



Divorce law reforms and house prices in Europe

Rafael González-Val^{1,2} · Miriam Marcén¹

Accepted: 5 September 2024
© The Author(s) 2024

Abstract

This study investigates the static and dynamic effects of legal reforms facilitating divorce on housing prices. Multiple mechanisms, such as variations in housing demand and supply, can be influenced by these law reforms. On the one hand, divorced individuals often require separate dwellings, thus increasing housing demand. On the other hand, an increase in supply is often precipitated by the divorcees needing to sell their married home. Detailed information was collected regarding the historical changes in divorce laws across ten European countries from 1960 to 2008. This data was combined with information from the annual Real House Price Index developed by Knoll et al. (*Am Econ Rev* 107:331–353, 2017). The study regards the divorce law reforms as providing a quasi-experimental setting. This is primarily because the entry timings of these reforms differ across countries and their target is not regulation of the housing market, but rather to simplify the dissolution of marriages. The study finds that divorce law reforms accounted for a substantial 22% of the average interannual increment in the Real House Price Index, particularly 3–6 years post reforms. Such a short-term, yet significant, impact was found to be consistent even after performing identification checks and including time-variant and invariant controls.

Keywords Divorce laws · Real house prices · Europe

JEL Classification D10 · J12 · R21

1 Introduction

Divorce law regulates the dissolution of marital unions, but it may also have unexplored economic implications beyond the immediate scope of marriage. Most scholarly literature regarding the consequences of divorce laws mainly concentrates on

✉ Rafael González-Val
rafaelg@unizar.es

¹ Universidad de Zaragoza, Zaragoza, Spain

² Institut d’Economia de Barcelona, Barcelona, Spain

the transient or permanent effects on divorce rates (Friedberg, 1998; González & Viitanen, 2009; González-Val & Marcén, 2012a, 2012b; Wolfers, 2006). For instance, González and Viitanen (2009) discovered that the short-term effects of unilateral divorce reforms on European divorce rates persisted for between 5 and 8 years. Meanwhile, the lasting effects of no-fault reforms, which began sweeping European countries from the 1970s onward, were estimated to be permanent.¹ Their analysis indicated that these reforms contributed to a significant increase of roughly 0.6 divorces per 1,000 inhabitants. This temporary spike aligned with the substantial rise in real house prices noticed in most advanced European countries (Knoll et al., 2017). As divorce legislation and its reforms do not happen in isolation, they may intersect with housing market dynamics. The introduction or modification of divorce laws could be viewed as a sudden unexpected event within the housing market, triggered by a sharp rise in the number of individuals seeking or planning to divorce. Our focus is to delve into how divorce laws influence house prices, utilizing European divorce law reforms.

Contrary to our approach, the existing literature on the relationship between divorce and house prices primarily focuses on evaluating the influence of changes in house prices on divorce decisions. These analyses are predominantly based on the economic costs of divorce that are external to the marriage itself. Using US Current Population Survey (CPS) data by metropolitan statistical area, Farnham et al. (2011) demonstrated a significant positive impact of changes in house prices on the risk of divorce from 1991 to 2010. Similarly, Klein (2017) concluded that a one standard deviation increase in US house prices resulted in a decreased divorce risk in the ensuing year by approximately 13–18%. In the case of the UK, data from individual households obtained from the BHPS and county-level house price data revealed that positive and negative changes to house prices have disparate effects on the probability of partnership dissolution (Rainer and Smith (2010)). Specifically, negative house price changes significantly increased the risk of partnership dissolution, while positive house price changes generally did not demonstrate a significant impact. Using aggregated regional data from 2002 to 2010 for 30 Iranian provinces, Farzanegan and Gholipour (2016) found a significant positive impact of housing prices on divorce rates.²

What the existing literature has failed to acknowledge, is that alterations in the legislation governing divorce can make divorce easier and more convenient and appealing for reasons unrelated to existing house prices, yet with potential implications for the housing market. Regardless of whether the influence of divorce laws on divorce rates is transitory (Wolfers, 2006) or permanent (Friedberg, 1998; González

¹ A fault divorce may be granted when one of the spouses proves that the other engaged in conduct that contributed to the failure of the marriage. The specific grounds for fault divorce vary from country to country, but some traditional examples include adultery, cruelty, imprisonment, physical inability to have sexual relations, and incurable insanity. No-fault divorce does not include those requirements. In the case of unilateral divorce, one spouse unilaterally decides to initiate divorce proceedings without requiring the consent or agreement of the other party; mutual consent is unnecessary.

² There are other works exploring the effect of housing tenure status on marriage dissolution, with homeowners having more stable relationships than tenants (Krapf & Wagner, 2020; Lafortune & Low, 2023).

& Viitanen, 2009), the immediate effect would be a substantial surge in divorces of unpredictable magnitude and consequently, a sudden rise in housing demand, prompted by the growth in the number of individuals living, or intending to live, separately. Moreover, divorce law reforms can also impact the housing market supply, as divorcées frequently need to divest their communal properties.

Figure 1 illustrates the potential economic impact of the divorce law reform on the housing market. The graphs represent the supply and demand in the housing market, both before and after supply and demand shocks. An increased demand for houses corresponds to a rightward shift of the demand curve; granted all other elements stay the same, this increase could provoke a short-term escalation in the equilibrium price as a consequence of the divorce law reform, as depicted in Fig. 1a. However, the supply side could also be impacted, given that divorced couples frequently liquidate their joint properties. This surge could instigate a rightward shift in the supply curve. In principle, the effect on price would be theoretically indeterminable as it relies on the intensity of changes in supply and demand, as observable in Fig. 1b, c, d. Besides, the housing market's response may be limited or even offset, both in terms of magnitude and over time, due to various factors. These might include the portion of the housing market affected relative to house size and location, the rental market's reaction, and other changes on the supply side of the housing market. For definitive effect estimation on housing prices, an empirical analysis is required.

We exploit the temporal variations in the divorce law changes across ten European countries. The European landscape provides an intriguing case study as each country independently regulates divorce, exhibiting a relatively uniform pattern of liberalised divorce laws that simplify the divorce process. These similarities help to mitigate potential concerns regarding the heterogeneity in responses of the house prices to divorce law reforms. Sufficient variation in house prices over both time and country in the period examined allows us to conduct a reliable analysis (Knoll et al., 2017). For our study, we collected information on when divorce law reforms were implemented in each country, and the specific changes enacted. We combined this information with consistent, country-level data on house prices that spanned from 1960 to 2008, using a portion of the Jordà-Schularick-Taylor Macrohistory Database (Jordà et al., 2017; Knoll et al., 2017).

Our paper primarily contributes to the extensive literature aimed at understanding the impact of divorce laws on several socioeconomic outcomes. Most studies have concentrated on the US case, which offers a framework of divorce law liberalisation across its various states (no-fault and unilateral divorce law reforms). For instance, Stevenson (2007) found that the liberalisation of divorce laws—irrespective of existing property division laws—decreased investment in all forms of marriage-specific capital explored in the study (spouse's education, children, and household specialisation) except for home ownership. Stevenson (2008) concluded that divorce law reforms across US states resulted in a rise in both married and unmarried female labour force participation. Several studies focused on the US have also shown that divorce law reforms significantly impacted crime rates, both inside and outside the home. Regarding domestic violence, Stevenson and Wolfers (2006) reported that states which facilitated divorce through law reforms witnessed a significant decrease in both male- and female-initiated

domestic violence. Domestic violence rates dropped by approximately one-third. For overall crime rates, Cáceres-Delpiano and Giolito (2012) estimated that unilateral divorce contributed to an increase in violent crime rates of about 9% during the period from 1965 to 1996. Ciacci (2023) reported that unilateral divorce led to a reduction in prostitution. In Europe, Bellido and Marcén (2014) studied the effects of no-fault and unilateral divorce law reforms on fertility. The results suggest that divorce liberalisation had a permanent, negative effect on fertility, reducing the total fertility rate by about 0.2. We add to this literature by providing empirical evidence of a positive and significant effect of divorce law reforms on real house prices for a sample of ten European countries during the latter half of the twentieth century.

We contribute to the literature by examining the factors affecting house prices. An extensive body of work navigates policy issues and the macroeconomic determinants of the evolution of house price trends (Duca et al., 2021). Other research explore how regulations, especially land use restrictions, can influence house prices. The implementation of such restrictions could curtail the housing supply, leading to increased prices following a demand surge rather than an increase in housing availability (Glaeser et al., 2005). However, this can be variable over time. We expand upon this research vein by analysing the dynamic response of house prices to divorce law reforms. Our findings indicate a 2-year delay in the impact of these reforms on house prices, and that this effect is transient and primarily clustered within 3 to 6 years post-reforms. The examination of potential mechanisms, including demand and supply responses, corroborates our conclusions.

We also contribute to the extensive literature examining the social implications of divorce on women and children. The possibility of divorce may escalate female labour force participation (Johnson & Skinner, 1986; Michael, 1985; Parkman, 1992; Peters, 1986), but it can also influence the economic status of women and children (Bedard & Deschênes, 2005; Jarvis & Jenkins, 1999). Simultaneously, divorce may have long-term adverse effects on children (Amato, 2000; Gruber, 2004; Moschion & van Ours, 2019; Seltzer, 1994). Insight into how divorce laws can impact house prices can further our understanding of the negative economic repercussions of divorce. Our work showcases empirical evidence of the magnitude of the impact of divorce law reforms on house prices.

The remainder of the paper is organized as follows: Sect. 2 presents the data utilized. Sections 3 and 4 detail the methodology and reveal the primary regression results, respectively. Section 5 provides the conclusions.

2 Data

We utilized the Real House Price Index by country, from Knoll et al. (2017). This is part of the extensive macro-financial data known as the Jordà-Schularick-Taylor Macrohistory Database (Jordà et al., 2017). An in-depth Appendix, presented by Knoll et al. (2017), outlines the consulted sources and details the construction of

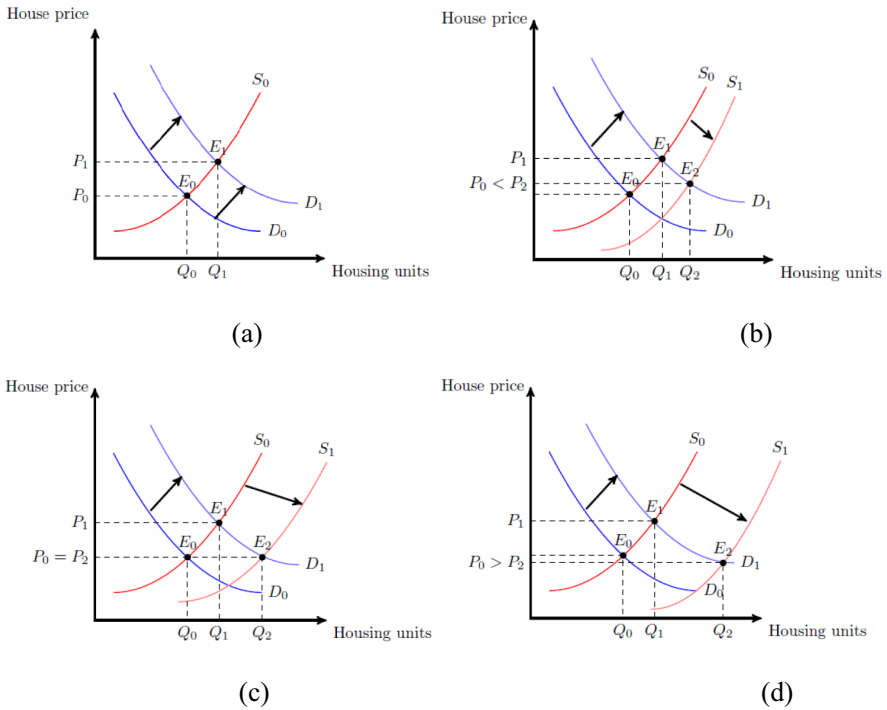


Fig. 1 Housing market

the individual country index in detail.³ Over 60 different sources were used to amalgamate existing data and unpublished material. Some series are based on appraisals, others on listed or transaction prices. Generally, data was chosen relating to the price of existing houses rather than new homes. They also gathered long-term indices for the price of residential land, agricultural land, and construction costs to approximate replacement costs, as house prices are segmented into replacement costs and the value of the underlying land. The house price index for each country encompasses the widest geographical extent possible and aims to maintain a consistent house type considered over time, offering a comparably consistent measure of real house prices amongst and within countries. The house price index's calculation is dependent on the available historical information per country, employing either a median price index, a mix-adjustment method, hedonic regressions, a repeat sales method, or the sales price appraisal.⁴ The majority of considered information is nationwide,

³ See this Appendix here: <https://www.aeaweb.org/articles?id=10.1257/aer.20150501>.

⁴ Knoll et al. (2017) use different approaches to determine the house price indices to overcome data limitations. One such approach is a stratification that separates the sample into several strata with specific price determining characteristics. Next, a mean or median price index is determined for each subsample and the aggregate index is computed as a weighted average of these sub-indices. A similar approach to stratification is the hedonic regression method. In this method, the intercept of a regression is used to relate house prices to a set of characteristics. The repeat sales method addresses the issue of unobserved heterogeneity by focusing on repeated transactions of individual houses. Similar to the repeat sales

focusing on existing dwellings rather than merely urban house prices. Knoll et al. (2017) provided annual house prices for 14 advanced economies. Non-European countries (Australia, Canada, Japan, and the US) were omitted to yield a sample of ten European countries: Belgium, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom.⁵

We utilized data from the years 1960 through 2008. Though Knoll et al. (2017) provided house price information beginning in 1870, we concentrated on the latter half of the twentieth century. Indeed, divorce had been permitted in all of sample countries before 1950 (Table 1), but we wanted to sidestep complications related to World War II (WWII) and its aftermath, including sporadic missing data from the war years.⁶ The final year considered was 2008, which was immediately before the most recent global financial crisis that impacted housing markets worldwide. Table 2 presents the average value of the Real House Price Index per country for the period under study. The index is set at 100 in 1990 (4.6 in logarithmic scale), with the greatest average value being for the Netherlands and the smallest for Finland. Tables 2 and 10 in the Appendix contain summary statistics for the remainder of the variables by country.

The timing of major divorce law reforms is depicted in Table 1,⁷ a summary initially presented by González and Viitanen (2009). Similarly to Bellido and Marcén (2014), we categorized all these legal changes as no-fault unilateral divorce. We made this categorization because all the changes facilitated divorce, regardless of the regime, and the empirical literature does not generally distinguish between these types of reform, as in the case of US divorce law reforms. Relevant reforms included any alteration to divorce laws that liberalised divorce, as well as changes that introduced unilateral divorce either implicitly (at least after a required separation period) or explicitly (divorce could be granted at the request of either spouse). The period of reforms commenced in 1970; Denmark implemented a divorce law reform that permitted unilateral divorce after a separation period. Later in the 1970s and 1980s, five countries (Belgium, France, Germany, the Netherlands, and the UK) allowed divorce once a couple had lived apart for a set period, enabling unilateral divorce post-separation. Norway adopted this regime in the 1990s, and Switzerland followed in 2000. Only Finland and Sweden recognized unilateral divorce, i.e., the right to divorce at the request of either spouse. In all cases, unilateral divorce is achievable

Footnote 4 (continued)

approach is the Sales Price Appraisal Ratio (SPAR) method, which matches an appraised value with a transaction price instead of using two transaction prices. The house price indices are comparable and take value 100 in 1990.

⁵ To our knowledge, cross-country data for rents are not available for this lengthy period, so we exclusively focus on house prices.

⁶ Even for 1960–2008, data are missing for Germany in 1960 and 1961.

⁷ The divorce law reforms considered here are major divorce law reforms that are associated with permanent shocks in the divorce rate series (González-Val & Marcén, 2012a). We have repeated our analysis without Belgium, France, and Switzerland because these countries introduced changes in the period of separation in 2007, 2004, and 2002, respectively (González-Val & Marcén, 2017), and results hold.

without mutual consent and fault requirements. Then, as described in the previous literature, these reforms are similar.

Figure 2 presents the temporal evolution of the Real House Price Index by country (in logs). The vertical red lines signify the dates on which the divorce law reforms were introduced in each country, as displayed in Table 1. The series began during WWII. Overall, real house prices remained steady until the late 1970s (except for Finland and France, where house prices showed notable growth from the period's onset), and were followed by persistent rapid growth in the majority of countries. A cursory examination suggests that house prices seemed to increase after the divorce law reform in some countries (Norway, the Netherlands, and the UK). In contrast, in others (like Finland), house prices dwindled; yet in most of the countries, there is no obvious visual correlation between the timing of the unilateral divorce law reforms and the trajectory of house prices. It is worth noting that divorce laws often do not demonstrate a clear trend break. This analysis is not definitive, and further effort was needed to discern any potential relationship between the variables of interest.⁸

3 Empirical strategy

Our empirical strategy takes advantage of the cross-country differences in the timing of divorce law liberalisation across Europe in order to identify the effects of these reforms on national house prices. As discussed above, the literature confirms that these changes increase divorces post-reform. Our argument suggests that while the total population of the country remains unaffected by these reforms, the surge in the number of people living separately causes a rightward shift in the housing demand curve. A corresponding shift in the supply side is likely anticipated as divorcées need to sell their shared homes, but we expect that the dominant impact would be on the demand side. In the short-term, this demand shift triggers a rise in house prices, consequently increasing builders' profits which may in turn affect supply. However, for various reasons that we explain below, these shifts in the housing market could be limited.

Firstly, the rehousing choices made by divorcées can influence the extent of the rightward shift in the demand side. This might only impact a specific segment of the housing market in terms of house size and location. Individuals who have to move out of the joint home post-divorce are likely to experience 'downward' moves on the housing ladder (Mikolai & Kulu, 2018a, 2018b). This could lead to an increased demand for smaller, more affordable homes as individuals aim to downsize their living arrangements. They may also transition from single-family, owner-occupied homes to rented housing (Feijten, 2005), and often move to shared housing or return to their parents' homes, at least temporarily (Feijten & van Ham, 2007). Dewilde (2008) found that divorce significantly raises the odds of experiencing a tenure change for homeowners in many European countries. Lersch and Vidal (2014)

⁸ For example, the possible existence of underlying demographic trends could explain both the raise on the housing prices and the divorce law reforms.

Table 1 Data on the year of divorce law reforms

Country	Year divorce allowed	No-fault unilateral
Belgium	Pre-1950	1975
Denmark	Pre-1950	1970
Finland	Pre-1950	1988
France	Pre-1950	1976
Germany	Pre-1950	1977
The Netherlands	Pre-1950	1971
Norway	Pre-1950	1993
Sweden	Pre-1950	1974
Switzerland	Pre-1950	2000
United Kingdom	Pre-1950	1971

Source: González and Viitanen (2009) and Bellido and Marcén (2014). The first column indicates the year in which each country included in our analysis first allowed divorce, and the second column shows the year of the first no-fault unilateral reform in divorce laws in those countries since 1940

also concluded that separation is negatively associated with homeownership, and although ownership rates do increase after re-partnering, these rates do not reach the level of ownership rates among people in their first marriage. Overall, this literature indicates that only a fraction of divorced people return to the housing market, and most of them do so after a period of temporary solutions. Considering this, we would expect divorce law reforms to have a limited, if any, impact on house prices, and that the effect may be delayed.

Secondly, the demand response could also be affected by the tenant proportion, a factor that might mitigate the impact of divorce laws and their respective reforms on housing prices. Generally, it could be expected that the higher the proportion of renters in a country, the lower the impact of divorce law reforms on house prices. This is to say, if homeownership rates are low, this could lessen the shift in the demand curve. In various European countries, a substantial proportion of individuals are renters instead of homeowners before divorce, and continue to rent post-marital dissolution. Dewilde (2008) provided data on the percentage of households in owner occupation across several European countries in 2001 (the latest year in our sample is 2008), revealing that the homeowners rate exceeded 66% in the majority of the surveyed countries.⁹ Unfortunately, there is a dearth of consistent cross-country annual rent data spanning a substantial period, leading us to exclude renters from our investigation. Of note, despite the significant differences in housing markets and

⁹ According to Dewilde (2008), if we focus on the countries in our sample, the percentage of households in owner occupation in 2001 was 74.1% in Belgium, 66.9% in Denmark, 68.8% in Finland, 63.1% in France, 44.4% in Germany, and 71.8% in the United Kingdom. Data for the Netherlands, Norway, Sweden, and Switzerland is not available from that source.

Table 2 Average values by country

Country	Real House Price index	Divorce rate	Dwellings completed / Stock of dwellings	Average number of rooms per person	Logarithmic growth in population	Real GDP per capita	Consumer price index	Population density	FLFP	Unemployment rate
Belgium	106.45	1.69	0.014	1.96	0.003	68.40	78.82	325.27	30.99	7.31
Denmark	125.06	2.40	0.015	1.63	0.004	73.45	73.24	118.43	43.66	5.22
Finland	72.52	2.02	0.026	1.34	0.004	63.71	70.40	14.35	44.76	6.10
France	88.96	1.51	0.019	1.30	0.007	70.20	72.30	102.54	34.31	6.36
Germany	94.66	1.83	0.020	1.80	0.008	72.11	87.19	246.11	36.28	5.19
The Netherlands	128.54	1.59	0.025	1.49	0.008	68.46	85.41	366.45	27.78	5.28
Norway	110.46	1.67	0.019	1.71	0.005	61.91	72.28	12.80	38.15	2.76
Sweden	92.55	2.13	0.018	1.73	0.004	69.44	72.22	20.47	44.59	4.02
Switzerland	75.25	1.69	0.021	1.51	0.007	80.78	83.09	160.97	40.79	1.42
United Kingdom	77.11	2.13	0.014	1.63	0.003	66.00	74.47	235.67	35.82	5.62

Real House Price Index and Consumer Price Index from Knoll et al. (2017) and Jordà et al. (2017). Population density is defined as the number of inhabitants per km²; the population and area used to compute the population density come from Knoll et al. (2017) and Jordà et al. (2017). Real House Price Index and Consumer Price Index (1990 = 100) from Knoll et al. (2017) and Jordà et al. (2017). Real GDP per capita data were taken from Barro/Ursua until 2005, and World Bank thereafter (2005 = 100). Female labour force participation is defined as the female civilian labour force over the number of women in percentage; the unemployment rate is defined as the percentage of the civilian labour force; data come from the OECD statistics. The sample for all variables is 1960–2008 except for dwellings completed / stock of dwellings, and the average number of rooms per person (1960–1998 in both cases). The German sample has two missing data for the Real House Price Index in 1960 and 1961

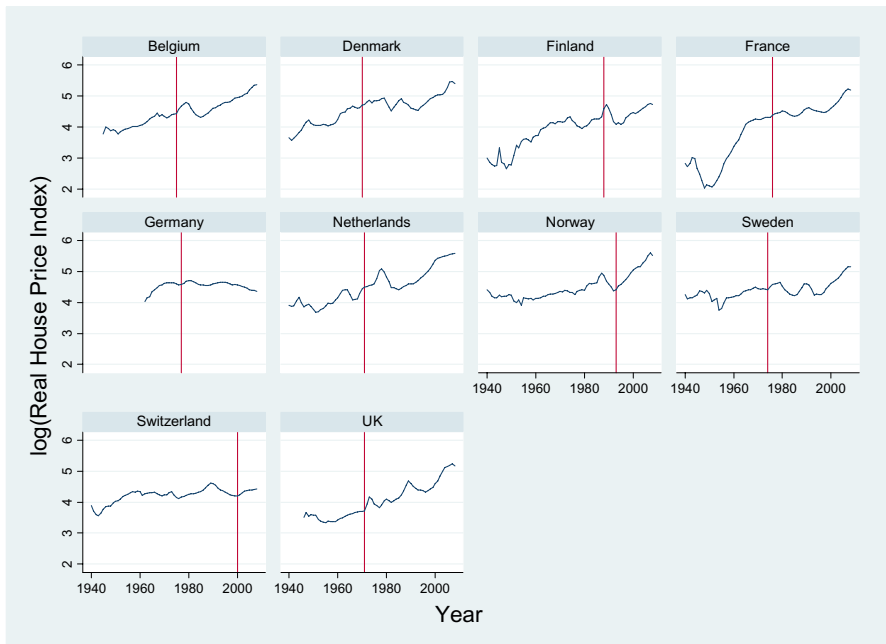


Fig. 2 Real House Price Index by country, 1940–2008. *Notes* Data source: Knoll et al. (2017). The vertical red lines indicate the dates when the no-fault unilateral divorce was introduced in each country (see Table 1)

welfare systems, homeownership is the most prevalent second destination tenure type among separated individuals in certain advanced countries (Kulu et al., 2021).

Third, the changes in the housing supply of may also contribute significantly. Standard microeconomic theory suggests that this extraordinary profitability would entice the entry of new builders into the market, thus creating a shift to the right of the housing supply curve. The long-term response of the supply side would not only depend on the number of homes built but also on the proportion of houses available for rent or sale. The allure of the rental market can lead to a significant influx of properties from the housing market to the rental market, thereby decreasing the supply of houses for sale, shifting the supply curve leftward and increasing house prices in the housing market. It is also worth noting that, in the short-term, divorcing couples may need to sell their homes as a consequence of their divorce. The wave of divorces following the approval of the divorce laws and their subsequent reforms can result in an influx of properties into the housing market, thus shifting the supply curve rightwards. This may then negatively impact house prices, at least in the short-term.

Thus, the interplay between divorce laws, their respective reforms, and house prices is intricate, potentially varying across different factors and over time. It is also important to ascertain the duration required for the housing market to adjust to the

new market equilibrium.¹⁰ An empirical analysis is required to determine the impact on housing prices. Intuitively, we anticipated that the adjustment process would take some time. The housing supply reacts slowly to escalating prices and unfulfilled demand (Bardhan, 2011). This sluggish response is not solely due to the time-consuming nature of physical building activities; it is also attributed to cumbersome and slow administrative procedures. Therefore, our empirical strategy distinguishes between the static and dynamic effects of the divorce law reforms. Initially, to capture the effect of divorce law reforms, we estimated the following expression:

$$\log(\text{Real House Price}_{ct}) = \alpha_c + \beta \text{NoFault}_{ct} + X_{ct} + \varphi_t + u_{ct}, \quad (1)$$

where NoFault_{ct} is a dummy variable that takes a value of ‘1’ when country c has a no-fault unilateral divorce law regime in year t , and ‘0’ otherwise. Holding constant the rest of the explanatory variables, the parameter β is interpreted as the average level shift in the real house prices after the law reform.

From a theoretical standpoint, as noted previously, the sign of this parameter is ambiguous, as the ultimate impact on house prices is dependent on whether the shift in housing demand or supply is more intense. The vector X includes a set of country-specific variables that can be related to the house prices for reasons unrelated to the approval of the divorce law reforms: per capita real gross domestic product (GDP), population density, a consumer price index (CPI), the unemployment rate, and female labour force participation (FLFP). The per capita real GDP represents average income, while the CPI measures living costs. Both are indicators of living standards; usually, higher average income or price levels correspond to higher house prices. The CPI was also set at 100 in 1990. Population density quantifies urban concentration within the country. The unemployment rate reflects the national business cycle, while the FLFP signifies differences in economic growth, social norms, educational attainment, fertility rates, and availability of childcare and other support services among countries (Verick, 2018). Johnson (2014) found that in the US, there exists a positive relationship between real house prices and labour force participation—high-priced housing markets are associated with higher labour force participation, and Salari and Javid (2019) reported that a 10% increase in FLFP leads to roughly a 12.5% increase in housing values, based on state-level data in the US from 2005 to 2013. The study posited that the entrance of more women into the workforce heightens household incomes, triggering a bidding war for housing which in turn, inflates housing prices. However, they also noted that women might curtail their labour contribution in response to a rise in housing prices, as it elevates household wealth, causing them to shift to other activities such as home production or childcare. Table 2 presents the average values for these variables by country, revealing differences across countries.¹¹ Country fixed effects (α_c) and year fixed effects (φ_t) are included, along with linear and quadratic country-specific time trends, to control

¹⁰ Note that our argument regarding the relationship between divorce law reforms and house prices holds regardless of whether the shock in divorce rates is temporary or permanent. The only difference would be the time needed in the transition to the new housing market equilibrium.

¹¹ Data sources are detailed in Table 2.

for evolving unobserved attributes that can vary across countries and/or over time. u_{ct} represents the standard error term.¹²

The estimate of the parameter β in Eq. (1) provides information about the average change in real house prices after the divorce law reforms take effect, controlling for fixed and time-specific shocks. However, it is conceivable that the impact of divorce law liberalisation has different short-term and long-term effects depending on the temporal transition to the new equilibrium in the housing market, which may gradually induce changes in house prices. To address this issue, we also estimated the dynamic response of house prices to divorce law reforms as in Wolfers (2006):

$$\log(\text{Real House Price}_{ct}) = \alpha_c + \sum_s \beta_s \text{NoFault}_{cts} + X_{ct} + \varphi_t + u_{ct}. \quad (2)$$

This model differs from the one previously discussed in that we introduce dummies to capture the dynamic effect of the shock. Thus, the variable NoFault_{cts} is now a set of dummies equal to '1' when country c has implemented a no-fault unilateral divorce law regime in year t for s periods, and '0' otherwise. These dummy variables are supposed to capture the entire dynamic response of house prices to the new legal regime, while the country-specific time trends identify pre-existing trends. A negative sign of the β parameter indicates that house prices in country c have fallen after s periods since the change in divorce law. The interpretation of a positive sign would be just the opposite. Again, we also add country fixed effects and year fixed effects, in addition to the country-specific controls, and linear and quadratic country-specific time trends, as in Eq. (1).¹³

There could be some issues with the dynamic model depicted in Eq. (2). Specifically, these include the potential existence of pre-trends (i.e., the parallel trends assumption) and concerns related to the variation in treatment timing, particularly with regard to the time elapsed since the treatment (Callaway & Sant'Anna, 2021; de Chaisemartin & D'Haultfœuille, 2020). To investigate these potential issues, we estimate an event study using the diff-in-diff estimator for multiple time periods as proposed by Callaway & Sant'Anna (2021) and Sant'Anna & Zhao, (2020). The results are displayed in Fig. 3, indicating no evidence of significant pre-trends in our data, which supports that assumptions hold. This provides additional evidence on the validity of the specification presented here.¹⁴

¹² As we only have ten countries in our sample, we do not use cluster-robust standard errors. According to the literature, an insufficient number of clusters (approximately less than 50) can lead to biased standard errors (Cameron et al., 2008; Esarey & Menger, 2019), even if the model is consistent and there are many observations in each cluster.

¹³ Note that there can be unobservable differences across countries making the timing of the divorce law endogenous to movements in the housing market. We recognize this possible problem here but we provide several analyses to mitigate any concern on this issue.

¹⁴ Our conservative interpretation of the event study results exclusively focus on identification. The reason is that the different generic approaches for estimating treatment effect parameters using difference-in-differences with multiple time periods are equivalent from the identification perspective, but this is not the case from the estimation/inference perspective, which requires a correct model specification because misspecification can lead to biased estimates (Callaway & Sant'Anna, 2021).

4 Results

4.1 Main results

Table 3 presents the estimates for Eq. (1). The first column, including country and year fixed effects, suggests that a change in divorce law is associated with an increase in real house prices. However, this effect is only significant at the 10% level. The significance of this effect completely disappears once country-specific linear time trends are added in Column (3). Yet, when we introduce the country-specific linear and quadratic time trends (Column 5), the coefficient becomes significant at the 5% level. The estimated coefficient is close to that in Column 1.

To examine the dynamic impact of the liberalisation of divorce laws, we adopted an alternative strategy proposed by Wolfers (2006), which facilitated the analysis of the dynamic response of real house prices to the implementation of divorce law reforms. This dynamic empirical method offered insights into the transition to the new equilibrium in the housing market through adjustments in house prices. Table 3 presents the regressions for Eq. (2) in Columns (2), (4), and (6). In Column (2), while only considering country and year fixed effects, no significant impact is observed except for the coefficient for 15 or more years post-reform. In Columns (4) and (6), which include country-specific linear and quadratic time trends, a similar pattern is noted for the dynamic response of house prices. There is no significant impact in the first 2 years following the divorce law reform. However, 3 to 6 years post-reform shows a positive and significant effect. Later on, the effect becomes non-significant or even turns significantly negative for 13 and 14 years after the reform. Moreover, the estimated coefficients presented in Columns (4) and (6) bear substantial similarity.¹⁵

Therefore, there is a 2-year lag in the impact of divorce law reforms on real house prices. This aligns with sociological literature indicating that most individuals do not immediately reenter the housing market after divorce; those who eventually return to homeownership typically do so after a period of temporary arrangements (see the survey by Wagner and Mulder (2016)). The positive effect of divorce law reforms on house prices is limited to years three to six post-reform, disappearing in later periods. This suggests that unilateral divorce law reforms have only a temporary effect on house prices.

Table 4 reports the estimates incorporating country-specific controls: per capita real GDP, population density, CPI, the unemployment rate, and the FLFP. All variables are in logarithmic scale, except the unemployment rate and the FLFP. The inclusion of these variables allows us to examine whether our findings are swayed by omitted economic and demographic variables. The impact of these factors,

¹⁵ As mentioned above, the validity of our results are based on the exogeneity of the divorce law reforms timing. We recognize that the possible existence of unobservable differences across countries could make divorce law endogenous to movements in the housing market. In any case, all our additional empirical analyses provide evidence in favor of that possible exogeneity in the timing of the divorce law reforms.

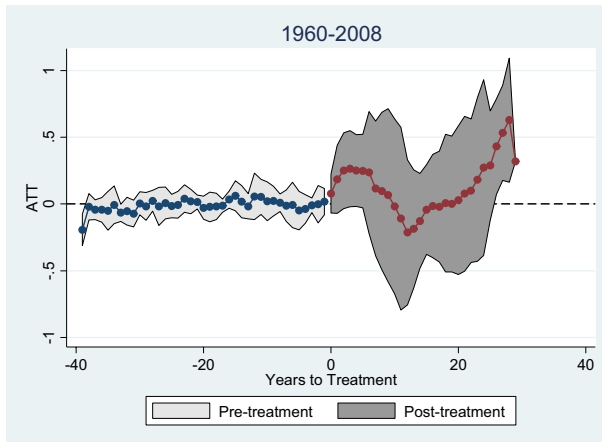


Fig. 3 Event study. *Notes* The event study was estimated using the doubly robust DiD estimator based on stabilised inverse probability weighting and ordinary least squares by Sant’Anna and Zhao (2020). Control group: Not yet treated observations. Sample period: 1960–2008. Estimations include country and year fixed-effects. Country-specific time trends (linear and quadratic) are not allowed

correlated with the outcome of interest, if omitted, would be captured by the coefficients measuring the effect of divorce law reforms in Table 3.¹⁶

The primary distinction from the estimates stated in Table 3 is that upon adding country-specific controls, the static effect of divorce law reforms turned positive and significant in all cases (Columns (1), (3), and (5) in Table 4). However, the size of the coefficients notably diminished as we introduced country-specific linear and quadratic time trends. The magnitude and duration of the dynamic effect were also lesser when inserting country-specific linear and quadratic time trends. In Column (2), all coefficients except the one corresponding to the initial 2 years following divorce law reform are positive and significant at the 5% level. Yet, when we incorporated country-specific linear time trends in Column (4), the effect’s duration is reduced to years 3 to 10 post-reform. Finally, in the specification that included country-specific linear and quadratic time trends, shown in Column (6), we once again obtained a positive, significant effect only for years 3 to 6 following the reform. Additionally, the estimated coefficients displayed in Columns (5) and (6) in Tables 3 and 4 are alike, indicating that our initial set of results is robust to the inclusion of country-specific controls. If we concentrate on the dynamic coefficients in Column (6) of Table 4 (our preferred specification, including country-specific controls and country-specific linear and quadratic time trends), the magnitude of the effect is 0.093 in the 3 to 4 years following the reform, and 0.126 in years 5 to 6. Being that the dependent variable is in logarithmic scale, these coefficients suggest

¹⁶ We have checked whether the implementation of the divorce law reforms is correlated with any of these variables. We do not find any significant evidence. These results are summarized in the Appendix (Table 11).

Table 3 Baseline regression: static and dynamic effects of divorce law reforms

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault unilateral divorce	0.066*		0.048		0.064**	
	(0.039)		(0.030)		(0.026)	
First 2 years		-0.034		0.031		0.014
		(0.059)		(0.031)		(0.030)
Years 3–4		0.050		0.109***		0.099***
		(0.061)		(0.035)		(0.037)
Years 5–6		0.053		0.107**		0.104**
		(0.074)		(0.043)		(0.041)
Years 7–8		0.072		0.096		0.094
		(0.086)		(0.065)		(0.066)
Years 9–10		0.082		0.053		0.055
		(0.059)		(0.058)		(0.061)
Years 11–12		-0.037		-0.091*		-0.077
		(0.049)		(0.051)		(0.050)
Years 13–14		-0.057		-0.135**		-0.111**
		(0.053)		(0.059)		(0.052)
Years 15 onwards		0.140***		-0.038		0.026
		(0.043)		(0.062)		(0.047)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.739	0.750	0.869	0.876	0.901	0.908
Observations	488	488	488	488	488	488

Sample period: 1960–2008. The German sample has two missing data for the Real House Price Index in 1960 and 1961. Dependent variable: $\log(\text{Real House Price Index})$. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

an increase of 1.1 points in the Real House Price Index in absolute value for both periods. The average interannual increment in the Real House Price Index for our sample of countries within the period of 1960–2008 is 2.5. Thus, while the dynamic effect of unilateral divorce law reforms is significant only during 4 years (years 3–6 post-reforms), in those years, that effect accounts for 22% of the average interannual increment in the Real House Price Index.¹⁷

¹⁷ We ran robustness checks with different subsamples: dropping each country at a time, with different sample periods, including and excluding population weights. Our results do not vary substantially. All these results are available from the authors upon request.

Table 4 Static and dynamic effects of divorce law reforms: Country-specific controls

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault Unilateral divorce	0.238*** (0.034)		0.111*** (0.027)		0.064** (0.027)	
First 2 years		0.068* (0.039)		0.048* (0.027)		0.010 (0.027)
Years 3–4		0.172*** (0.039)		0.136*** (0.031)		0.093*** (0.034)
Years 5–6		0.231*** (0.057)		0.171*** (0.039)		0.126*** (0.040)
Years 7–8		0.252*** (0.072)		0.158*** (0.057)		0.102 (0.062)
Years 9–10		0.298*** (0.052)		0.164*** (0.048)		0.098* (0.055)
Years 11–12		0.264*** (0.048)		0.080 (0.051)		0.012 (0.051)
Years 13–14		0.246*** (0.054)		0.029 (0.056)		-0.043 (0.053)
Years 15 onwards		0.325*** (0.039)		0.074 (0.048)		0.018 (0.048)
Log (Real GDP per capita)	1.081*** (0.117)	1.078*** (0.113)	1.142*** (0.198)	1.057*** (0.204)	1.384*** (0.290)	1.358*** (0.287)
Log (CPI)	0.286*** (0.053)	0.289*** (0.052)	-0.094 (0.102)	-0.127 (0.100)	-0.142 (0.125)	-0.193 (0.123)
Log (Population density)	0.725*** (0.233)	0.890*** (0.266)	0.779*** (0.209)	0.786*** (0.204)	0.389* (0.203)	0.414** (0.200)
Unemployment rate	-0.045*** (0.005)	-0.047*** (0.005)	-0.027*** (0.004)	-0.026*** (0.005)	-0.017*** (0.005)	-0.015** (0.006)
FLFP	-0.005* (0.003)	-0.006** (0.003)	-0.011*** (0.004)	-0.010*** (0.003)	-0.002 (0.006)	-0.001 (0.006)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.846	0.856	0.904	0.907	0.919	0.923
Observations	488	488	488	488	488	488

Sample period: 1960–2008. The German sample has two missing data for the Real House Price Index in 1960 and 1961. Dependent variable: log(Real House Price Index). All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

Concerning the country-specific variables, both the real GDP per capita and the CPI display a positive (when significant) coefficient, confirming that higher average

income or price levels lead to increased house prices. The coefficient picking up the effect of population density is consistently positive and significant, which indicates higher house prices in countries with less available space per individual. As expected, the impact of the unemployment rate is negative and significant in all cases, meaning that high unemployment rates, indicative of an economic crisis, are associated with decreased house prices. The coefficient of the FLFP is negative, but it becomes not significant when country-specific linear and quadratic time trends are incorporated.

We also conducted placebo regressions. One possible concern with our findings is that our static and dynamic models could be capturing factors influencing house prices coincidentally. Meaning, that the effects identified might not be directly attributable to the legal reforms, but instead explained by other factors. The key in the models specified in Eqs. (1) and (2) is the cross-sectional variation in the timing of the law reforms across countries; in the static model (Eq. 1), these dates determine the aftermath of the law reforms, while in the dynamic model (Eq. 2), these dates specify time dummies representing the number of years elapsed since the modification in the law. Therefore, we might expect that if we are truly capturing the dynamic effect of the law reforms, we should not obtain any significant coefficient if we run the same regression using random dates because there would be no effect of any event to capture.

We drew random law reform dates for all the countries from a discrete uniform distribution on the interval 1970 to 1990. This was the time when most of the divorce law reforms occurred (Table 1). We then defined the static $NoFault_{ct}$ dummy variable and the set of time dummies to measure the dynamic effect of the law reform using these random dates and re-estimating the models. We repeated this exercise 2000 times, which gave us a large number of different estimates of the coefficients for different random dates.¹⁸ From these 2000 replications, we obtained the bootstrapped average and standard deviations of all the coefficients. These bootstrapped coefficients are presented in Table 5 and should be compared with those obtained in Table 4 using the actual law reform dates. Results show that the coefficients of neither the static $NoFault_{ct}$ dummy variable nor the dynamic time dummies are now significant in any case and quite close to zero, while the coefficients for the rest of the controls are identical to those reported in Table 4. Consequently, random dates lead to no static or dynamic effect on house prices, providing additional empirical evidence in support of our main estimates. The law reform effects estimated in Table 4 are robust, as they can only be identified for the unique set of historical divorce law reform dates; any other random combination of dates leads to no effect on house prices. This approach has verified that our estimates in Table 4 accurately represent the impact of the law reforms on house prices.

¹⁸ The empirical distribution of the 2000 estimated coefficients in the placebo regressions is shown in Fig. 4 in the Appendix.

4.2 Assessing mechanisms: demand and supply sides

So far, we have examined the effect of making divorce easier on real house prices. In this subsection, we explore the validity of the hypothesised mechanisms outlined previously, which we believe to be responsible for the impact of divorce laws on house prices.

There exists a plausible reaction of housing demand to shifts in divorce laws. Housing demand, referring to the desire and capacity to purchase a home, is difficult to measure precisely, similar to other economic markets where demand is theoretically unobservable. Nevertheless, the change in demand may be due to individuals divorcing or considering divorce, driven by the need for new housing arrangements. To scrutinize this issue, we analyse the influence of changes in divorce laws on divorce rates. Should divorce laws indeed affect divorce rates, the rise in the number of individuals requiring new accommodations could trigger a response in housing demand. It is important to note that previous studies have shown the impact of divorce law reforms on European divorce rates (González & Viitanen, 2009; González-Val & Marcén, 2012a).

To further investigate this, focusing on the selected countries within our analysis, we estimate the potential effect of divorce laws on divorce rates utilising crude divorce rates, i.e., the annual number of divorces per 1000 population at the country level. As seen in González-Val and Marcén (2012a), the divorce rate data come from a variety of public sources: the United Nations Demographic Yearbooks and Marriage and Divorce Statistics prepared by the Statistical Office of the United Nations, and Eurostat. The results are shown in Table 6. The findings demonstrate a noticeable positive impact of divorce laws on divorce rates, at least after 3–4 years following the implementation of divorce reforms. This reinforces the evidence of a shock in housing market demand. While the observed effect seems to be enduring, the housing market's response may be limited or even counteracted over time. The rise in the divorce rate further supports the possibility of a demand-side effect, but we acknowledge that we lack information on the housing arrangements and living conditions of divorcées.

We next expand our analysis to the demand side by gauging the reaction of population growth to divorce law reforms. Although changes in divorce laws do not directly impact population growth, there exists evidence to suggest a decrease in fertility rates as a result of such law reforms (Bellido & Marcén, 2014). These shifts are unlikely to be propelled by short-term outcomes found in our study. The decrease in fertility rates, taking effect decades after legislation is enacted, may significantly influence housing demand, by reducing the pool of potential demanders. Regardless, any other alterations in population growth stemming from divorce law reforms could influence housing demand. For instance, existing literature about migration highlights possible post-divorce female migration when scrutinizing the dynamic between migration and divorce (Lévy, 2022). Should this occur, a decline in population growth as an outcome of implementing divorce law reforms is likely, potentially negatively influencing housing prices due to the relationship between population growth and housing prices (Gevorgyan, 2019). Results pertaining to this are shown in Table 7. No evidence

Table 5 Static and dynamic effects of divorce law reforms: Bootstrapped coefficients from placebo regressions

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault unilateral divorce	-0.001 (0.031)		-0.001 (0.028)		-0.002 (0.031)	
First 2 years		0.001 (0.040)		-0.001 (0.036)		-0.002 (0.038)
Years 3–4		-0.001 (0.042)		-0.002 (0.039)		-0.004 (0.043)
Years 5–6		-0.001 (0.046)		-0.002 (0.042)		-0.005 (0.048)
Years 7–8		0.000 (0.050)		-0.001 (0.046)		-0.005 (0.054)
Years 9–10		0.001 (0.052)		-0.001 (0.048)		-0.006 (0.058)
Years 11–12		0.001 (0.055)		-0.001 (0.050)		-0.007 (0.063)
Years 13–14		0.002 (0.059)		0.000 (0.053)		-0.007 (0.068)
Years 15 onwards		0.003 (0.066)		0.000 (0.057)		-0.009 (0.078)
Log (Real GDP per capita)	1.053*** (0.129)	1.055*** (0.130)	1.216*** (0.211)	1.214*** (0.214)	1.390*** (0.292)	1.324*** (0.290)
Log (CPI)	0.200*** (0.055)	0.208*** (0.056)	-0.100 (0.107)	-0.125 (0.109)	-0.139 (0.124)	-0.150 (0.123)
Log (Population density)	0.773*** (0.248)	0.777*** (0.253)	0.820*** (0.201)	0.805*** (0.203)	0.362* (0.198)	0.360* (0.197)
Unemployment rate	-0.033*** (0.004)	-0.033*** (0.005)	-0.022*** (0.004)	-0.021*** (0.004)	-0.017*** (0.006)	-0.018*** (0.006)
FLFP	-0.004 (0.003)	-0.004 (0.003)	-0.011*** (0.004)	-0.010*** (0.004)	-0.002 (0.006)	-0.002 (0.006)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes

Note Sample period: 1960–2008. Dependent variable: log(Real House Price Index). All models include a constant. Bootstrapped coefficients and standard errors from 2000 placebo regressions using random law reform dates. Statistical significance at ***1%, **5%, *10% level

supports a significant impact of divorce laws on population growth, calculated as the logarithmic population growth rate. As previously mentioned, while population growth remains unimpacted by the reforms, the rise in individuals living

Table 6 Mechanisms #1: static and dynamic effects of divorce law reforms on crude divorce rates

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault unilateral divorce	0.192*** (0.048)		0.166*** (0.062)		0.038 (0.077)	
First 2 years		-0.078 (0.121)		-0.041 (0.114)		-0.083 (0.114)
Years 3–4		0.114 (0.081)		0.170** (0.071)		0.099 (0.080)
Years 5–6		0.199*** (0.075)		0.274*** (0.068)		0.169** (0.080)
Years 7–8		0.302*** (0.081)		0.416*** (0.080)		0.277*** (0.093)
Years 9–10		0.336*** (0.072)		0.506*** (0.090)		0.320*** (0.103)
Years 11–12		0.418*** (0.067)		0.620*** (0.086)		0.390*** (0.107)
Years 13–14		0.376*** (0.089)		0.608*** (0.103)		0.337*** (0.124)
Years 15 onwards		0.252*** (0.057)		0.600*** (0.113)		0.177 (0.137)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.868	0.875	0.908	0.918	0.935	0.941
Observations	470	470	470	470	470	470

Sample period: 1960–2008. Dependent variable: Crude divorce rate. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

independently could factor into house price fluctuations through a rightward shift in the housing demand curve.

There are also several potential factors that limit the rightward shift in the demand curve concerning the house size and location. Individuals relocating from shared residences following a divorce often experience a downward transition on the housing ladder (Mikolai & Kulu, 2018a, 2018b). They tend to move from owner-occupied homes to rented housing or single-family homes (Feijten, 2005). Unfortunately, we cannot empirically investigate changes in homeownership, as, to our knowledge, no annual information exists for the sample considered here. Recent literature on homeownership underscores the scarcity of data on this issue, even when using data from the international census (Marcén & Morales, 2020).

Table 7 Mechanisms #2: static and dynamic effects of divorce law reforms on population growth

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault unilateral divorce	0.001 (0.002)		0.002 (0.002)		0.002 (0.002)	
First 2 years		0.000 (0.001)		0.000 (0.001)		0.001 (0.002)
Years 3–4		0.001 (0.001)		0.001 (0.001)		0.002 (0.002)
Years 5–6		0.001 (0.001)		0.000 (0.001)		0.002 (0.003)
Years 7–8		0.002 (0.003)		0.002 (0.002)		0.004 (0.004)
Years 9–10		0.002 (0.002)		0.001 (0.002)		0.003 (0.004)
Years 11–12		0.001 (0.002)		–0.000 (0.002)		0.003 (0.003)
Years 13–14		0.023 (0.020)		0.021 (0.018)		0.025 (0.021)
Years 15 onwards		–0.001 (0.001)		–0.004 (0.003)		–0.001 (0.002)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.169	0.254	0.176	0.262	0.194	0.282
Observations	480	480	480	480	480	480

Sample period: 1960–2008. Dependent variable: Logarithmic population growth. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

What we can analyse are the variations in household size that result from legislative changes in divorce law. To do this, we use data from several issues of the Bulletin of Housing and Building Statistics for Europe and North America, the Compendium of Housing Statistics, and the Compendium of Human Settlements Statistics, all provided by the United Nations. We gauge the average number of rooms per person from 1960 to 1998.^{19,20} According to the United Nations' definition, a room is

¹⁹ The average number of rooms per person is calculated by dividing the average number of rooms per dwelling by the average number of persons per household.

²⁰ The number of observations is lower than in previous estimates. Note that we do not have information for the 25% of observations in our main sample: there is missing information for certain years in the case of some of the countries considered in the analysis. The gaps in the middle of the sample were filled through linear interpolation, but not those at the beginning and at the end of it.

any space enclosed by walls in a dwelling, from floor to ceiling or roof covering (including standard bedrooms, dining-rooms, living rooms, habitable attics, servants' rooms, and kitchens).²¹

We argue that a rising divorce rate is driving a shift toward smaller dwellings in housing demand. This trend could potentially decrease the overall house price index, as smaller homes would gain more weight on housing prices. This downward pressure could neutralise or offset any positive effects that divorce law reforms may have on property prices over the medium to long term. While certain reforms may boost house prices, the changing composition of housing demand could simultaneously serve as a counteracting force. This could lead to a more modest net impact on the housing market than initially expected.

If we are truly capturing the effect of divorce laws on the housing market, we would expect divorce law reforms to have a negative effect on house size. After a divorce, families are split, and the need for smaller households is more likely. Our estimates, shown in Table 8, suggest a possible negative effect of divorce law reforms on dwelling sizes, although in some cases, these estimates appear to be imprecise. We found similar results when using the average number of rooms per dwelling as the dependent variable. This finding strengthens our long-term results because smaller households are commonly associated with lower prices.

The additional changes in housing supply, which could elucidate our findings, are difficult to investigate due to data availability. The liberalisation of divorce laws might create a sudden surge in housing demand. However, the housing supply does not adjust instantaneously to this shift. Instead, there may be a delay before developers and construction companies react by building new homes that better align with the updated market needs. This lag in supply adjustment allows house prices to initially rise temporarily. However, as new construction gradually meets the demand, it introduces more housing stock to the market, creating a counterbalance. Over time, this supply-side response could effectively counteract the initial price increase. Ultimately, the market reaches a new equilibrium with an expanded housing supply. Thus, the long-term effects of divorce law reforms on house prices may not have a lasting impact. The initial shock to demand could eventually be absorbed by the market's supply-side adjustments, neutralising any persistent effect on housing costs. After carefully examining the existing data, we calculate the share of dwellings completed per year over the dwelling stock in each country using data from the Bulletin of Housing and Building Statistics for Europe and North America (several issues), from 1960 to 1998. With this variable, we cover a significant proportion (75%) of the main sample observations.²² The dwelling stock includes only conventional dwellings, whether occupied or not.²³ This is not a minor issue, given that there is

²¹ This excludes corridors, lobbies, bathrooms, and toilets.

²² As before, gaps were filled by linear interpolation.

²³ A dwelling is a room or suite of rooms and its accessories in a permanent building or structurally separated part thereof which by the way it has been built, rebuilt, converted, etc., is intended for private habitation. It should have a separate access to a street or to a common space within the building. Detached rooms for habitation which are clearly built, rebuilt, converted, etc., to be used as a part of the dwelling should be counted as part of the dwelling (Bulletin of Housing and Building Statistics for Europe and North America, several issues).

no information on the possible dwellings that could be occupied (real supply), which might result in a measurement error in our estimates, presented in Table 9. Thus, it could explain the weak positive evidence observed in that table regarding the impact of divorce laws on the share of dwellings completed.

The findings detailed in this subsection highlight the importance of changes in the crude divorce rate, specifically in explaining the positive impact of the divorce laws on housing prices, at least, in the short-term. Another noteworthy finding is the response of house size, which involves reducing the number of rooms, at least in a significant part as a reaction to the divorce law reforms. In our framework, this response could be a potential factor in reducing the housing prices.

5 Conclusion

Prior research has discovered that changes in divorce laws significantly influence individual behaviours in many aspects both within and outside of marriage. In this study, we assessed the effects of divorce law reforms on real house prices utilizing a sample of ten European countries. We posit that the uptick in divorces that followed the wave of divorce law reforms in Europe led to a surge in people living separately and thereby instigated a shift in housing prices. Although finding long-term cross-country housing price data is difficult, we utilized the Real House Price Index from Knoll et al. (2017), a component of the Jordà-Schularick-Taylor Macrohistory Database (Jordà et al., 2017). Utilizing this new dataset allowed us to examine the impact of divorce law reforms on European real house prices during the latter half of the twentieth century.

A priori, this effect might be rather limited for several reasons: The literature suggests that only a fraction of divorced individuals reenter the housing market, and most of them do so after a period of temporary arrangements. We also excluded renters from our analysis. However, we still find a significant and positive effect of these reforms on real house prices. This is primarily concentrated in years 3 to 6 following the reforms, even after controlling for a set of country-specific variables, as well as country-specific linear and quadratic time trends. While we can conclude that the effect was short-lived, dissipating 6 years after the divorce law reforms, we estimate that the dynamic effect of unilateral divorce law reforms was responsible for 22% of the average interannual increment in the Real House Price Index during those years. Our results are validated by placebo regressions, the absence of pre-trends, and several robustness checks carried out. The analysis of the potential mechanisms also reinforces our findings, suggesting that the number of divorces and the house size are driving our findings.

Table 8 Mechanisms #3: static and dynamic effects of divorce law reforms on the average number of rooms per person (1960–1998)

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault Unilateral divorce	−0.090*** (0.029)		−0.082** (0.039)		−0.007 (0.032)	
First 2 years		0.001 (0.045)		−0.100** (0.040)		−0.052 (0.035)
Years 3–4		−0.014 (0.050)		−0.141*** (0.051)		−0.088** (0.041)
Years 5–6		−0.047 (0.050)		−0.202*** (0.061)		−0.147*** (0.048)
Years 7–8		−0.085 (0.053)		−0.272*** (0.071)		−0.216*** (0.057)
Years 9–10		−0.089* (0.054)		−0.302*** (0.075)		−0.254*** (0.064)
Years 11–12		−0.128** (0.053)		−0.364*** (0.075)		−0.325*** (0.070)
Years 13–14		−0.182*** (0.055)		−0.438*** (0.076)		−0.411*** (0.078)
Years 15 onwards		−0.170*** (0.043)		−0.450*** (0.086)		−0.458*** (0.090)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.726	0.734	0.813	0.825	0.909	0.918
Observations	364	364	364	364	364	364

Sample period: 1960–1998. Dependent variable: Average number of rooms per person. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

Table 9 Mechanisms #4: static and dynamic effects of divorce law reforms on the yearly share of dwellings completed over total dwelling stock (1960–1998)

	Basic specification		Country-specific linear trends		Country-specific linear and quadratic trends	
	(1)	(2)	(3)	(4)	(5)	(6)
No fault unilateral divorce	0.003*** (0.001)		−0.000 (0.001)		0.001 (0.001)	
First 2 years		0.002 (0.001)		0.002 (0.002)		0.001 (0.001)
Years 3–4		0.002 (0.002)		0.001 (0.002)		−0.000 (0.002)
Years 5–6		0.002 (0.001)		0.001 (0.002)		−0.001 (0.002)
Years 7–8		0.002 (0.001)		0.001 (0.002)		−0.002 (0.002)
Years 9–10		0.001 (0.001)		0.000 (0.002)		−0.003 (0.002)
Years 11–12		0.002 (0.001)		0.001 (0.002)		−0.003 (0.002)
Years 13–14		0.002 (0.001)		0.001 (0.002)		−0.004 (0.002)
Years 15 onwards		0.006*** (0.001)		0.005** (0.002)		−0.002 (0.003)
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes	Yes
Country × time	No	No	Yes	Yes	Yes	Yes
Country × time ²	No	No	No	No	Yes	Yes
R ²	0.817	0.830	0.857	0.864	0.907	0.911
Observations	366	366	366	366	366	366

Sample period: 1960–1998. Dependent variable: yearly share of dwellings completed over total dwelling stock. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level

Appendix

See Table 10 and 11; Fig. 4

Table 10 Descriptive statistics

Country	Mean	Standard deviation	Maximum	Minimum	Country	Mean	Standard deviation	Maximum	Minimum
<i>Real house price index</i>									
Belgium	106.45	38.81	215.00	57.77	Belgium	1.69	0.88	3.50	0.50
Denmark	125.06	35.96	237.74	69.17	Denmark	2.40	0.52	3.00	1.40
Finland	72.52	19.31	116.94	41.26	Finland	2.02	0.63	2.90	0.80
France	88.96	33.51	184.71	29.17	France	1.51	0.56	2.50	0.60
Germany	94.66	11.96	110.82	56.39	Germany	1.83	0.51	2.60	1.00
The Netherlands	128.54	62.69	266.46	59.29	The Netherlands	1.59	0.65	2.40	0.50
Norway	110.46	51.70	270.00	62.44	Norway	1.67	0.65	2.50	0.70
Sweden	92.55	26.47	174.79	65.24	Sweden	2.13	0.53	3.30	1.10
Switzerland	75.25	8.84	100.50	61.23	Switzerland	1.69	0.61	2.90	0.80
United Kingdom	77.11	42.65	188.42	30.50	United Kingdom	2.13	0.85	3.00	0.50
<i>Dwellings completed/stock of dwellings</i>									
Belgium	0.014	0.004	0.021	0.006	Belgium	1.96	0.29	2.36	1.21
Denmark	0.015	0.008	0.029	0.005	Denmark	1.63	0.17	1.94	1.37
Finland	0.026	0.009	0.046	0.009	Finland	1.34	0.22	1.61	0.92
France	0.019	0.006	0.031	0.011	France	1.30	0.12	1.53	1.13
Germany	0.020	0.009	0.036	0.007	Germany	1.80	0.21	2.10	1.41
The Netherlands	0.025	0.008	0.038	0.014	The Netherlands	1.49	0.11	1.71	1.28
Norway	0.019	0.007	0.031	0.009	Norway	1.71	0.30	2.20	1.24
Sweden	0.018	0.011	0.035	0.003	Sweden	1.73	0.29	2.23	1.29
Switzerland	0.021	0.009	0.035	0.010	Switzerland	1.51	0.16	1.86	1.22
United Kingdom	0.014	0.005	0.023	0.008	United Kingdom	1.63	0.18	2.08	1.39

Table 10 (continued)

Country	Mean	Standard deviation	Maximum	Minimum	Country	Mean	Standard deviation	Maximum	Minimum
<i>Real GDP per capita</i>									
Belgium	68.40	21.69	104.41	31.20	Belgium	78.82	40.70	145.71	23.41
Denmark	73.45	17.92	103.85	39.78	Denmark	73.24	45.18	144.85	12.48
Finland	63.71	22.58	108.84	27.97	Finland	70.40	45.13	138.37	11.07
France	70.20	21.19	103.42	32.44	France	72.30	43.79	138.22	14.53
Germany	72.11	20.99	108.70	37.26	Germany	87.19	34.73	144.93	36.48
The Netherlands	68.46	20.92	109.59	35.00	The Netherlands	85.41	40.34	152.75	25.58
Norway	61.91	24.31	103.10	26.15	Norway	72.28	46.39	147.07	13.86
Sweden	69.44	18.45	106.85	37.27	Sweden	72.22	47.56	144.60	13.41
Switzerland	80.78	14.43	107.74	51.40	Switzerland	83.09	33.77	131.83	31.74
United Kingdom	66.00	19.63	104.09	38.42	United Kingdom	74.47	49.02	151.79	11.84
<i>Population density</i>									
Belgium	0.33	0.01	0.35	0.30	Belgium	30.99	5.23	39.68	23.23
Denmark	0.12	0.01	0.13	0.11	Denmark	43.66	7.20	51.57	28.08
Finland	0.01	0.00	0.02	0.01	Finland	44.76	3.06	48.56	39.16
France	0.10	0.01	0.12	0.08	France	34.31	4.47	40.65	27.92
Germany	0.25	0.03	0.33	0.22	Germany	36.28	4.67	45.46	30.27
The Netherlands	0.37	0.02	0.40	0.32	The Netherlands	27.78	10.64	47.67	15.17
Norway	0.01	0.00	0.01	0.01	Norway	38.15	10.03	50.96	22.44
Sweden	0.02	0.00	0.02	0.02	Sweden	44.59	5.15	51.19	35.59
Switzerland	0.16	0.01	0.18	0.13	Switzerland	40.79	7.68	53.72	32.42
United Kingdom	0.24	0.01	0.25	0.21	United Kingdom	35.82	4.48	42.69	29.19

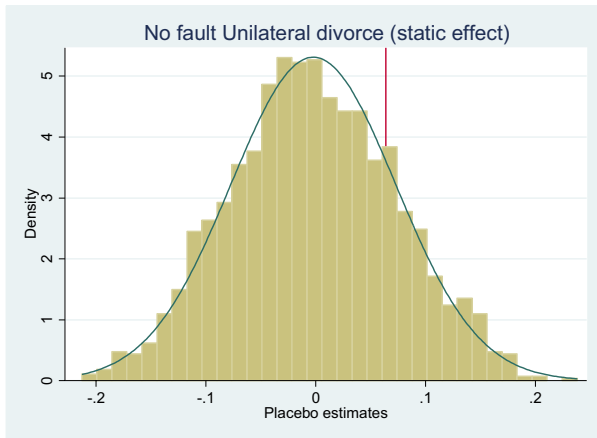
Table 10 (continued)

Country	Mean	Standard deviation	Maximum	Minimum	Country	Mean	Standard deviation	Maximum	Minimum
<i>Unemployment rate</i>									
Belgium	7.31	4.03	13.51	1.50	Belgium	0.003	0.003	0.011	-0.001
Denmark	5.22	3.11	11.55	0.73	Denmark	0.004	0.003	0.009	-0.001
Finland	6.10	4.24	16.63	1.22	Finland	0.004	0.002	0.007	-0.004
France	6.36	3.49	11.22	1.12	France	0.007	0.003	0.020	0.004
Germany	5.19	3.40	11.22	0.55	Germany	0.008	0.034	0.235	-0.005
The Netherlands	5.28	3.06	12.15	0.36	The Netherlands	0.008	0.003	0.014	0.004
Norway	2.76	1.60	6.06	0.75	Norway	0.005	0.002	0.009	0.003
Sweden	4.02	2.73	10.19	1.18	Sweden	0.004	0.003	0.010	0.000
Switzerland	1.42	1.58	4.27	0.22	Switzerland	0.007	0.007	0.028	-0.011
United Kingdom	5.62	3.27	11.88	1.11	United Kingdom	0.003	0.002	0.009	-0.001

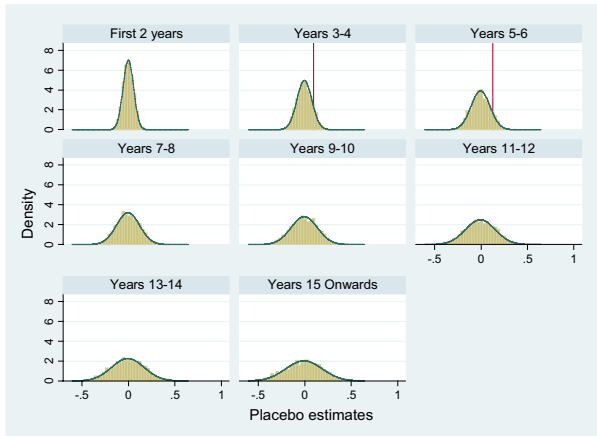
Table 11 Correlation of the divorce law reforms and the potential factors affecting house prices

	(1)	(2)	(3)	(4)	(5)
Dependent Variable	Log(Real GDP per Capita)	Log(CPI)	Log(Population density)	Unemployment Rate	FLFP
No fault Unilateral divorce	0.003 (0.006)	0.004 (0.018)	0.003 (0.005)	0.155 (0.336)	-0.314 (0.321)
Year FE	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes
Country × time	Yes	Yes	Yes	Yes	Yes
Country × time ²	Yes	Yes	Yes	Yes	Yes
Observations	490	490	490	490	490

Estimation of Eq. (1). Sample period: 1960–2008. All models include a constant. Robust standard errors are in parentheses. Statistical significance at ***1%, **5%, *10% level



(a) Placebo estimates of the 'no fault unilateral divorce' dummy's coefficient (Column 5 in Table 5)



(b) Placebo estimates of the law reform time dummies' coefficients (Column 6 in Table 5)

Fig. 4 Distribution of the placebo estimates. *Notes* Distribution of the estimated coefficients from 2000 placebo regressions with random law reform dates. The vertical red line represents the corresponding values obtained in Table 4 (columns 5 and 6, respectively) when they are significant

Acknowledgements This paper was written while the authors were visiting the Institute of Education-University College London, whose support and hospitality are gratefully acknowledged. The authors benefited from the helpful comments and suggestions from two anonymous reviewers, Tyler Morin, María Ángeles García-Valiñas, Joao Lourenço Marques, Maruska Vizek, Diego Gil, Virginia Rosales, Rok Spruk, Nick Messenger and Kusum Mundra. Additionally, we would like to acknowledge Montserrat Tafalla and the staff of the UN documentary fund at the Universitat de Barcelona (Faculty of Law Library) for granting us access to all the Bulletins from official United Nations statistics. Earlier versions of this paper were presented at the 37th annual American Real Estate Society conference (online, 2021), at the 60th Annual Meeting of the Southern Regional Science Association (online, 2021), at the XXVIII Encuentro de Economía Pública (online, 2021), at the 27th Annual Conference of the European Real Estate Society (online, 2021), at the 34th Annual Conference of the European Society for Population Economics (online, 2021), at the Annual Conference of the International Association for Applied Econometrics (online, 2021), at the 60th Congress of the European Regional Science Association (online, 2021), at the 38th Annual Conference of the European Association of Law and Economics (online, 2021), at the XLVI Reunión de Estudios Regionales (Madrid, 2021), at the 46th Simposio de la Asociación Española de Economía-Spanish Economic Association (Barcelona, 2021), at the 15th Conference on Empirical Legal Studies (online, 2022), at the Annual Meeting of the Society of Economics of the Household (London, 2022), at the XXIV Encuentro de Economía Aplicada (Palma de Mallorca, 2022), at the 12th Annual Conference of the Spanish Association of Law and Economics (Oviedo, 2022), at the 69th Annual North American Meetings of the Regional Science Association International (Montreal, 2022), at the 92nd Annual Meeting of the Southern Economic Association (Fort Lauderdale, 2022), at the 18th Annual Conference of the Italian Society of Law and Economics (Palermo, 2022), at the 12th European Meeting of the Urban Economics Association (Milan, 2023), and at the 25th INFER Annual Conference (Valencia, 2023), and all the comments made by participants are much appreciated. All remaining errors are the authors' alone.

Funding Open Access funding provided thanks to the CRUE-CSIC agreement with Springer Nature. This research was funded by Fundación Ramón Areces (XVIII Concurso Nacional para la Adjudicación de Ayudas a la Investigación en Ciencias Sociales). The authors also acknowledge the financial support of the Spanish Ministerio de Ciencia e Innovación and Agencia Estatal de Investigación, MCIN/AEI/10.13039/501100011033 (project PID2020-114354RA-I00), Gobierno de Aragón (project S39-23R, ADETRE research group) and European Regional Development Fund (ERDF).

Declarations

Conflict of interest The authors have no relevant financial or non-financial interests to disclose.

Open Access This article is licensed under a Creative Commons Attribution 4.0 International License, which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons licence, and indicate if changes were made. The images or other third party material in this article are included in the article's Creative Commons licence, unless indicated otherwise in a credit line to the material. If material is not included in the article's Creative Commons licence and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder. To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>.

References

- Amato, P. R. (2000). The consequences of divorce for adults and children. *Journal of Marriage and Family*, 62(4), 1269–1287. <https://doi.org/10.1111/J.1741-3737.2000.01269.X>
- Bardhan, A., Edelstein, R. H., & Kroll, C. A. (Eds.). (2011). *Global housing markets: crises, policies, and institutions* (Vol. 17). Hoboken: John Wiley & Sons.
- Bedard, K., & Deschênes, O. (2005). Sex preferences, marital dissolution, and the economic status of women. *Journal of Human Resources*, XL(2), 411–434. <https://doi.org/10.3368/jhr.XL.2.411>

- Bellido, H., & Marcén, M. (2014). Divorce laws and fertility. *Labour Economics*, 27, 56–70. <https://doi.org/10.1016/j.labeco.2014.01.005>
- Cáceres-Delpiano, J., & Giolito, E. (2012). The impact of unilateral divorce on crime. *Journal of Labor Economics*, 30(1), 215–248. <https://doi.org/10.1086/662137>
- Callaway, B., & Sant'Anna, P. H. C. (2021). Difference-in-differences with multiple time periods. *Journal of Econometrics*, 225(2), 200–230. <https://doi.org/10.1016/J.JECONOM.2020.12.001>
- Cameron, A. C., Gelbach, J. B., & Miller, D. L. (2008). Bootstrap-based improvements for inference with clustered errors. *Review of Economics and Statistics*, 90(3), 414–427. <https://doi.org/10.1162/rest.90.3.414>
- de Chaisemartin, C., & D'Haultfoeuille, X. (2020). Two-way fixed effects estimators with heterogeneous treatment effects. *American Economic Review*, 110(9), 2964–2996. <https://doi.org/10.1257/aer.20181169>
- Ciacci, R. (2023). On the economic determinants of prostitution: Marriage compensation and unilateral divorce in U.S. states. *Review of Economics of the Household*. <https://doi.org/10.1007/S11150-022-09643-5/TABLES/31>
- Dewilde, C. (2008). Divorce and the housing movements of owner-occupiers: A European comparison. *Housing Studies*, 23(6), 809–832. <https://doi.org/10.1080/02673030802423151>
- Duca, J. V., Muellbauer, J., & Murphy, A. (2021). What drives house price cycles? International experience and policy issues. *Journal of Economic Literature*, 59(3), 773–864. <https://doi.org/10.1257/JEL.20201325>
- Esarey, J., & Menger, A. (2019). Practical and effective approaches to dealing with clustered data. *Political Science Research and Methods*, 7(3), 541–559. https://doi.org/10.1017/PSRM.2017.42/TITLE/PRACTICAL_AND_EFFECTIVE_APPROACHES_TO_DEALING_WITH_CLUSTERED_DATA
- Farnham, M., Schmidt, L., & Sevak, P. (2011). House prices and marital stability. *American Economic Review*, 101(3), 615–619. <https://doi.org/10.1257/AER.101.3.615>
- Farzanegan, M. R., & Gholipour, H. F. (2016). Divorce and the cost of housing: Evidence from Iran. *Review of Economics of the Household*, 14(4), 1029–1054. <https://doi.org/10.1007/S11150-014-9279-0>
- Feijten, P. (2005). Union dissolution, unemployment and moving out of homeownership. *European Sociological Review*, 21(1), 59–71. <https://doi.org/10.1093/ESR/JC1004>
- Feijten, P., & van Ham, M. (2007). Residential mobility and migration of the divorced and separated. *Demographic Research*, 17, 623–654. <https://doi.org/10.4054/DemRes.2007.17.21>
- Friedberg, L. (1998). Did unilateral divorce raise divorce rates? Evidence from panel data. *The American Economic Review*, 88(3), 608–627.
- Gevorgyan, K. (2019). Do demographic changes affect house prices? *Journal of Demographic Economics*, 85(4), 305–320. <https://doi.org/10.1017/dem.2019.9>
- Glaeser, E. L., Gyourko, J., & Saks, R. (2005). Why is manhattan so expensive? Regulation and the rise in housing prices. *Journal of Law and Economics*, 48(2), 331–369. <https://doi.org/10.1086/429979>
- González, L., & Viitanen, T. K. (2009). The effect of divorce laws on divorce rates in Europe. *European Economic Review*, 53(2), 127–138. <https://doi.org/10.1016/J.EUROECOREV.2008.05.005>
- González-Val, R., & Marcén, M. (2012a). Breaks in the breaks: An analysis of divorce rates in Europe. *International Review of Law and Economics*, 32(2), 242–255. <https://doi.org/10.1016/j.irl.2012.01.005>
- González-Val, R., & Marcén, M. (2012b). Unilateral divorce versus child custody and child support in the U.S. *Journal of Economic Behavior & Organization*, 81(2), 613–643. <https://doi.org/10.1016/j.jebo.2011.08.008>
- González-Val, R., & Marcén, M. (2017). Divorce and the business cycle: A cross-country analysis. *Review of Economics of the Household*, 15(3), 879–904. <https://doi.org/10.1007/s11150-016-9329-x>
- Gruber, J. (2004). Is making divorce easier bad for children? The long-run implications of unilateral divorce. *Journal of Labor Economics*, 22(4), 799–833. <https://doi.org/10.1086/423155>
- Jarvis, S., & Jenkins, S. P. (1999). Marital splits and income changes: Evidence from the British household panel survey. *Population Studies*, 53(2), 237–254.
- Johnson, W. R. (2014). House prices and female labor force participation. *Journal of Urban Economics*, 82, 1–11. <https://doi.org/10.1016/j.jue.2014.05.001>
- Johnson, W. R., & Skinner, J. (1986). Labor supply and marital separation. *The American Economic Review*, 76(3), 455–469.

- Jordà, Ò., Schularick, M., & Taylor, A. M. (2017). Macrofinancial history and the new business cycle facts. *NBER Macroeconomics Annual*, 31(1), 213–263. <https://doi.org/10.1086/690241>
- Klein, J. (2017). House price shocks and individual divorce risk in the United States. *Journal of Family and Economic Issues*, 38(4), 628–649. <https://doi.org/10.1007/S10834-017-9532-9/TABLES/12>
- Knoll, K., Schularick, M., & Steger, T. (2017). No price like home: Global house prices, 1870–2012. *American Economic Review*, 107(2), 331–353. <https://doi.org/10.1257/AER.20150501>
- Krapf, S., & Wagner, M. (2020). Housing affordability, housing tenure status and household density: Are housing characteristics associated with union dissolution? *European Journal of Population*, 36(4), 735–764. <https://doi.org/10.1007/s10680-019-09549-6>
- Kulu, H., Mikolai, J., Thomas, M. J., Vidal, S., Schnor, C., Willaert, D., Visser, F. H. L., & Mulder, C. H. (2021). Separation and elevated residential mobility: A cross-country comparison. *European Journal of Population*, 37(1), 121–150. <https://doi.org/10.1007/s10680-020-09561-1>
- Lafortune, J., & Low, C. (2023). Collateralized marriage. *American Economic Journal: Applied Economics*, 15(4), 252–291. <https://doi.org/10.1257/app.20210614>
- Lersch, P. M., & Vidal, S. (2014). Falling out of love and down the housing ladder: A longitudinal analysis of marital separation and home ownership. *European Sociological Review*, 30(4), 512–524. <https://doi.org/10.1093/ESR/JCU055>
- Lévy, F. (2022). Migrate to divorce, to overcome divorce, or to avoid divorce? Divorce and migration nexus among Chinese (wo)men migrants in Paris. *Population, Space and Place*. <https://doi.org/10.1002/psp.2569>
- Marcén, M., & Morales, M. (2020). The effect of culture on home-ownership. *Journal of Regional Science*, 60(1), 56–87. <https://doi.org/10.1111/jors.12433>
- Michael, R. T. (1985). Consequences of the rise in female labor force participation rates: Questions and probes. *Journal of Labor Economics*, 3, S117–S146. <https://doi.org/10.1086/298078>
- Mikolai, J., & Kulu, H. (2018a). Divorce, separation, and housing changes: A multiprocess analysis of longitudinal data from England and Wales. *Demography*, 55(1), 83–106. <https://doi.org/10.1007/s13524-017-0640-9>
- Mikolai, J., & Kulu, H. (2018b). Short- and long-term effects of divorce and separation on housing tenure in England and Wales. *Population Studies*, 72(1), 17–39. https://doi.org/10.1080/00324728.2017.1391955/SUPPL_FILE/RPST_A_1391955_SM8624.PDF
- Moschion, J., & van Ours, J. C. (2019). Do childhood experiences of parental separation lead to homelessness? *European Economic Review*, 111, 211–236. <https://doi.org/10.1016/J.EUROECOREV.2018.09.005>
- Parkman, A. M. (1992). Unilateral divorce and the labor-force participation rate of married women. *Revisited. the American Economic Review*, 82(3), 671–678.
- Peters, H. E. (1986). Marriage and divorce: Informational constraints and private contracting. *The American Economic Review*, 76(3), 437–454.
- Rainer, H., & Smith, I. (2010). Staying together for the sake of the home?: House price shocks and partnership dissolution in the UK. *Journal of the Royal Statistical Society Series a: Statistics in Society*, 173(3), 557–574. <https://doi.org/10.1111/j.1467-985X.2009.00628.x>
- Salari, M., & Javid, R. J. (2019). How does female labor force participation impact on housing values? *Research in Economics*, 73(2), 129–137. <https://doi.org/10.1016/j.rie.2019.03.002>
- Sant’Anna, P. H. C., & Zhao, J. (2020). Doubly robust difference-in-differences estimators. *Journal of Econometrics*, 219(1), 101–122. <https://doi.org/10.1016/j.jeconom.2020.06.003>
- Seltzer, J. A. (1994). Consequences of marital dissolution for children. *Annual Review of Sociology*, 20, 235–266. <https://doi.org/10.1146/ANNUREV.SO.20.080194.001315>
- Stevenson, B. (2007). The impact of divorce laws on marriage-specific capital. *Journal of Labor Economics*, 25(1), 75–94. <https://doi.org/10.1086/508732>
- Stevenson, B. (2008). Divorce law and women’s labor supply. *Journal of Empirical Legal Studies*, 5(4), 853–873. <https://doi.org/10.1111/J.1740-1461.2008.00143.X>
- Stevenson, B., & Wolfers, J. (2006). Bargaining in the shadow of the law: divorce laws and family distress. *The Quarterly Journal of Economics*, 121(1), 267–288. <https://doi.org/10.1093/QJE/121.1.267>
- Verick, S. (2018). Female labor force participation and development. *IZA World of Labor*. <https://doi.org/10.15185/izawol.87.v2>
- Wagner, M., & Mulder, C. H. (2016). Spatial mobility, family dynamics, and housing transitions. In K. Hank & M. Kreyenfeld (Eds.), *Social demography forschung an der schnittstelle von soziologie und demografie* (pp. 111–135). Wiesbaden: Springer Fachmedien Wiesbaden. https://doi.org/10.1007/978-3-658-11490-9_6

Wolfers, J. (2006). Did unilateral divorce laws raise divorce rates? A reconciliation and new results. *American Economic Review*, 96(5), 1802–1820. <https://doi.org/10.1257/aer.96.5.1802>

Publisher's Note Springer Nature remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.