



Marriage: We need to talk about Hungary

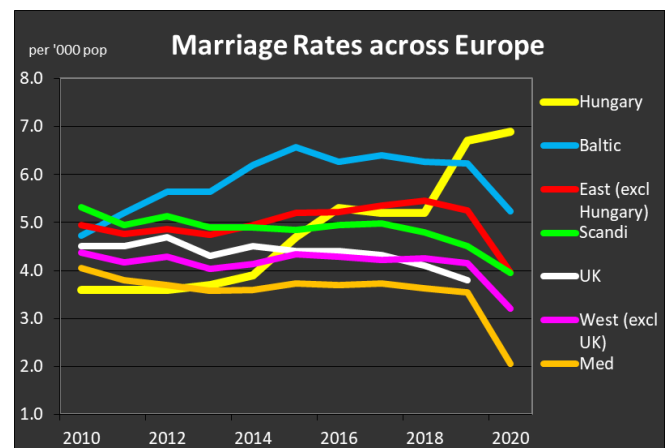
Harry Benson, August 2022

- Our analysis of new data from Eurostat shows that marriage rates fell in every European country during 2020, the first year of lockdown, except one. In Hungary, marriages rose by 3%.
- On average, there were 12-16% fewer marriages in the northern European countries of Scandinavia and the Baltic, 23% fewer in Western Europe, 24% fewer in Eastern Europe, and 42% fewer in the Mediterranean countries of Southern Europe.
- Hungary now has the highest marriage rates in Europe, the result of a decade of family friendly policies aimed primarily at encouraging an increase in fertility. Although policies support all family types, some have specific advantages for couples who are married. For example, certain subsidised government loans can be deferred or waived entirely for those who have up to three children, but only if the parents are married.
- Marriage rates in Hungary have now risen by 92% between 2010 and 2020, taking their ranking from 28th in Europe to 1st. This contrasts sharply with the rest of Europe, where marriage rates have fallen in every country except the Baltic states of Estonia and Latvia. The biggest falls have been in Ireland, Italy and Portugal where marriage rates have fallen by more than half, which includes the falls due to lockdown.
- Marriage rates in the UK fell by 16% between 2010 and 2019, taking their ranking from 17th in Europe to 25th. UK figures are not yet available for 2020. However, based on typical falls across Western Europe, I would expect a further drop in marriages of 20-25%.
- There will of course be something of a rebound in marriages across Europe in 2021 and 2022 as government restrictions have relaxed.
- However politicians of all parties should be deeply concerned at these figures. Married families are typically more stable, pay more tax, and require fewer benefits. Fewer marriages therefore means more family breakdown, less tax and higher welfare bills.
- We need to talk about Hungary.

These data from Eurostat and the UK's ONS show 'crude' marriage rates per '000 population.

The effect of Hungary's decade long family policies that explicitly benefit married families – even bucking the Europe-wide downtrend during lockdown – should be crystal clear.

Marriages per '000 pop	2010	2019	2020	vs 2010	vs 2019
Hungary	3.6	6.7	6.9	+92%	+3%
Baltic	4.7	6.2	5.2	+11%	-16%
East (excl Hungary)	5.0	5.2	4.0	-20%	-24%
Scandinavia	5.3	4.5	4.0	-26%	-12%
West (excl UK)	4.4	4.2	3.2	-27%	-23%
UK	4.5	3.8	n/a	n/a	n/a
Mediterranean	4.1	3.6	2.1	-49%	-42%



Marriage rates before lockdown

Between 2010 and the end of 2019 – ie before lockdown policies put marriage on hold for many – marriage rates had been slowly falling across Western Europe and slowly rising in Eastern Europe.

For about half of the countries in Europe, this involved rises or falls of less than 10%. Only four countries out of the 30 surveyed saw changes of more than 20% in either direction. Marriage rates rose 32% in Estonia, 52% in Latvia, and 86% in Hungary while falling 29% in Finland.

Other than Hungary I have no compelling explanation for these larger changes. The 32% overall rise in the three Baltic states, including Lithuania, certainly merits further exploration.

Marriage rates during lockdown

Lockdown changed everything.

Almost all countries across Europe imposed restrictions than either explicitly or implicitly prevented couples from getting married. It should therefore be no surprise to see that marriage rates fell in almost every country. The exception is Hungary.

The table below shows ‘crude’ marriage rates per ‘000 population, accessed from Eurostat (2022).

	Marriages per '000 pop			Rankings	
	2019	2020	Change	2019	2020
Hungary	6.7	6.9	+3%	3	1
Albania	7.9	6.2	-22%	1	2
Latvia	6.7	5.6	-16%	3	3
Lithuania	7.0	5.5	-21%	2	4
Denmark	5.3	4.9	-8%	7	5
Estonia	5.0	4.6	-8%	11	6
Germany	5.0	4.5	-10%	11	7
Slovakia	5.4	4.4	-19%	6	8
Austria	5.2	4.4	-15%	8	8
Romania	6.6	4.2	-36%	5	10
Czechia	5.1	4.2	-18%	9	10
Switzerland	4.5	4.1	-9%	16	12
Finland	4.0	4.0	-0%	20	13
Croatia	4.9	3.8	-22%	13	14
Poland	4.8	3.8	-21%	14	14
Sweden	4.7	3.6	-23%	15	16
Serbia	5.1	3.4	-33%	9	17
Norway	4.0	3.3	-18%	20	18
Bulgaria	4.2	3.2	-24%	18	19
Greece	4.4	2.9	-34%	17	20
Netherlands	3.7	2.9	-22%	24	20
Luxembourg	3.5	2.9	-17%	25	20
Belgium	3.9	2.8	-28%	22	23
Slovenia	3.2	2.5	-22%	28	24
France	3.3	2.2	-33%	27	25
Ireland	4.1	1.9	-54%	19	26
Spain	3.5	1.9	-46%	25	26
Portugal	3.2	1.8	-44%	28	28
Italy	3.1	1.6	-48%	30	29
UK	3.8			23	

If there is any discernible pattern at all, it is that – apart from Ireland – rates fell most in the Mediterranean countries of Greece Portugal, Spain and Italy and – apart from Hungary – rates fell least in the Scandinavian countries of Finland and Denmark. Perhaps surprisingly given its relaxed covid policies, Sweden experienced a drop of 23% fewer weddings.

Given that the UK has only just released marriage figures for 2019, we will have to wait another year or so for 2020 figures.

However among our immediate neighbours, weddings were down 54% in Ireland, 33% in France, 28% in Belgium, 22% in the Netherlands, and 10% in Germany.

Recalling that weddings were virtually banned outright during early lockdown in England and Wales and then tightly restricted, it seems reasonable to expect a similar fall of 20-25% for us too when the 2020 figures do come out.

Let’s talk about Hungary

Let me start by acknowledging that Hungary has incurred the wrath of some British politicians and commentators for its restrictive policies on immigration and same sex marriage.

But that shouldn’t stop us from looking at the reasons why Hungary was the only country in Europe to see a rise in marriage rates during 2020, albeit a rather modest 3%. It takes their total rise in marriage rates since 2010 to 92%.

Why?

First let’s contrast British family policy with Hungary family policy. Whereas Hungary actively encourages marriage via financial *incentives*, Britain actively discourages marriage via financial *disincentives*.

In the UK, there are no overt tax advantages to being married rather than cohabiting. Since the 1990s, HMRC has treated cohabiting couples as ‘living together as if married’.

The UK government’s major policy on supporting marriage amounts to little more than lip service. Low income couples can transfer part of their tax allowance from the higher earner and gain up to £250 per year.

However the very same low income families stand to lose as much as £10,000 every year of tax credit or Universal Credit entitlement if they live together or marry. This is because welfare is

assessed on total household income. Move in or marry and their income is added to the household. In fact, that is also the case even if married couples are not living together under the same roof for whatever reason.

With these disincentives in the UK welfare system, the surprise is that any low income couples bother to marry at all.

We have regularly highlighted the huge gap in marriage rates between rich and poor (Benson & McKay 2015). Other UK studies confirm what one would assume. Welfare policies are 'strongly influential' on the decision of lone mothers to live with the father of their child or not (Griffiths 2017).

So what about Hungary?

Since 2010, Hungary implemented a series of family policies aimed at addressing a demographic problem. Hungary's fertility rate was not only below that of the EU as a whole but well below that necessary to replace her population.

Family policy aimed at supporting those who wished to have children was therefore administered separately from social policy aimed at reducing poverty.

Nonetheless most of the subsequent family support measures have been tied to employment. For example, income tax in Hungary is reduced for parents of two or three children and exempt altogether for mothers of four children or more.

But some of the family policies have also been tied to marriage, in particular government-backed subsidies or loans.

For example, while all mothers with three existing children can access a one-off house payment of circa £28,000 for buying a new house or apartment, married couples can also access this payment if they say they will have three children in the future. The same principle applies to a further £40,000 subsidised residential loan that is available to all parents of three children and married couples who say they will in the future.

Married couples where the wife is between 18 and 40 can also access a £25,000 interest free loan. Repayments of this loan are then suspended or reduced if the couple has one or two children. The loan is written off altogether if

they have three children. This loan is only available to married couples and can be used for anything. Newlyweds also receive a small reduction in income tax for the two years after their wedding.

The consequences of this ten year-long family policy are striking. According to the Maria Kopp Institute for Demography and Families, fertility rates have risen from 1.25 to 1.59 births per woman, just above the EU average. Births outside marriage have fallen from 48% in 2010 to 30% in 2021. And marriage rates have risen by 92%. In parallel, divorces decreased by 37% between 2010 and 2020 (Fűrész-Molnár 2022)

With family policies like these that unashamedly acknowledge the state's encouragement of couples who marry, it should now be less of a surprise to understand why only Hungary's marriage rates continued to rise by 3% during lockdown while marriage rates in every other country in Europe fell.

Note:

'Crude marriage rates', as published by Eurostat, represent the proportion of marriages per total adult '000 population. It's not the ideal measure of marriage rates because it's not measuring the proportion of unmarried population who marry, which is what we really want to know. The UK Office for National Statistics uses this preferred method. However the crude rate is certainly good enough for measuring trends over time.

References

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