Problem: Family dissolution (or Divorce rate) has been increasing significantly in most of the MENA countries over the last two decades.

Objective: The purpose of this study is to understand the economic and social determinants of divorce rate in the MENA countries, by focusing on housing costs as a main variable of interest.

Control variables:
- Unemployment rate
- Social globalization
- Women’s education
- Country fixed effect
- Period fixed effect

Data: I use annual data for the period of 1990 to 2014 for ten MENA countries.

Estimation Methods: Panel country and period fixed effects & Panel FMOLS

Main Result: A 10% increase in the housing costs increases divorce rate about 1.5% in the MENA countries.

Social globalization is a significant determinant of divorce rate in the MENA countries.

Theoretical Reason: Relational Stress Proposition

Economic hardship (including high housing costs) increases spouses’ psychological distress, decreases spouses’ expressions of warmth, emotional support, and satisfaction, and exacerbates discord between spouses, which may be ended with divorce.