

This article estimates the marriage effect on men's earnings using an alternate definition of marital status in which cohabitation is added as an additional category and using data from the 1976-1999 Current Population Surveys. Results show that the downward trend in the "marriage premium" is not as steep when cohabitators are excluded from the never-married reference group. The findings suggest that men's benefits from marriage have not declined as sharply as has been thought and highlight the importance of the diversity of family forms in studies of inequality. Future research that considers marital status should take into account the growing population of cohabitators.

Cohabitation and the Declining Marriage Premium for Men

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Normative support for the institution of marriage remained high during the past 20 years, although approval of nonmarital cohabitation increased (Axinn & Thornton, 2000) and the percentage of Americans who are married continued to decline (U.S. Census Bureau, 2001).¹ This support may reflect in part the benefits that marriage brings, especially to men (Waite, 1995). One of those is the "marriage premium," the earnings advantage that married men enjoy over never-married men. But recent analysis by economists has pointed to a decline in the marriage premium (Blackburn & Korenman, 1994; Gray, 1997; Loh, 1996) that has been linked to a weakened institution of marriage and eroding gender division of labor associated with the growth of cohabitation (Waite & Gallagher, 2000).

First, I briefly describe the marriage premium and its importance to the sociology of gender and the family in the context of labor market inequality. Next, I offer conceptual reasons to produce new estimates of trends in the

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marriage premium that exclude cohabiting men from the never-married reference group. Finally, I use data from the 1976-1999 March Current Population Surveys to offer empirical evidence that the decline in the marriage premium is overstated when members of the growing population of unmarried cohabitators are included in the never-married reference group.

THE MARRIAGE PREMIUM

Wage or earnings models for the United States show that married men earn more than do never-married men. Most models show a premium ranging from 10% to 40% depending on the time period, sample examined, and model specification (Goldin, 1990; Gray, 1997; Loh, 1996). Despite differences in the estimates, studies of the premium over time show a decline in recent decades. Blackburn and Korenman (1994) reported a drop from 29% to 19% for White men from 1967 to 1988 (with lower levels and slower decline among Black men). In Loh's (1996) analysis of 1940-1980 census data, the marriage premium for White men peaked at 25% greater than that for never-married men's earnings in 1969 and then dropped to 11% in 1979. For Black men, however, the premium increased steadily from 1939 to 1979, reaching 38%. Gray (1997) reported a drop in White men's marriage premium from 11% about 1980 to 6% by about 1990.

The marriage premium reflects earnings inequality between men in different family contexts. Because married men earn more—and because most employed men are married—marriage may contribute to men's overall earnings advantage. Understanding trends in the marriage premium is therefore important for such sociological questions as who benefits from marriage (England, 2000), how gender shapes the household division of labor (Coltrane, 2000; South & Spitze, 1994), and how gender is reproduced through everyday life (West & Zimmerman, 1987) in a context of political and economic inequality between men and women (Hartmann, 1981).

This study thus has broader implications for analysis of the relationship between marriage (or family structure more generally) and the structure of inequality. The marriage premium suggests a process by which gender dynamics within families—however they are defined—contribute to gender inequality overall. If this were the case, changes in family dynamics would have important implications for trends in labor market inequality as well. But since the premium itself is a measure of the difference between married men and men in some reference group, the composition of that reference group clearly is crucial. I reconsider that issue in light of the rapid increase in cohabitation rates in recent decades.

The proposed causes of the marriage premium include (a) a positive effect of marriage itself on the productivity of men, resulting from the division of labor within marriages; (b) the selection of more productive men into marriage; or (c) employer discrimination in favor of married men or other changes in married men's behavior (for recent reviews, see Gorman, 2000; Hersch & Stratton, 2000). In this respect, the marriage premium is similar to the other benefits thought to flow from marriage, the mechanisms for which remain contested (Waite, 1995).

Becker (1981) argued that married men earn more primarily because specialization within couples—whereby wives perform more housework and husbands spend more time in employment—leads to increases in husbands' productivity at work (Berk & Berk, 1983).² Korenman and Neumark (1991) found some empirical support for the productivity-enhancing effects of marriage among White men, whose wages increase after marriage as they receive higher performance ratings and faster promotions. And Gray's (1997) results suggest the decline in the premium for White men results from a drop in the productivity-enhancing effects of marriage.

As women's labor force participation and relative earnings increase, Becker (1985) predicted a "decline in the gain from marriage" (p. S34) resulting from decreased specialization.³ Women's labor force participation has increased dramatically, especially among married women and White women (Cohen & Bianchi, 1999), as have their relative earnings, especially among White women (Cotter, Hermsen, & Vanneman, 1999). One could conclude that the changing household division of labor (Bianchi, Milkie, Sayer, & Robinson, 2000) and the falling marriage premium for men result from these trends in the labor market, as Becker predicted. That is, labor market changes are shaping the dynamics of marriage.

The second explanation focuses on selection or the characteristics of the men who marry. Who is married and the circumstances under which they get married are changing, as suggested by the falling marriage rate (Axinn & Thornton, 2000) and the increasing rate of cohabitation (Casper & Cohen, 2000; Smock, 2000). Because marriage is a resilient institution resistant (although not immune) to change, people who want partnerships that differ from traditional marriages may seek to delay, avoid, or end marriages (Furstenberg, 1990; Nock, 1995). Women's increased economic independence therefore may influence who is (and who is not) married—or the selection process—as well as the dynamics within marriage (and within alternative family forms; Oppenheimer, 1997; Seltzer, 2000).

If the division of labor within marriage does in fact increase married men's productivity, the marriage premium should show pronounced declines in recent decades, as specialization within couples has clearly become less

extreme. And because cohabiting couples have a more gender-balanced household division of labor (South & Spitze, 1994), we should observe smaller premiums for men in cohabiting couples, even if one assumes that specialization within cohabiting relationships is similar in principle to that within legal marriages (Daniel, 1992).

On the other hand, there is considerable evidence that the marriage premium results largely from selection into marriage (Cohen & Haberfeld, 1991; Nakosteen & Zimmer, 1997). This suggests that the observed marriage premium results in part from labor market advantages that are not picked up in surveys (Loh, 1996). Cornwell and Rupert (1997) observed that men who eventually marry earn more than those who do not. Thus, "prospective marriage" is a predictor of higher earnings, undermining the claim that marriage itself lies behind married men's productivity.⁴

Marriage has become more selective, as fewer men are married and marriage rates have fallen faster for men with less education (Qian, 1998). Thus, if selection is the primary mechanism, the marriage premium should not have declined markedly in recent years. And because selection into cohabiting couples is not as rigorous as that for marriages (Blackwell & Lichter, 2000), we would expect the cohabitation premium to be smaller than the marriage premium.

Most recently, Hersch and Stratton (2000) concluded that the marriage premium for White men is not explained by either selection into marriage or specialization within marriage. They suggested pursuing the alternative explanations of employer discrimination or greater personal stability induced by marriage or the decision to marry. If either of these mechanisms dominates, we might see a fall in the marriage premium as divorce and social acceptance of nonmarriage increase. And both of these mechanisms might produce a small cohabitation premium; some employers might value nonmarital relationships and discriminate in favor of cohabitators, and cohabitation may also be an indicator of relative stability.

Given the evidence of Black-White differences in marriage markets (Brien, 1997; McLanahan & Casper, 1995), entry into marriage (South, 1996), and work-family dynamics (Lehrer, 1999), for example, it is not surprising that researchers have suspected there would be racial differences in the marriage premium. The evidence is mixed, however, with Blackburn and Korenman (1994) and Waite (1995) finding a smaller premium for Black men but Loh (1996) finding a larger premium as of 1979 (but not earlier). Daniel (1995), who argued that the premium results from wives "augmenting" their husbands' earnings, suggested the premium should be lower for Black men because their historically lower marriage rates and earnings reduce the expected return on women's investment in husbands. Put another

way, a lower marriage premium for Black men reflects less gender inequality. In fact, married Black men do a larger share of housework than their White counterparts (Brines, 1994; John & Shelton, 1997; Kamo & Cohen, 1998), and married Black men are also less likely than White men to earn more than their wives—75% versus 82% in 1999.⁵ Therefore, there is ample justification for modeling the effect separately by race and some reason to believe the premium will be lower for Black men.

Waite (1995) argued that the benefits of marriage largely result from its long-term contract, its pooling of resources and division of labor, and the sense of obligation it dictates. That marriage rather than some other institution plays this social role represents its position as a dominant institution. Whether the marriage premium results from productivity, selection, or discrimination effects, the fact that married men earn more than single men may be seen as a reward for conforming to the dominant family form (Bourdieu, 1998)—even if the mechanisms for this reward are opaque. Women who marry also draw some of these benefits (England, 2000) but only if they stay married. The benefits are contingent upon marital stability, as women pay their own wage penalty for motherhood (Budig & England, 2001), and the premium is not portable should divorce occur. Thus, marriage is a mechanism for reproducing inequality outside of married-couple families as well. However, if the marriage premium declines over time—even as the average time in the life course spent in marriage declines—the overall effect of the institution of marriage on inequality will decrease. In this light, the role of increasing cohabitation as a potential alternative becomes important to understanding the new dynamics of inequality.

BRINGING IN COHABITATION

Figure 1 shows the increase in cohabitation among employed men as a percentage of those who are never married from 1976 to 1999. Cohabitation among employed, never-married, White men has more than tripled in this period and now accounts for more than one in six men. The increase for Black men is not as steep, so what were higher Black rates in 1976 are now comparable to White men's. For both White and Black men, cohabitators clearly make up a nontrivial portion of the never-married pool of employed men.

Much of the sociological research on the nature of nonmarital cohabitation has concerned questions of union formation and quality (e.g., Brines & Joyner, 1999; Brown & Booth, 1996; Nock, 1995), fertility (e.g., Bachrach, 1987; Raley, 2001), and housework-related questions (e.g., South & Spitze, 1994) (for recent reviews, see Seltzer, 2000; Smock, 2000). However, some

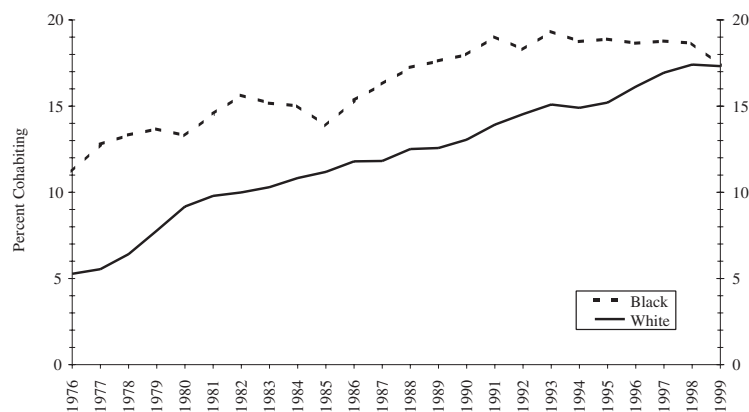


Figure 1: Cohabiting Black and White Men as a Percentage of Never-Married Workers, 1976-1999

NOTE: Sample includes never-married, non-Hispanic men with annual wages from \$2 to \$100 per hour in 1998 dollars and between ages 25 and 54; 3-year moving averages.

estimates by economists (using limited samples) have shown a cohabitation premium of about half the size of the marriage premium (Daniel, 1992; Loh, 1996).⁶ This could be seen as consistent with cohabitators as a qualitatively different group from both married couples and never-married individuals. Or, cohabitators could be divided between those who are more like married people and those who are more like single people (Brown & Booth, 1996; Casper & Sayer, 2000; Rindfuss & Vandenheuevel, 1990). How one interprets the meaning of cohabitation affects the coding of cohabitators in models of the marriage premium. Models could include cohabitators in the married category, in the never-married reference-group, or in a new category.

A growing body of research documents qualitative differences between cohabiting and marital relationships with regard to such factors as partner selection (Manning & Smock, 1995; Oppenheimer, Kalmijn, & Lim, 1997; Schoen & Weinick, 1993), happiness and commitment (Nock, 1995), and sexual infidelity (Treas & Giesen, 2000), in addition to the division of labor differences previously noted. Furthermore, cohabiting relationships do not last as long as married ones (Bumpass & Sweet, 1989; Sanchez, Manning, & Smock, 1998). Finally, it appears that the lower levels of relationship commitment among cohabiting couples may be indicative of a qualitatively different form of relationship (Brines & Joyner, 1999).⁷ Cohabitators thus appear to not belong in the married group.⁸

If, on the other hand, cohabitation is ignored, most cohabitators will be in the never-married reference group. But a substantial portion of cohabitators are

engaged to be married or in relationships that otherwise imply significant commitments (Brines & Joyner, 1999; Bumpass & Sweet, 1989; Casper & Sayer, 2000). Furthermore, the rapid increase in cohabitation also implies the significant development of a new family form, which is likely to grow more rather than less important in the coming years (Seltzer, 2000). From this, it appears that cohabitators should not be left in the never-married reference group.

These considerations notwithstanding, there were two reasons to leave cohabitators in their various unmarried categories in past research, as most have done (e.g., Blackburn & Korenman, 1994; Gray, 1997; Gray & Vanderhart, 2000; Hersch & Stratton, 2000; Perry-Jenkins, Repetti, & Crouter, 2000; Tharenou, 1999).⁹ First, cohabitation was relatively rare, and second, cohabitation was not identified in data sets suitable for measuring earnings. As cohabitation has become more common, this increasingly is no longer the case (although even when the variable is available, cohabitation is sometimes ignored; e.g., Hersch & Stratton, 2000). For examining changes in the marriage premium over a significant period, however, the identification of cohabitators must be indirect, based on household composition and other reported relationships. A new method for this identification using the Current Population Survey has simplified this process, at least back to the mid 1970s (Casper & Cohen, 2000). Weighing these options in light of logical interpretations and currently available data and methods, coding cohabitators into a new separate category is the most reasonable choice.

This summary leads to several expectations from the analysis to follow. First, all three explanations for the marriage premium as well as the partial results achieved to date suggest that there should be a cohabitation premium that is somewhat smaller than the marriage premium. If this is the case, the decline in the marriage premium should be less pronounced once the growing population of cohabitators is removed from the never-married reference group. Furthermore, these new estimates of the trend in the marriage premium may affect consideration of competing explanations for its cause. The productivity-specialization and discrimination hypotheses predict steeper declines in the marriage premium, whereas the selection hypothesis predicts no such decline.

NEW ESTIMATES OF THE MARRIAGE PREMIUM

I now present new estimates of the marriage premium from 1976 to 1999 that take into account the growth of cohabitation during this period. The method for analyzing trends here is most similar to that used by Blackburn

and Korenman (1994), who estimated separate earnings models for each March Current Population Survey and then tracked the coefficient for a married dummy variable during those years. The Current Population Survey is a large, nationally representative survey best used for examining labor force questions during recent decades. The sample includes non-Hispanic Black and White men between the ages of 25 and 54 who earned between \$2 and \$100 per hour (in 1998 dollars) in the previous year, as estimated by reported annual earnings divided by the product of weeks worked and hours usually worked per week (Hersch & Stratton, 1997).¹⁰ The natural log of this wage is the dependent variable in ordinary least squares regression models estimated separately for White and Black men for each year.

To include cohabitation, I use the "adjusted POSSLQ"¹¹ method of indirectly identifying cohabiting partners using historical Current Population Survey data (Casper & Cohen, 2000). This method identifies opposite-sex pairs living together in the absence of other related adults present. Although this measure presumably captures some simple roommate situations and misses some couples living with other adults, Casper and Cohen (2000) have shown that the method yields relatively unbiased estimates of cohabitators' characteristics.¹²

In each year, the parameter estimate of interest is for a dummy variable indicating "married, spouse present," which denotes the predicted earnings difference between married and never-married men, net of the control variables. In the first specification, cohabitation is ignored and the comparison is traditional, that is, between married and all never-married men, including those who are cohabiting. In the alternate specification, cohabitation is coded into a separate category represented by a dummy variable, and the comparison is between married and noncohabiting never-married men. In all models, formerly married men are represented by a separate dummy variable. Control variables include years of education, hours usually worked per week last year (logged), and potential experience (age-education-6) and its square.¹³ The presence of children is controlled with two dummy variables: one child younger than 15 in the family and more than one child younger than 15 in the family (Korenman & Neumark, 1992; Waldfogel, 1997). Other controls include dummy variables for the four census regions of the country and a dummy variable for residence in a metropolitan area.¹⁴

Some previous studies in this area have included more control variables, such as industry and occupation, in partial or extended forms (Blackburn & Korenman, 1994; Cornwell & Rupert, 1997; Daniel, 1992; Korenman & Neumark, 1991; Loh, 1996), whereas others have not (Gray & Vanderhart, 2000; Hersch & Stratton, 1997; Korenman & Neumark, 1992; Waldfogel, 1997). Because higher occupational attainment and employment in better

paying industries are themselves labor market rewards, I do not include these controls to let the marital status variables reflect these inequalities. This is appropriate given that the aim of this analysis is not to isolate the cause of marital status effects—which is not possible with cross-sectional models in any event—but rather to track the trend in the married-never married gap under different assumptions. This strategy is consistent with sociological studies of broader labor market inequalities (e.g., Cancio, Evans, & Maume, 1996; Cotter et al., 1999).¹⁵

Table 1 shows regression results for models from 1999 (complete results from each year are available from the author). The table shows a marriage premium of .202 for White men with the traditional coding—ignoring cohabitation (Model 1). When cohabitators are coded into their own category (Model 2), the estimated White marriage premium increases to .214 (a difference equal to the standard error). The table also shows the positive effect for White men of cohabiting, which yields a net increase in log wages of .069 compared with noncohabiting, never-married men. Given the smaller positive effect of cohabitation, it is logical that the marriage premium is increased when these men are coded into their own category. The results for Black men are not as clear, as their marriage premium is higher in the model that accounts for cohabitation, but the cohabitation effect is not significant. Note, however, that the standard errors are about three times larger in the Black model, reflecting the smaller sample of Black workers in the data.¹⁶

Figures 2 and 3 show the marriage premium for White and Black men for the years 1976 to 1999 (smoothed with 3-year moving averages), with linear interpolations of the trends for illustration. Here, the log-wage coefficients have been converted to percentages.¹⁷ The figures show the declining marriage premium and the divergence of the trend lines for the traditional and alternative model specifications. Next, following Blackburn and Korenman (1994), I model the trends in the parameter estimates for the married dummy variable using a second set of regressions presented in Table 2.

In the time-trend regressions, year is entered as a linear term, coded from zero in 1976 to 22 in 1999. In the first models, the dependent variable is the parameter estimate for the married dummy variable with the traditional coding. The second panel shows the same analysis of the parameter estimates from models accounting for cohabitation. And in the third panel, the dependent variable is the difference between the traditional and alternate estimates in each year.

The models for White men show a significant linear trend downward in the marriage premium in both the traditional (Model 1) and alternate (Model 2) specifications. However, the rate of decline is considerably slower

Table 1: Ordinary Least Square Models for Log-Hourly Wage: White and Black Men, 1999

	<i>White</i>		<i>Black</i>	
	<i>Model 1</i>	<i>Model 2</i>	<i>Model 1</i>	<i>Model 2</i>
Intercept	1.056*** (.068)	1.045*** (.068)	.966*** (.214)	.971*** (.214)
Married	.202*** (.012)	.214*** (.013)	.174*** (.033)	.189*** (.035)
Was married	.057*** (.014)	.067*** (.016)	-.049 (.037)	-.049 (.041)
Cohabiting	— (.018)	.069***	— (.048)	.032
Education	.094*** (.002)	.094*** (.002)	.092*** (.006)	.091*** (.006)
Potential experience	.028*** (.002)	.029*** (.002)	.017* (.007)	.017* (.007)
Potential experience ²	-.462*** (.056)	-.468*** (.056)	-.154 (.167)	-.160 (.167)
Northeast region	.060*** (.001)	.060*** (.011)	.004 (.035)	.006 (.035)
Midwest region	.016 (.010)	.016 (.010)	-.016 (.034)	-.016 (.034)
West region	.027* (.011)	.026* (.011)	.039 (.044)	.035 (.044)
Metro area	.154*** (.008)	.155*** (.008)	.111*** (.030)	.112*** (.030)
Weekly hours (ln)	-.062*** (.017)	-.063*** (.017)	-.024 (.053)	-.027 (.053)
One child	.030*** (.011)	.027* (.011)	.016 (.034)	.007 (.034)
More than one child	.049*** (.011)	.047*** (.011)	-.057 (.033)	-.065 (.034)
Adjusted <i>R</i> ²	.219	.219	.176	.178
<i>N</i>	18,004		1,823	

NOTE: Numbers in parentheses are standard errors. Sample includes non-Hispanic men with wages from \$2 to \$100 per hour in the previous year and between ages 25 and 54.

p* < .05. *p* < .01. ****p* < .001.

in the alternate specification (–.0011 per year versus –.0017). The reduction in the rate of decline (.0006 or 35% of the rate shown in the traditional model) is also significant, as shown in the third panel. The trends appear similar in the models for Black men, with a reduction in the rate of decline of 37%, but the standard errors are much larger due to the greater year-to-year variability in these models (note the much lower *R*² terms for the Black models).

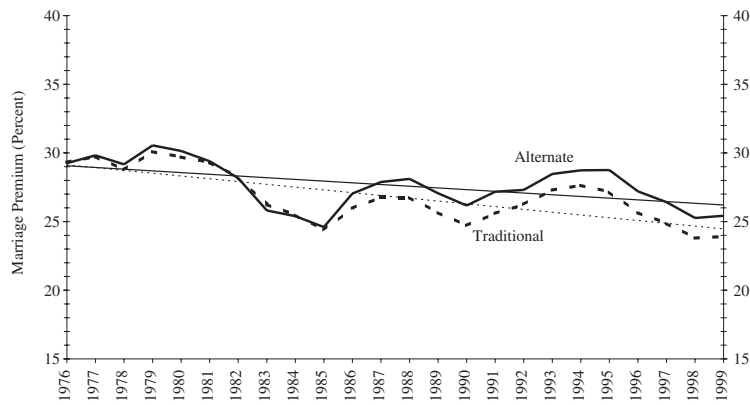


Figure 2: White Men's Marriage Premium With Traditional Definition and Accounting for Cohabitation, 1976-1999

NOTE: Parameter estimates converted to percentages for the log-wage difference between married and never-married men (3-year moving averages). Straight lines are linear interpolations.

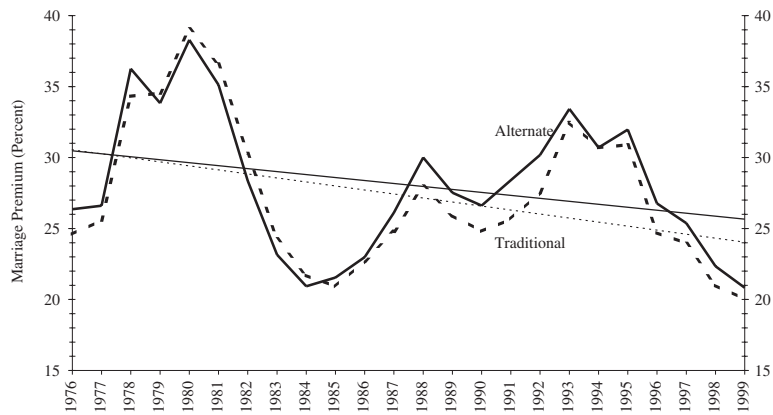


Figure 3: Black Men's Marriage Premium With Traditional Definition and Accounting for Cohabitation, 1976-1999

NOTE: Parameter estimates converted to percentages for the log-wage difference between married and never-married men (3-year moving averages). Straight lines are linear interpolations.

Two features of the trends merit additional comment. First, neither the traditional nor the alternate specification shows very rapid declines in the

Table 2: Linear Trends in the Marriage Premium for White and Black Men, 1976-1999^a

	<i>White</i>	<i>Black</i>
Model 1: Never-married men include cohabitators		
Intercept	.2574 (.0062)	.2611 (.0235)
Year	-.0017** (.0005)	-.0019 (.0018)
R^2	.392	.051
Model 2: Cohabitators in their own category		
Intercept	.2565 (.0067)	.2592 (.0256)
Year	-.0011* (.0005)	-.0012 (.0019)
R^2	.176	.018
Difference: Model 2 – Model 1		
Intercept	-.0008 (.0017)	-.0019 (.0070)
Year	.0006*** (.0001)	.0007 (.0005)
R^2	.533	.073
<i>N</i>	23	23

NOTE: Numbers in parentheses are standard errors. The dependent variable is the estimated difference in log wage between married and never-married men, controlling for years of education, potential experience and its square, region, metropolitan area residence, hours worked (ln), one child, and more than one child. Sample includes non-Hispanic men with wages between \$2 and \$100 per hour in the previous year and between ages 25 and 54.

a. Estimated married–never-married differentials from annual models.

* $p < .05$. ** $p < .01$. *** $p < .001$.

marriage premium during nearly a quarter-century period. The alternate model shows a decline of 6.1 percentage points for White men and 4.5 percentage points for Black men during the period. Despite differences in the estimates resulting from model specification, the pace of change shown is clearly slower than that reported both by Blackburn and Korenman (1994), who reported a 10-point drop over 21 years (1967-1988), and by Gray (1997), who reported a drop of 5 points in the 1980s. So it is possible that apart from measurement issues the rate of decline slowed in the last part of the 20th century. Second, the variability across years in the estimates of the marriage premium is substantial, especially in the Black models. It is possible that the marriage indicator in the Black case is picking up additional unmeasured characteristics or that external factors such as employer treatment vary more across time.¹⁸

CONCLUSION

As these results show, estimation of the marriage premium over time is substantially affected by the treatment of the growing population of cohabitators. Cohabitation clearly needs to be taken into account if trends in the marriage premium are to be understood in the context of changing family forms and living arrangements. The rate of decline in the marriage premium from 1976 to 1999 is overstated when members of the growing population of unmarried cohabitators are included in the never-married reference group. Controlling for cohabitation reduces the rate of decline by 35% for White men and by a similar amount for Black men, although the trend analysis results are not significant in the Black model.

Although cross-sectional models for any one year are not designed to adjudicate the causes of the marriage premium, these trends are suggestive in several ways. Reversing the downward trend in the marriage premium poses a challenge for the productivity or specialization explanation, which predicts declines as a result of the steep increases in wives' employment rates (Cohen & Bianchi, 1999) and concurrent changes in the household division of labor during this time (Bianchi et al., 2000). In fact, the average annual hours worked in the labor force for married men in this sample increased by just 8% during this period, whereas their wives increased their annual hours employed by 39%. Of course, wives still do the majority of household labor, whereas husbands spend more time in the labor force, but if specialization lies behind the marriage premium, then its decline would be associated with a smaller marriage premium. Similarly, the discrimination hypothesis would predict declines as acceptance grows for alternative household and family forms (Axinn & Thornton, 2000). Only the selection hypothesis does not predict declining marriage premiums, as men's marriage is increasingly associated with higher education (Qian, 1998) and, presumably, skill levels.¹⁹

Finally, whereas the Black premium is much more variable over time, at the end of the period, it appears that Black men's marriage premium is somewhat smaller than that of White men (see Table 1), which is not the case during the earlier years in the period. These models will therefore not do much to resolve the speculation reported previously about Black-White differences in the marriage premium.

If the marriage premium is seen as a reward for conforming to social norms about family structure, this reward has not declined as sharply as has been thought. Those who worry about the weakening institution of marriage might take heart from these findings, if they are taken to suggest that advantages experienced by married couples are not declining as rapidly as has been believed. For those more generally interested in the changing role of families

in the inequality structure, however, these findings suggest that we need to look beyond dynamics within marriages and more thoroughly address the role of alternative, perhaps less constrained relationships such as cohabitation. Specifically, future studies that consider the role of marital status in inequality should take into account the growing diversity of family and household arrangements, especially cohabitation.

NOTES

1. In 1999, 85% of American registered voters reportedly viewed the marriage penalty in the tax code as unfair (*The Wirthlin Report*, 1999), considerably higher than 56% married in the population. During his first month as president, George W. Bush proposed rectifying the marriage penalty with a 10% tax deduction for the lower earning married spouse on the first \$30,000 of income (Bush, 2001).

2. According to Becker (1985), even a slight pay difference between men and women leads to an increased division of labor within couples. This in turn results in a widening pay gap, as men's labor market productivity increases, whereas housework drains time and energy from women's market work.

3. For a critical review, see Oppenheimer (1997).

4. Cornwell and Rupert (1997) concluded,

We find that the wage premium can be explained largely in terms of unobservable individual characteristics which are positively correlated with marriage and wages. In other words, attributes leading to "good" (long and stable) marriages are also important in obtaining "good" (long and stable) jobs and higher wages. (p. 286)

5. Calculated from the sample described as follows. The difference is significant at $p < .001$.

6. Daniel (1992) looked only at cohabitators ages 22 to 30, and Loh (1996) looked only at cohabitators who end up marrying.

7. The nature of commitment may be important for earnings effects beyond women's housework contributions if married men are more likely to sacrifice—or win compromises from their partners—to get better paying jobs for themselves (Cornwell & Rupert, 1997). Note, however, that a uniform nature and level of cooperation within marriages is not assumed (Treas, 1993).

8. Note that Gupta (1999) did not find that couples significantly change their household division of labor when they move from cohabitation to marriage. Differences between married and cohabiting couples may appear to be more pronounced in cross-sectional analyses (such as this one) than in longitudinal studies.

9. Recently, Cappelli, Constantine, and Chadwick (2000) put cohabiting men in their own category, but their models use data from 1986, when cohabitation rates were lower.

10. As in some previous studies (e.g., Cornwell & Rupert, 1997; Daniel, 1992; Gray & Vanderhart, 2000; Korenman & Neumark, 1991), I include men who work part-time or part of the year. Sample sizes range from 18,078 to 25,188 for White men and from 1,561 to 2,195 for Black men.

11. POSSLQ, an acronym for "persons of the opposite sex sharing living quarters," is a term used by the U.S. Census Bureau for inferred cohabitating relationships.

12. Cohabiters are identified if they are the person in whose name the house or apartment is owned or rented or the partner of that reference person.

13. As one reviewer noted, although it is the only measure available, the measure of potential experience rather than actual years of employment experience will overstate work experience for people with interrupted work histories. If these men are less likely to be married, this will lead to an overestimation of the marriage premium. However, there is no reason to suspect that this bias changes substantially over the period, so the problem may not affect estimation of the trend in the marriage premium.

14. All analyses are weighted with the March Current Population Survey person weight.

15. I did estimate models that control for occupational and industry categories, which showed smaller marital status effects and smaller declines in the marriage premium over the period. But the difference between the models with and without controlling for cohabitation was similar to that reported as follows.

16. For the control variables, the only coefficients that change appreciably in the alternate models, at least for Whites, are those for child variables, which are lower when cohabiters are removed from the reference group.

17. To calculate the conversion, the log wage is exponentiated, yielding, for example, $\exp_{(.277)} = 1.32$, indicating a 32% increase in wages associated with being married.

18. I owe this observation to an anonymous reviewer. Note that the variation in the Black trend does not track economic cycles, as it shows steeper declines during the recession years of the 1980s and during the economic growth period of the late 1990s.

19. In this sample, married men's average education increased from 12.6 years to 14.1 years, closing the gap with that of never-married men (which rose from 13.4 to 14.0).

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