under $13,000 in 2015–16 for students whose families earned more than $125,000 per year, when all university types were considered. For these higher-income families that choose expensive education options, the cost of college may be contributing to a family affordability challenge.

Declining Social Capital

Another contributor to family affordability challenges is access to institutions that help alleviate financial strains. Access to social capital can be especially important when it relates to household costs, such as by providing childcare, access to jobs, or recreational activities. The 2017 Social Capital Project report documented four areas where associational life has deteriorated—family, religion, civic engagement, and work.[55]

Arguably, weak social ties in these areas can contribute to affordability challenges. In fact, in a December 2019 report for the Social Capital Project, authors described research by Raj Chetty and colleagues that associated higher rates of upward mobility with the neighborhood presence of civic institutions.[56] Unsurprisingly, the availability of social supports at the local level contributes to feelings of belonging and motivates otherwise struggling families to pursue positive aspects to life, such as employment.

The 2017 Social Capital Project report noted that more Americans live alone outside of a family today, marriage rates have declined, people are having fewer children and later in life, and more children are raised in single-parent families. Historically, people developed relationships through their religious groups, but the Social Capital Project documented declining trends in religious affiliations among Americans and lower overall trust among adults in religious institutions.[57]

The report also found some evidence of deteriorating community ties. Data show that people spend less time with neighbors than in the past, and although racial segregation has declined, segregation by class has increased. In terms of work, the data show less time socializing with coworkers outside of work. The report concluded that "rising affluence has made associational life less necessary." One lingering question ripe for additional research is how declines in associational life have influenced feelings of family affordability.[58]

Similarly, Yuval Levin argues in his book *A Time to Build: From Family and Community to Congress and the Campus, How Recommitting to Our Institutions Can Revive the American Dream* that institutions close to home including family, religion, and civic society play a crucial role in helping people cope with the challenges of daily life. He writes, "The loss of institutional habits up and down our social life—from government to the professions, the academy, the media, and more—leaves us more resistant to the sometimes burdensome demands of family life."[59] With fewer built-in communities to support and encourage parents through the challenges of raising a healthy family, the weakening of our core institutions has likely helped shape evolving views of family life as burdensome, contributing to an overall perception of affordability challenges.

Perceptions of Affordability Challenges

If family consumption patterns and perceptions have changed over time, the data on income and cost trends I have presented to this point are less important. For example, if housing cost burdens have remained the same over time but families' preferences have changed to larger homes, this combination can feed a sense of affordability challenges.

Admittedly, survey data suggest that consumption has not held constant; based on most available metrics, American families consume more now than in the recent past. Families have larger homes than at any time in recent history, and the average living space per person has nearly doubled since the 1970s.[60] Vehicle ownership has risen about 60 percent in the same period.[61] American adults are traveling more miles in more vehicles.[62] The average American adult consumes nearly 600 calories more per day than they did in 1970.[63] Clothing purchases are also significantly higher than they were even a few decades ago.[64] Most importantly, fewer families than ever experience consumption poverty.[65]

However, polling data also suggest that many families still *feel* stretched financially. It might be that the desire and expectation for increased consumption is driving affordability challenges. And many perceive these affordability challenges as barriers to getting married and having children.

Gallup, for example, asked Americans, "What do you think are the main reasons why couples do not have more children?" By an overwhelming margin, the most common response to this prompt was the "cost of raising a child."[66] About two-thirds (65 percent) of respondents selected this option, compared to 11 percent who said "the state of the economy" kept people from having children (the second most common option).

A *New York Times* and Morning Consult survey explored this trend further. The poll asked adults why they have had (or are expecting to have) fewer children than they desire. Out of the top eight reasons cited, six were related to finances, including "child care is too expensive," "worried about the economy," and "can't afford more children."[67] Clearly, perceived financial strain is a barrier preventing some Americans from having more children.

From 2015 to 2019, the American Family Survey asked respondents, "What is the most important problem facing families today?" The set of possible responses included four challenges that were economic in nature, four that were cultural, and four that had to do with family structure. Over the five-year period, economic issues overtook cultural issues in importance according to respondents, with more than 61 percent citing an economic challenge.[68]

Rising economic concerns are prevalent among not just people who are considering starting a family or the broader American public but also those who are currently supporting families. One particularly concerning trend is that parents' perceptions of their incomes relative to others have worsened over the past five decades. According to the General Social Survey, 22 percent of parents age 18–55 rated their income as below average "compared to American families in general" in 1972. By 2018, however, 34 percent of parents believed their income was below average.[69]

Another potential source of perceived family affordability strain is that parents may feel pressure to buy nonessential or expensive things for their children. According to a Merrill report, nearly 70 percent of parents report feeling pressured to purchase things for their children that their peers have.[70]

Regardless of whether the data support the notion that incomes have stagnated or costs have skyrocketed, perceived challenges to affording a family may be causing Americans to avoid building strong, stable families. This is especially concerning because hopes and aspirations around family formation have not fallen over the past few decades, even as more American adults drift away from marriage and childbearing.[71]

Conclusion

Overall, the data do not offer a straightforward answer to the question of whether it has become less affordable to raise a family. Research does help identify, however, the types of families that have likely faced affordability challenges, including increases in housing, childcare, and education costs over time. Based on this research, renters in the bottom of the income distribution, female-headed households, and low-income families that must use center-based childcare have likely felt the pinch of rising costs over the past several years.

The data also suggest that family incomes, while still higher than in the past, may not be keeping pace with Americans' preferences for larger homes, more vehicles, private or out-of-state universities, and higher-quality childcare. When families cannot meet these preferences, they will feel like they are facing affordability challenges even when their income grows.

This raises the question of the government's role: Should government policies assist families so that they can meet their evolving preferences or focus assistance on those low-income families whose incomes have not kept pace with costs? Additional areas for research include assessing the extent to which government intervention drives up these costs and preferences—such as housing, childcare, and education—and what, if anything, government should do about it.

About the Author

Angela Rachidi is a senior fellow and the Rowe Scholar in opportunity and mobility studies at the American Enterprise Institute, where she studies poverty and the effects of federal safety-net programs on low-income people in America.

Acknowledgments

Thank you to Peyton Roth for his research and writing assistance. An early version of this report was prepared for the Social Capital Campaign.

About AEI's Center on Opportunity and Social Mobility

AEI's Center on Opportunity and Social Mobility conducts rigorous research and develops evidence-based policies aimed at expanding opportunity in America by reducing entrenched poverty, increasing upward mobility, and rebuilding social capital.

Notes

1. Edmund Burke, *Reflections on the French Revolution* (*Selected*) (New York: Charles E. Merrill Co., 1899), 30.

2. Federal Reserve Economic Data, St. Louis Fed, Fertility Rate, Total for the United States, May 3, 2022, https://fred.stlouisfed.org/series/SPDYNTFRTINUSA.

3. US Census Bureau, "Table HH-1: Households by Type: 1940 to Present [<1.0 MB]," https://www.census.gov/data/tables/time-series/demo/families/households.html.

4. US Census Bureau, "Table HH-4: Households by Size: 1960 to Present [<1.0 MB]," https://www.census.gov/data/tables/time-series/demo/families/households.html.

5. David E. Bloom et al., "The Cost of Low Fertility in Europe" (working paper, National Bureau of Economic Research, Cambridge, MA, March 2009), https://www.nber.org/papers/w14820.

6. Quamrul H. Ashraf, David N. Weil, and Joshua Wilde, "The Effect of Fertility Reduction on Economic Growth," *Population and Development Review* 39, no. 1 (March 2013): 97–130, https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4267474.

7. Michele Boldrin, Mariacristina De Nardi, and Larry E. Jones, "Fertility and Social Security" (working paper, National Bureau of Economic Research, Cambridge, MA, April 29, 2004), https://users.nber.org/~denardim/research/fertility_socsec_draft06.pdf; and William P. Butz and Michael P. Ward, "Countercyclical U.S. Fertility and Its Implications," *Social Security Bulletin* 42, no. 8 (August 1979): https://www.ssa.gov/policy/docs/ssb/v42n8/v42n8p38.pdf.

8. Wolfgang Lutz and Nicholas Gailey, *Depopulation as a Policy Challenge in the Context of Global Demographic Trends*, United States Development Programme Serbia, October 1, 2020, https://eeca.unfpa.org/sites/default/files/pub-pdf/depopulation20as20a20policy20challenge.pdf.

9. Pedro Carneiro and James Heckman, "Human Capital Policy" (working paper, National Bureau of Economic Research, Cambridge, MA, February 2003), https://www.nber.org/system/files/working_papers/w9495/w9495.pdf; and Jay Belsky, "Early Human Experience: A Family Perspective," *Developmental Psychology* 17, no. 1 (January 1981): 323, https://psycnet.apa.org/record/1981-07608-001.

10. Katharine B. Stevens and James J. Heckman, "The Role of Families in Human Flourishing: My Long-Read Q&A with James Heckman," AEIdeas, April 14, 2021, https://www.aei.org/poverty-studies/the-role-of-families-in-human-flourishing-my-long-read-qa-with-james-heckman.

11. Paul R. Amato, "The Impact of Family Formation Change on the Cognitive, Social, and Emotional Well-Being of the Next Generation," *Future of Children* 15, no. 2 (Autumn 2005): 75–96, https://www.jstor.org/stable/3556564; and Sara McLanahan and Isabel Sawhill, "Marriage and Child Wellbeing Revisited: Introducing the Issue," *Future of Children* 25, no. 2 (Fall 2015): 3–9, https://www.jstor.org/stable/43581969.

12. Melissa S. Kearney and Phillip B. Levine, "The Economics of Non-Marital Childbearing and the 'Marriage Premium for Children'" (working paper, National Bureau for Economic Research, Cambridge, MA, March 2017), https://www.nber.org/papers/w23230; and R. Kelly Raley, Michelle L. Frisco, and Elizabeth Wildsmith, "Maternal Cohabitation and Educational Success," *Sociology of Education* 78, no. 2 (April 2005): 144–64, https://www.jstor.org/stable/4148901.

13. Kathryn Harker Tillman, "Family Structure Pathways and Academic Disadvantage Among Adolescents in Stepfamilies," *Sociological Inquiry* 77, no. 3 (August 2007): 383–424, https://onlinelibrary.wiley.com/doi/full/10.1111/j.1475-682X.2007.00198.x; Suet-Ling Pong, "Family Structure, School Context, and Eighth-Grade Math and Reading Achievement," *Journal of Marriage and Family* 59, no. 3 (August 1997): 734–46, https://www.jstor.org/stable/353957; and Bryan Neighbors, Rex Forehand, and Lisa Armistead, "Is Parental Divorce a Critical Stressor for Young Adolescents? Grade Point Average as a Case in Point," *Adolescence* 27, no. 107 (1992): 639–46, https://psycnet.apa.org/record/1993-07466-001.

14. David Autor et al., "School Quality and the Gender Gap in Educational Achievement," *American Economic Review* 106, no. 5 (May 2016): 289–95, https://www.aeaweb.org/articles?id=10.1257/aer.p20161074; Kearney and Levine, "The Economics of Non-Marital Childbearing and the 'Marriage Premium for Children'"; and Sara McLanahan and Gary Sandefur, *Growing Up with a Single Parent: What Hurts, What Helps* (Cambridge, MA: Harvard University Press, 1997).

15. W. Bradford Wilcox and Robert I. Lerman, "For Richer, for Poorer: How Family Structures Economic Success in America," American Enterprise Institute, October 28, 2014, https://www.aei.org/research-products/report/for-richer-for-poorer; Thomas DeLeire and Leonard M. Lopoo, *Family Structure and the Economic Mobility of Children*, Pew Charitable Trusts, https://www.pewtrusts.org/en/research-and-analysis/reports/0001/01/01/family-structure-and-the-economic-mobility-of-children; and Richard V. Reeves, "Where's the Glue? Policies to Close the Family Gap," Brookings Institution, March 4, 2019, https://www.brookings.edu/research/wheres-the-glue-policies-to-close-the-family-gap-2.

16. Data retrieved from Child Trends, website, https://www.childtrends.org; and Ron Haskins, "The Family Is Here to Stay—or Not," *Future of Children* 25, no. 2 (Fall 2015): 129–53, https://eric.ed.gov/?id=EJ1079403.

17. Laurel Elder and Steven Greene, *The Politics of Parenthood: Causes and Consequences of the Politicization and Polarization of the American Family* (Albany, NY: State University of New York Press, 2013).

18. Emily Tisch Sussman, "Senator Kirsten Gillibrand on Her Fight to Help Families: 'Paid Leave Is for Everybody, for All Life Events,'" *Parents*, October 1, 2021, https://www.parents.com/parenting/work/moms-run-the-world/senator-kirsten-gillibrand-on-her-fight-to-help-families-paid-leave-is-for-everybody-for-all-life-events.

19. Marco Rubio, "Video: Rubio: We Cannot Be a Strong Country, If We Do Not Have Strong Communities, Strong Families, and Strong People," press release, December 11, 2018, https://www.rubio.senate.gov/public/index.cfm/2018/12/video-rubio-we-cannot-be-a-strong-country-if-we-do-not-have-strong-communities-strong-families-and-strong-people.

20. Angela Rachidi, "America's Path Toward a Guaranteed Income for Families: How Nixon's Family Assistance Plan Shaped Antipoverty Policy," American Enterprise Institute, October 27, 2021, https://www.aei.org/research-products/report/americas-path-toward-a-guaranteed-income-for-families-with-children-how-nixons-family-assistance-plan-shaped-antipoverty-policy.

21. US Department of Commerce, Office of Human Resources Management, "Paid Parental Leave for Federal Employees," https://www.commerce.gov/hr/paid-parental-leave-federal-employees; and Danielle Paquette and Damian Paletta, "U.S. Could Get First Paid Family Leave Benefit Under Trump Budget Proposal," *Washington Post*, May 18, 2017, https://www.washingtonpost.com/news/wonk/wp/2017/05/18/u-s-could-get-first-paid-family-leave-benefit-under-trump-plan.

22. White House, "President Biden Announces the Build Back Better Framework," press release, October 28, 2021, https://www.whitehouse.gov/briefing-room/statements-releases/2021/10/28/president-biden-announces-the-build-back-better-framework; and White House, "The Build Back Better Framework," https://www.whitehouse.gov/build-back-better.

23. White House, "Fact Sheet: The American Families Plan," press release, April 28, 2021, https://www.whitehouse.gov/briefing-room/statements-releases/2021/04/28/fact-sheet-the-american-families-plan.

24. *New York Times*, "Biden's Speech to Congress: Full Transcript," September 7, 2021, https://www.nytimes.com/2021/04/29/us/politics/joe-biden-speech-transcript.html.

25. Josh Hawley, "Senator Hawley Introduces Parent Tax Credit—Historic Relief for Working Families," press release, April 26, 2021, https://www.hawley.senate.gov/senator-hawley-introduces-parent-tax-credit-historic-relief-working-families.

26. Hawley, "Senator Hawley Introduces Parent Tax Credit."

27. Wendy Wang, "The U.S. Divorce Rate Has Hit a 50-Year Low," Institute for Family Studies, November 10, 2020, https://ifstudies.org/blog/the-us-divorce-rate-has-hit-a-50-year-low.

28. Yerís Mayol-García, Benjamin Gurrentz, and Rose M. Kreider, "Number, Timing, and Duration of Marriages and Divorces: 2016," US Census Bureau, April 2021, https://www.census.gov/library/publications/2021/demo/p70-167.html.

29. Lyman Stone, "What the Latest Current Population Survey Tells Us About the Future of Fertility," Institute for Family Studies, September 21, 2021, https://ifstudies.org/blog/what-the-latest-current-population-survey-tells-us-about-the-future-of-fertility.

30. Social Capital Project, *What We Do Together: The State of Associational Life in America*, May 2017, https://www.jec.senate.gov/

public/_cache/files/6f670ee8-74de-497a-85f6-4cf6502d52d4/1-17-what-we-do-together.pdf.

31. Christina King, Scott Winship, and Adam N. Michel, *Reconnecting Americans to the Benefits of Work*, Social Capital Project, October 2021, https://www.jec.senate.gov/public/_cache/files/5ac0a254-ff00-4a18-baf0-bdfedb9bb154/connections-to-work.pdf.

32. Congressional Budget Office, "The Distribution of Household Income, 2018," August 2021, https://www.cbo.gov/system/files/2021-08/57061-Distribution-Household-Income.pdf.

33. Michael R. Strain, *The American Dream Is Not Dead:* (*But Populism Could Kill It*) (West Conshohocken, PA: Templeton Press, 2020).

34. Strain, *The American Dream Is Not Dead*.

35. Strain, *The American Dream Is Not Dead*, 54.

36. Bruce D. Meyer, Wallace K. C. Mok, and James X. Sullivan, "Household Surveys in Crisis," *Journal of Economic Perspectives* 29, no. 4 (Fall 2015): 199–226, https://www.aeaweb.org/articles?id=10.1257/jep.29.4.199.

37. Race or ethnicity reflects the head of household, not necessarily everyone in the family.

38. Mark J. Perry, "Chart of the Day. . . . or Century?," Carpe Diem, January 17, 2021, https://www.aei.org/carpe-diem/chart-of-the-day-or-century-5.

39. Emily J. Warren, "Housing Affordability and Material Hardship: Does Affordability Measurement Matter?," *Journal of Poverty* 22, no. 3 (2018): 228–47, https://www.tandfonline.com/doi/abs/10.1080/10875549.2017.1419527.

40. Jane Dokko, "Housing Affordability: Recommendations for New Research to Guide Policy," *Economic Policy Review* 24, no. 3 (December 2018): 138–44, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3298993.

41. US Department of Housing and Urban Development, Office of Policy Development and Research, "Rental Burdens: Rethinking Affordability Measures," https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html.

42. Andrew Dumont, "Housing Affordability in the U.S.: Trends by Geography, Tenure, and Household Income," Board of Governors of the Federal Reserve System, September 27, 2019, https://www.federalreserve.gov/econres/notes/feds-notes/housing-affordability-in-the-us-trends-by-geography-tenure-and-household-income-20190927.html.

43. Dumont, "Housing Affordability in the U.S."

44. Stuart Gabriel and Gary Painter, "Why Affordability Matters," *Regional Science and Urban Economics* 80 (2020), 103378, https://doi.org/10.1016/j.regsciurbeco.2018.07.001.

45. Stuart Gabriel and Gary Painter, "Why Affordability Matters," *Regional Science and Urban Economics* 80 (2020): 103378, https://doi.org/10.1016/j.regsciurbeco.2018.07.001.

46. Stuart Gabriel and Gary Painter, "Why Affordability Matters" (lecture, American Enterprise Institute, Washington, DC, April 2017), https://www.aei.org/wp-content/uploads/2017/04/Overview-Talk-Panel-1.pdf?x91208.

47. Federal Reserve Economic Data, St. Louis Federal Reserve, Homeownership Rate in the United States, January 31, 2023, https://fred.stlouisfed.org/series/RHORUSQ156N.

48. Dumont, "Housing Affordability in the U.S."

49. Kendall Swenson and Kimberly Burgess Simms, "Increases in Out-of-Pocket Child Care Costs: 1995 to 2016," US Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, May 2021, https://aspe.hhs.gov/reports/increases-out-pocket-child-care-costs-1995-2016.

50. Swenson and Simms, "Increases in Out-of-Pocket Child Care Costs."

51. Chris M. Herbst, "The Rising Cost of Child Care in the United States: A Reassessment of the Evidence," *Economics of Education Review* 64 (June 2018): 13–30, https://www.sciencedirect.com/science/article/abs/pii/S0272775717307872.

52. Kimberly Burgess et al., "Trends in the Use of Early Care and Education, 1995–2011: Descriptive Analysis of Child Care Arrangements from National Survey Data," US Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, March 30, 2014, https://aspe.hhs.gov/reports/trends-use-early-care-education-1995-2011-descriptive-analysis-child-care-arrangements-national-0.

53. Perry, "Chart of the Day. . . . or Century?"

54. Jason Delisle, "The Cost of Free College Plans," *National Affairs*, Spring 2020, https://www.nationalaffairs.com/publications/detail/the-cost-of-free-college-plans.

55. Social Capital Project, *What We Do Together*.

56. Wells King, Vijay Menon, and Robert Bellafiore, *The Space Between: Renewing the American Tradition of Civil Society*, Social Capital Project, December 2019, https://www.jec.senate.gov/public/index.cfm/republicans/analysis?ID=78A35E07-4C86-44A2-8480-BE0DB8CB104E; and Raj Chetty et al., "Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States" (working paper, National Bureau of Economic Research, Cambridge, MA, June 2014), https://www.nber.org/papers/w19843.

57. King, Menon, and Bellafiore, *The Space Between*.

58. King, Menon, and Bellafiore, *The Space Between*.

59. Yuval Levin, *A Time to Build: From Family and Community to Congress and the Campus, How Recommitting to Our Institutions Can Revive the American Dream* (New York: Basic Books, 2020).

60. Mark J. Perry, "New US Homes Today Are 1,000 Square Feet Larger Than in 1973 and Living Space per Person Has Nearly Doubled," Carpe Diem, June 5, 2016, https://www.aei.org/carpe-diem/new-us-homes-today-are-1000-square-feet-larger-than-in-1973-and-living-space-per-person-has-nearly-doubled.

61. US Department of Energy, "Fact #841: October 6, 2014 Vehicles per Thousand People," October 6, 2014, https://www.energy.gov/eere/vehicles/fact-841-october-6-2014-vehicles-thousand-people-us-vs-other-world-regions.

62. Steven Kopits, "Per Capita VMT Is Peaking Out . . . Again," Princeton Energy Advisors, May 15, 2018, http://www.prienga.com/blog/2018/5/15/per-capita-vmt-is-peaking-outagain.

63. Skye Gould, "6 Charts That Show How Much More Americans Eat Than They Used To," Insider, May 10, 2017, https://www.businessinsider.com/daily-calories-americans-eat-increase-2016-07.

64. Marc Bain, "Consumer Culture Has Found Its Perfect Match in Our Mobile-First, Fast-Fashion Lifestyles," Quartz, March 21, 2015, https://qz.com/359040/the-internet-and-cheap-clothes-have-made-us-sport-shoppers.

65. Bruce D. Meyer and James X. Sullivan, "Annual Report on US Consumption Poverty: 2018," American Enterprise Institute, October 18, 2019, https://www.aei.org/research-products/report/annual-report-on-us-consumption-poverty-2018.

66. Gallup, "Children," https://news.gallup.com/poll/1588/children-violence.aspx.

67. Claire Cain Miller, "Americans Are Having Fewer Babies. They Told Us Why.," *New York Times*, July 5, 2018, https://www.nytimes.com/2018/07/05/upshot/americans-are-having-fewer-babies-they-told-us-why.html.

68. Christopher F. Karpowitz and Jeremy C. Pope, *The American Family Survey Report: 2019 Summary Report: Trends, Knowledge, and Family Leave Policy*, Center for the Study of Elections and Democracy, September 13, 2019, https://csed.byu.edu/0000017e-2611-d5d4-a57f-277126ef0001/american-family-survey-2019-report-pdf.

69. Author's calculations using the General Social Survey.

70. Merrill, *The Financial Journey of Modern Parenting: Joy, Complexity and Sacrifice*, 2018, https://mlaem.fs.ml.com/content/dam/ml/registration/ml_parentstudybrochure.pdf.

71. Frank Newport and Joy Wilke, "Desire for Children Still Norm in U.S.," Gallup, September 25, 2013, https://news.gallup.com/poll/164618/desire-children-norm.aspx.