TIME

Inside the Next Social Security Crisis

Why American women are bearing the brunt of the retirement crunch

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For Anna Rappaport, a 74-year-old actuary who has worked in retirement planning for nearly 40 years, the fact that roughly 1 in 3 baby-boomer women is either divorced or was never married to begin with is not evidence of some larger fraying of American family values. For her, it's a problem of math.

"If you take a married woman's retirement income and then subtract her husband's Social Security and retirement savings, the problem becomes pretty obvious," says Rappaport, who lives in Chicago and has been a member of the Society of Actuaries for more than 50 years. "The amount that women get from their own savings and Social Security doesn't begin to make up the difference."

The strained American safety net is at this point more than well documented. With roughly 75 million baby boomers either retired or close to it, Social Security payments are already outpacing payroll-tax revenues, and the fund is expected to bottom out in less than 20 years, according to the trustees of the Social Security and Medicare trust funds. But observers like Rappaport as well as policy wonks and lawmakers are increasingly concerned about one, often overlooked aspect of that grim financial future: that it's likely to disproportionately hurt women, especially those who are single.

The national discussion about retirement security often focuses on traditional households with a husband and wife. But that doesn't take into account that for the past 50 years, marriage rates have been dropping precipitously. In 1960, 72% of American adults were married; in 2012, just over 50% were, according to the Pew Research Center. The growing number of divorced and never married women doesn't get as much attention–even though they are, as a group, overwhelmingly more vulnerable than men. "People say it's a seniors' issue, and yes, of course it is. But it's also a women's issue," says Nancy Altman, co-director of Social Security Works, an organization that advocates for an expansion of the safety net.

How we got here is clear: women generally make less than men, spend less total time in the workforce and accrue less in Social Security and retirement savings than men do. Meanwhile, since women tend to live longer than men, by an average of three or four years, their savings must stretch further. Married women and widows are better shielded from these disparities since they can access their spouse's benefits. If they've been married for at least a decade, they have rights to half of their spouses' Social Security income, and in some cases, wives are eligible for comparable shares of their husbands' corporate pensions or private savings. Most single women don't have those protections.

The consequences are sobering. In 2013, the poverty rate for single–never married, divorced and widowed–women age 65 and older was nearly three times what it was for married women. The poverty rate for white, single women age 65 and older now stands at almost 1 in 6, according to 2013 census data. For African-American women it's 1 in 3, and for Hispanic women it's nearing 1 in 2.

How Social Security must change to reflect the increasingly single and aging American population is now an open question. One thing is certain: with the 2016 election campaign kicking into gear, the issue is likely to get attention, if for no other reason than that it ensnares two key demographics: the retired or soon to retire and women.

There's something cringe-worthy in these modern times about suggesting that a woman of any age needs a husband. Some 74% of women participate in the U.S. workforce, while almost half of all households are now propped up by a female breadwinner.

But the problem facing single, retirement-age women today is not that they haven't worked hard enough in their younger years, says Heidi Hartmann, president of the Institute for Women's Policy Research. It's that they're not doing the type of work that contributes to security in old age. "Although they are working more, even much more, women cannot, for the foreseeable future, make up for the loss of husbands' assets with their own earnings," Hartmann says. While women's participation in the workforce has increased by leaps and bounds, they are still much more likely to be in lower-paid, part-time jobs without benefits packages and to take years off to become full-time, unpaid caregivers.

Caregiving's ramifications are a particular issue for women, whether it's in their role as a parent or taking care of other relatives. According to the Bureau of Labor Statistics, more than 22 million American women spend more than three hours a day providing unpaid care for an elderly person. Over 10 million more drop out of the workforce, often temporarily, to care for children full time, according to the Pew Research Center. On average, female caregivers take 12 years out of the traditional workforce, according to the Social Security Administration–a major blow to earnings and ability to save. Full-time unpaid caregivers aren't putting money into a defined contribution savings account like a 401(k) or contributing to Social Security, and those who are single, or become single later, don't have access to a spouse's savings.

Having missed out on those opportunities to bulk up savings, caregivers can find themselves in a difficult spot. They are more dependent on Social Security down the line. Half of all elderly women depend on it as their only source of income, whereas fewer than a fourth of married couples do. But because they chose to interrupt their traditional employment, their Social Security checks can wind up smaller. A person's payout is calculated based on their wages over 35 years, and "10 years of zeros can really drag down that average," Altman says.

In 2013, women age 65 and older received an average of $12,857 a year from Social Security, while men received $16,590. Taking into account Social Security, pensions, asset income and other earnings, men received an average of $27,657 a year in retirement, according to a report by the Institute for Women's Policy Research based on 2012 data. Women received $15,323.

More broadly, all kinds of decisions that women make in service to their roles as caregivers can make them more financially vulnerable in retirement–often in hard-to-quantify ways. According to a 2011 MetLife study, a woman's choice to reduce her hours, decline a promotion, avoid overtime, take time off or otherwise fail to "lean in," to borrow Sheryl Sandberg's famous phrase, adds up to an average of $324,044 in lost wages, pensions and Social Security benefits.

The upshot is that American women of every generation–from baby boomers to millennials–generally have smaller incomes, save less, put less into Social Security, are more likely to be caregivers and are therefore poised to face dire financial prospects in retirement. Unless, of course, they marry. Which raises another question: If getting hitched is so good for women in the long run, why are marriage rates on the skids?

The idea that marriage allays poverty has been a powerful conceit in Washington for decades, spanning both sides of the aisle. In the 1990s, President Bill Clinton's welfare-reform program put aside federal funds for marriage-promotion projects, and in the 2000s, President George W. Bush followed suit. Now, in the lead-up to the 2016 election, Democratic and Republican presidential hopefuls are again heralding marriage as a profound social good, if for different reasons.

On the left, front runner Hillary Clinton, as well as Bernie Sanders and Martin O'Malley, has described marriage as a stabilizing building block of society and therefore yet another reason to celebrate the Supreme Court's June decision to allow gay couples into the institution. On the right, candidates from Marco Rubio to Scott Walker have been keen to demonstrate their support for traditional (read: heterosexual) marriage as a foundation of family values. And even as marriage rates decline, the idea that marriage is a cornerstone of social and financial stability remains strong not only among lawmakers but also among Americans themselves. Most young Americans report that they would like to get married one day–if not for love and companionship, then to share the burden of raising children, split expenses and earn the benefits of joint tax filings.

But the orthodoxy that marriage is an unequivocal economic good is being questioned by some. The problem with “the idea that marriage equals economic stability” is simply that it gets the causality backward, argues Terry O’Neill, president of the National Organization for Women. “People aren’t poor because they’re not getting married. People aren’t getting married because they are poor.”

In this view, the reason marriage rates are declining among nearly every age group, race and ethnicity in the U.S. is not that people are making irrational decisions about their financial futures. It’s that the entire economic playing field has changed.

There’s little question the demographics of earning have changed. In 1960, 93% of adult men ages 25 to 34 were in the labor force. By 2012 that share had fallen to 82%. Median wages, adjusted for inflation, fell even faster. Men of prime marrying age–25 to 34–make 20% less today than their counterparts in 1980. This, says Joan Entmacher, a vice president at the National Women’s Law Center, strains relationships and discourages marriage.

Lower-income men and women have been disproportionately affected, particularly in African-American and Hispanic communities, where the decline in marriage has also been the most pronounced. In 2012, 36% of African Americans over age 25 had never been married–a fourfold increase in 50 years. White Americans in the same age group saw their never-married numbers double during the same period, from 8% in 1960 to 16% in 2012. Meanwhile, high divorce rates, which peaked in the ’70s and ’80s, have fueled singledom among baby boomers. In 2010, about a third of adults ages 46 to 64 were single, up from 13% in 1970, according to a 2012 Bowling Green State University study.

Tellingly, the only group of Americans that is marrying more often, and staying together longer, are those on the top of the income ladder, where people are most likely to find financial stability from a partner. “It’s a chicken-and-egg problem,” says June Carbone, a law professor at the University of Minnesota and the co-author of Marriage Markets: How Inequality Is Remaking the American Family. “Marriage brings financial security, but you need financial security to want to get married.”

Andrew Cherlin, a sociologist at Johns Hopkins University, points out that this isn’t the first time that marriage rates have taken a nosedive. According to census data, the last time it happened was during the so-called Gilded Age beginning in the 1890s. During that time, the sliver at the top of the economic food chain got richer and married more, while everyone else saw their incomes stagnate and married less.

Cherlin argues that a version of that same trend is happening again for the same reasons during the so-called New Gilded Age we’re experiencing today. “During both Gilded Ages, young men with moderate skills may have had a harder time finding the kinds of occupations that could support marriage,” Cherlin writes in Labor’s Love Lost: The Rise and Fall of the Working-Class Family in America. “In contrast, it was much easier in the low-inequality 1950s and 1960s for a young man in the middle of the labor market to land a job that could provide the foundation for family life."

Policy wonks are trying to find solutions. Some lawmakers, for example, have suggested targeted expansions of Social Security designed to help divorced retirees or those older than 80 or 85, a demographic that is overwhelmingly female. Others have proposed simply tweaking the way Social Security payouts are calculated so that full-time, unpaid caregivers are given credit for that work. Then there are the more sweeping ideas, often backed by conservatives, that would replace Social Security entirely with a system giving everyone either a flat or means-tested minimum benefit regardless of lifetime earnings or marital status.

Anna Rappaport, the 74-year-old actuary, says that until some national policy fix comes through–something that's not likely until after the 2016 election cycle at the soonest–the best advice she can give to women is to make an individual retirement plan as early as possible. "It can't be just 'How will this work for us?'" she says. "Women need to be thinking, How is this going to work for me?"

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