Women's Economic Dependency and the Transition to Marriage

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Abstract
With the decline of the male breadwinner model of the family and the increasing importance of the role of women as income providers, partners' economic dependency has profoundly changed, and with it the norms regulating union formation. Focusing on cohabiting couples in the United States, this paper studies the association between partner's relative earnings and the transition to first marriage. The paper further investigates if and to what extend the association between relative earnings and union type has changed across two generations. The analyses are based on the National Longitudinal Survey of Youth, 1979 (NLYS79) and 1997 cohorts (NSLY97), and make use of multinomial logistic regression for analyzing the probability of observing a given union type (continuing cohabitation, marriage, union dissolution) in a given year, on the basis of the partners' relative earnings. Preliminary results based on the older cohort suggest that female-breadwinner couples (i.e. couples where men are 100% economically dependent) are more likely to make the transition to first marriage with respect to male-breadwinner couples.

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Background

The dual forces of macroeconomic and ideational change in Western Societies have led to a shift away from the male-breadwinner family model, the diffusion of dual-income couples, and the decreasing economic dependency of women on their partners. This long-lasting process required women, men, and the society as a whole to adapt to the new role of women as income providers. While the transition to a fully gender equal society has not been completed yet (Esping-Andersen and Billari 2015; Goldscheider, Bernhardt and Lappegård 2015), the economic role of women as income providers in families is much more common and acceptable today than it was some decades ago.

Still, a large body of research has shown that the positive association between economic status and the transition to marriage is gendered. Previous studies demonstrated that men's income is positively related to marriage, while the evidence regarding women's economic status is mixed (Kalmijn 2011; Oppenheimer, Kalmijn and Lim 1997). Numerous studies found no relationship or only a weak positive relationship between women's employment characteristics and marriage, however, women with higher levels of education are the more likely to marry (Esteve, García-Román and Permanyer 2012; Goldstein and Kenney 2001; Holland 2013; Kalmijn 2013; Sweeney 2002; Thornton, Axinn and Teachman 1995).

There is reason to believe that the relationship between men and women's relative economic status and marriage may be changing, across time and cohorts. Over the past decades, women's employment characteristics and wages have improved and begun to resemble those of men, while women have outpaced men in terms of educational attainment (Van Bavel 2012). Women today contribute a non-negligible share of their total household incomes and the number of couples where women represent the primary income provider has been increasing (Winkler, McBride and Andrews 2005). In light of these economic and social changes and as the gap in men's and women's labor market outcomes narrows, some scholars suggest that men's and women's preferences in mates will become more similar—men, as well as women, will seek partners who bear traits associated with success in market work, and hence high earnings (Blossfeld 2009; Grow and Van Bavel 2015; Oppenheimer 1988; Schwartz 2013; Sweeney 2002).

Qualitative research in the United States and Europe lends support to this converging preference theory, suggesting mechanisms for the changing association between the partners' relative earnings and marriage. Men's economic circumstances matter, but women also consider their own economic stability and self-sufficiency to be a prerequisite for marriage (Edin and Kefalas 2005; Smock, Manning and Porter 2005). An increasing perception that marriage is a partnership of equals might require that both partners bring economic resources to the relationship. At the same time, economic inequality within couples may be seen as risky, and remaining unmarried allows couples "keep finances separate and avoid the other person's economic risks and debts" (Hiekel and Keizer 2015; Perelli-Harris et al. 2014, p. 1065). Economic self-sufficiency may improve the likelihood that a woman has power within her relationship and a voice in family decisions (Edin and Kefalas 2005; England 2000; Perelli-Harris et al. 2014). So too, the importance of women's market success may be a response to the perceived fragility of marriage. Should a marriage fail to conform to expectations, a financially independent woman can "leave without being 'left with nothing'" (Edin and Kefalas 2005).

On the other hand, economic independence, particularly for women, may be associated with a lower likelihood of marriage. Money in marital unions "is characterized by being joint, co-operative and nebulous" while money in cohabiting unions is more likely to be kept separately, and subject to negotiation, "accountability and calculation" (Lyngstad, Noack and Tufte 2010, p. 2; Singh and Lindsay 1996). Economically independent women may not be interested in marriage because they do not need the economic insurance provided by the marital bond (Becker 1991). Economically dependent men may postpone marriage until they reach a position of economic equality, if not superiority, with respect to the woman, and especially so if they hold a conservative masculine ideology (Coughlin and Wade 2012).

In this study we investigate the association between the relative earnings and marriage among cohabiting couples in two birth cohorts in the United States. The first cohort, born between 1957 and 1964, came of age in the 1980s, when cohabitation emerged as an important stage in the family life course (Bumpass 1990). This cohort experienced widespread labor market changes and rapid globalization, eroding the economic position of blue-collar workers. In the 1980s and 1990s, stagnant wages and a shrinking labor market in the

traditionally male dominated manufacturing sector made low-educated men less economically attractive partners on average (Wilson 1987). The second cohort, born between 1980 and 1984, entered a transformed labor market, characterized by the growth of the knowledge economy and service sector. In their mid-to-late twenties, a time when many were forming families and establishing themselves on the labor market, this cohort experienced the Great Recession, which also disproportionally affected men (Cho and Newhouse 2013; Harkness 2013) and lead to an increase in the number of households reliant upon women's earnings (Harkness and Evans 2011; Smith 2009). This two-cohort analysis will provide insights into how the importance of relative earnings for union transitions may have changed across time, particularly in the context of economic uncertainty.

Data

Data for this analysis come from the United States National Longitudinal Survey of Youth 1979 (NLYS79) and 1997 cohorts (NSLY97). The NLSY79 and NLSY97 are nationally representative longitudinal surveys of men and women. The NLSY79 sample consisted of a main sample of 6,111, an oversample of 5,295 minorities and poor whites, and 1,280 respondents in the armed forces, for a total of 12,686 respondents born between the years 1957 and 1964. Between 1979 and 1994, the survey was conducted annually, and biennially thereafter. The NLSY97 sample included 8,984 individuals born between 1980 and 1984, including a cross sectional sample (6,748) and an oversample of Hispanic or Latino and black people (2,236). Since 1997, individuals have been interviewed annually. The NLSY data are ideal for exploring the relationship between couple's relative earnings and marriage. They include information on respondent and partner earnings and income, household composition, and employment, relationship and fertility histories.

The analysis sample will consist of all respondents ever observed in an opposite-sex premarital cohabitation after reaching age 18 and prior to age 30. We censor at age 30 in order to observe the two cohorts at similar stages in the life course. Respondents will be observed from first cohabitation to first marriage.[2] Respondents are censored when they report that their cohabiting partner has left the household. Individual respondents may contribute multiple observations with multiple partners. Each respondent contributes one person-year for each survey year they are observed in a premarital cohabiting union.

Dependent Variable

Taking advantage of the longitudinal nature of the surveys, this analysis uses the respondent and partner's characteristics in one period to predict union status in the following period. The dependent variable is union status in the subsequent interview. A couple is identified as continuing to cohabit if their relationship status in period t and period t+1 is cohabiting and there is no change in the partner identifier between the two periods. A couple is identified as married if their relationship status changes from cohabiting in period t to married in period t+1 and there is no change in the partner identifier. A couple is identified as separated if they report that they are single in period t+1 or if they identify a new partner in period t+1. If this new relationship is a cohabiting relationship, the individual will not be censored but the previous union will be identified as having dissolved and this new union will enter the analysis in the following period. In order to maximize the number of cohabiting person-years available for analysis and to accurately calculate relationship durations, we use a spell smoothing technique to impute missing relationship status. If a respondent reports a cohabiting partner in period t-1 and the same cohabiting partner in period t+1, but cohabitation information is missing in period t, we assigned the cohabiting partner of period t-1 and t+1 to period t.

Key Independent Variable

The key independent variable of interest captures women's economic dependency. The measure is an adaptation of Sorensen and McLanahan's dependency ratio, the measure of each partner's contribution to the couple's income (Sorensen and McLanahan 1987). The modified ratio captures couple's earnings dependency and can be calculated as

$$DEP = EARNM/(EARNM + EARNW) - EARNW/(EARNM + EARNW) \quad (1)$$

[2] Previous analyses of the NLSY79 cohort suggested that approximately one-half (49.1%) of individuals ever observed in a cohabiting union between 1979 and 2002 transition from cohabitation to first marriage (Holland 2008).

where EARNM and EARNW are the man's and woman's earnings respectively (creation of these variables is discussed in more detail below). A dependency ratio of 1 indicates that all of the couple's earnings are contributed by the man, while a dependency ratio of –1 would indicate that all of the couple's earnings are contributed by the woman. A ratio of 0 would indicate equality of earnings. With this measure of the relative contribution of each partner, we will be able to determine whether particular relative earnings distributions within couples are associated with an increase in the odds of marriage.

It is likely that the association between dependency and the transition to marriage is not linear. In order to test for non-linearity's in this association, we create a series of relative earnings splines. First, we divide the dependency ratio into 20 categories, each containing 5% of the full sample. We calculate the zero-order relationship between the spline variables and the probability of marrying or separating using multinomial logistic regression and identify approximate values of dependency that corresponded with changes in the slope of the probability of transitioning to marriage or separation. These levels of dependency will be the nodes of the dependency splines in the final model.

Additional Independent Variables

Independent variables include socioeconomic and demographic characteristics of the respondent and partner, as well as residential and union characteristics of the couple. A measure of combined couple's earnings is created by summing the respondent's reports of their own total earnings and reports of three components of their partner's earnings: income from wages and salary, income from farm or own-business, and military income. Earnings are top-coded at the 95th percentile, and dollar amounts are adjusted for inflation using the Consumer Price Index and shown in 2012 dollars. We will consider different specifications of the combined couple earnings measure in order to identify the best fitting model: linear, quadratic, logarithmic and spline specifications. We will also assess if the relationship between relative earnings and union transitions vary across levels of absolute earnings by incorporating interactions between relative and absolute earnings. We will further explore models including account respondent and partner's employment status and respondents welfare receipt.

We account for the respondent's enrollment status, and the male and female partner's highest grade completed with a series of dummy variables indicating less than high school, high school completion (the reference category), some college and college or more. Demographic characteristics include respondent's sex, the male and female partner's ages and a categorical variable indicating year of birth (which also differentiates members of the two cohort studies). Respondent's race and ethnicity is specified as a series of dummy variables: non-Hispanic black, non-Hispanic-white (the reference category), Hispanic and other race. Residential characteristics include region of residence and urban residence.

Relationship characteristics included in the model are an indicator for first cohabitation since the beginning of the survey (vs. higher order cohabitation), a dummy variable coded one if the couple lives with either the respondent or partner's parents or grandparents, and an indicator for relationship duration. Because cohabitation duration is not reported in the NLSY79, a crude duration measure is calculated using the spouse/partner identifier data, recording the number of periods the respondent and partner are observed co-residing. Relationship duration is specified as a series of dummy variables: less than one year (the reference category), one year, two years and three or more years. Because the presence of children has been found to lower the likelihood of marriage (see Graefe and Lichter, 2002), we include dummy variables to indicate the presence of any biological, adoptive or step children and an indicator for any children under the age of 5 in the household.

Methods

We will estimate discrete-time hazard (multinomial logistic) models to evaluate how dependency is associated with union transitions. This method uses maximum-likelihood estimation to predict the likelihood of being in a certain category (married or separated) relative to the reference category (continued cohabitation) at time t+1. All results will be weighted using NLSY79 and NLSY97 sampling weights and standard errors will be adjusted for within-respondent clustering.

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