Effects of Stepfamilies on Financial Stability

1. Income

Remarriage increases a divorced parent’s family income; though it is still lower than that of the always-intact married family (Chart 1). In the United States during the 1970s, approximately one in five women remarried within a year after a divorce. Remarriage improves the average woman’s post-divorce economic situation. In Europe, the income of divorced European women who do remarry increases by 26 percent.

2. Net Worth

Men who remarry after divorce have 29 percent less net worth than continuously-married men. Though remarriage after divorce brings an increase in household net worth, many remarried spouses choose to keep money in separate accounts rather than pooling all their resources, indicating some fall-out from their earlier experience of divorce.

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This entry draws heavily from Marriage and Economic Well Being: The Economy Rises or Falls with Marriage.