The Wages of Love

DUAL-CAREER COUPLES STAY TOGETHER LONGER

BY BARI WALSH

WANT A LONG and happy marriage? You have to work for it.

In an important series of studies that cast a critical eye on the nostalgically driven, politically loaded idea that working women are bad for marriage, two BU economists have found that dual-career marriages are actually more stable, and less likely to end in divorce, than marriages in which only one partner works.

Looking at a cross-section of U.S. states, Andrew Newman, a College of Arts & Sciences professor of economics, and Claudia Olivetti, a CAS associate professor of economics, have found that in states where women have a very high rate of participation in the labor force, such as Wisconsin, Minnesota, and Iowa, the divorce rate is lower than in states like Kentucky or Arizona, where the female labor force participation is low. Similarly, in states with a high percentage of two-earner households, divorce rates are much lower, even controlling for total household income.

This most real-world of applied research projects started as a conversation between two theorists. Newman says that he and former BU colleague Zvika Neeman, now at Tel Aviv University, were observing that in bargaining theory, "it made a difference whether the participants in the bargain were able to make what we economists call side payments to one another. We said that one example of that would be a household consisting of two earners—that they'd have many more allocation possibilities than a household with just one earner."

Predicting fewer divorces in the two-earner households, they approached Olivetti, who studies issues related to women's employment and wages. She confirmed an under-recognized fact: since the mid-1980s, as women have increased their participation in the labor force, divorce rates have actually fallen. Theories about working women *causing* divorce—theories that held sway both in the popular mind and in academia, Olivetti says—"fall to pieces" when you look at the data.

Newman and Olivetti subsequently found that "for couples in which the wife can be considered a career woman, the probability of the marriage ending in divorce is 25 percent lower than for other couples," Olivetti says. And when they looked at couples in which the wife makes at least 50 percent of the household income, those equal-earning marriages are even less likely to end in divorce.

What is driving the correlation? It's not about total income, Newman and Olivetti stress, since marriages with one high-earning partner were not protected. It's about the distribution of money—and purchasing power—within the household. The researchers speculate that something called flexible accommodation is at play—which brings the conversation back to bargaining theory.

"The nice thing about money, as crass as it may seem to think that this is how we relate to each other, is that it enables you to purchase a full market basket of whatever goods you like," says Newman. "And so when things get a little difficult in a marriage, accommodations can be made." You can hire a babysitter for a weekend away, or relieve your spouse or yourself of lawn-mowing or housecleaning duties. "In a two-earner household," he says, "you're going to be able to accommodate more of the vicissitudes of married life."

Money still can't buy you love, in other words, but the equal distribution of it may buy a durable marriage.

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