## Marital (In)Stability, Sorting, and Inequality

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  - Does increasing sorting contribute to rising between-household inequality?
- New ideas in this project: what is the role of marriage and divorce?

## How to measure sorting? The contingency table

Male\Female	$t_{i,f} = 1$	$t_{i,f} = 2$		$t_{i,f} = N$	Marginal
$t_{i,m} = 1$	P(1,1)	P(1, 2)		P(1,N)	$P(t_{i,m}=1)$
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#### Likelihood ratio

$$s(j, j') = \frac{P(t_{i,m} = j, t_{i,f} = j')}{P(t_{i,m} = j) P(t_{i,f} = j')}$$

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Likelihood ratio

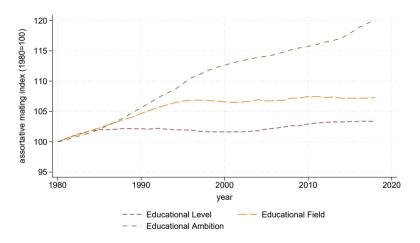
$$s(j, j') = \frac{P(t_{i,m} = j, t_{i,f} = j')}{P(t_{i,m} = j) P(t_{i,f} = j')}$$

The weighted sum of likelihood indices for "sorted couples"

$$S = s(1,1) \times w_1 + s(2,2) \times w_2 + \dots + s(N,N) \times w_N$$

• Types are based on educational attainment. Weights: see Almar & Schulz (2024).

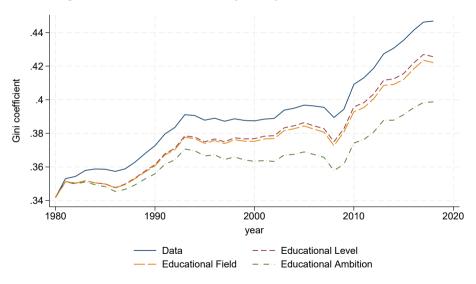
# Does increasing sorting contribute to rising inequality? Yes.



Ambition types: see Almar, Friedrich, Reynoso, Schulz & Vejlin (2025).



## Marital Sorting contributes to Inequality



## New ideas: a broader understanding of sorting patterns

- The literature focuses on same-type couples (homophily).
- This takes into account only the main diagonal of the contingency table.
- Somewhat narrow. Same-type couples are typically a minority.
- Different-type couples: hypergamy (marry up) and hypogamy (marry down).

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- Different-type couples: hypergamy (marry up) and hypogamy (marry down).
- New ideas in this project:
  - 1 Develop new measures of hypergamy/hypogamy, study the trends.
  - ② Disentangle marriage and divorce margins to understand the trends.
  - What are the implications for the link between sorting and inequality as well as gender differences in labor market outcomes?

#### Ideas for New Measures

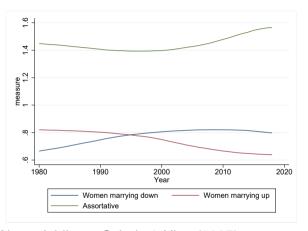
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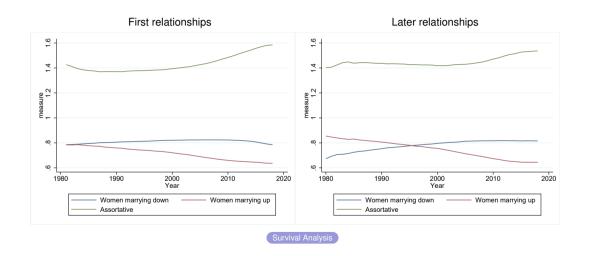
## Hypergamy/Hypogamy/Sorting Trends



• Ongoing work, Almar, Ishihata, Schulz & Xiao (2025).

Marrying down by gender and type

## The role of marriage and divorce



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- This matters for inequality across households and genders.
- Marginal type distributions change, but our measures take this into account.
- To understand the driving forces, we need theory and a structural model.

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  - Increasing hypogamy of women might lead to more turnover in the marriage market.

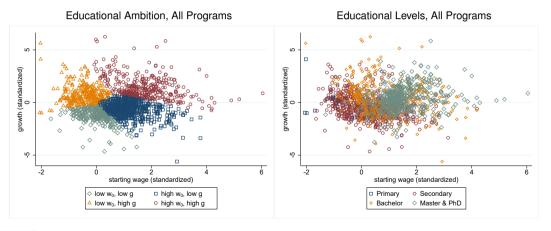
#### Thank you for your attention.

**Bastian Schulz** 

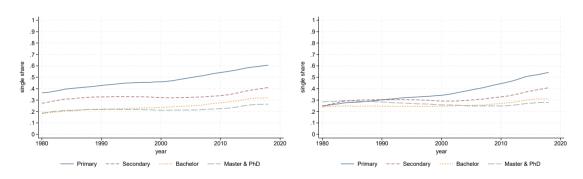
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## Ambition types vs. Educational level

• We construct the ambition type by clustering labor market outcomes (k-means) at the educational-program level (avg. starting wages and wage growth across graduates).



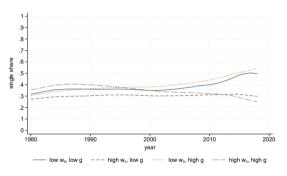
## Singles by Education Level



Male Single Shares

Female Single Shares

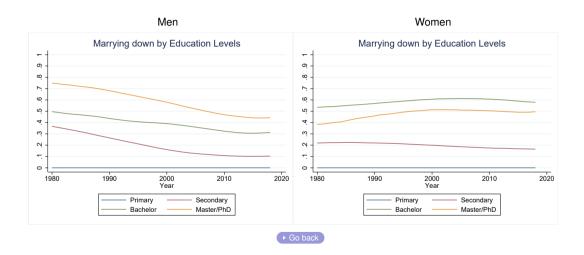
## Singles by Ambition



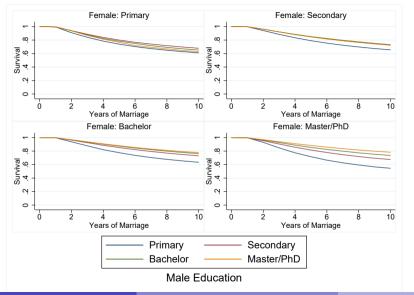
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## Hypogamy

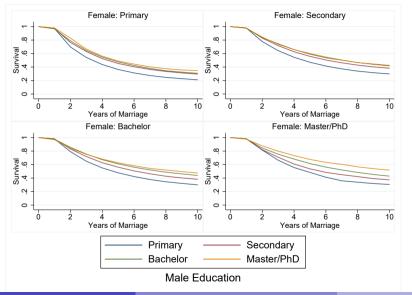


## Survival Functions, First Marriage



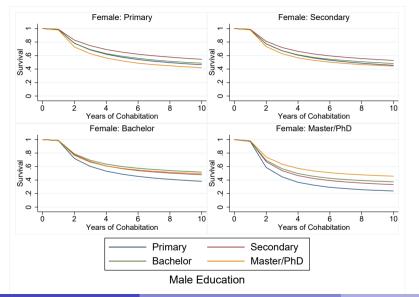
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## Survival Functions, Later Marriages



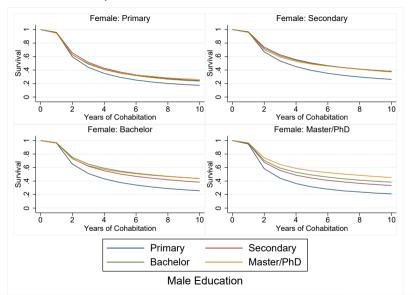
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#### Survival Functions, First Cohabitation



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#### Survival Functions, Later Cohabitation



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## Household specialization - Time Inputs

Labor market work hours per day

	sin	gle	married					
	U	Ε	UU	UE	EU	EE		
male female	0.57	9.68	0.25	0.66	10.23	10.32		
female	0.67	8.50	0.21	8.02	0.67	7.64		

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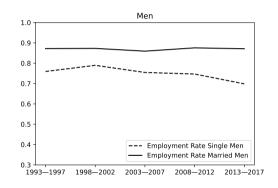
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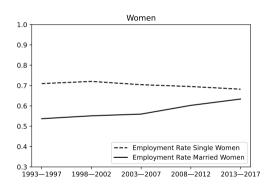
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• Domestic work hours per day (childcare, errands, repairs, routine chores):

	single		married				
	U	Ε	UU	UE	EU	EE	
male female	3.21	2.62	4.99	5.42	3.08	3.13	
female	6.00	3.97	7.39	4.57	9.89	5.90	

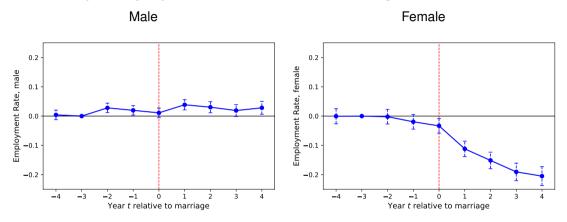
## **Employment Rates**





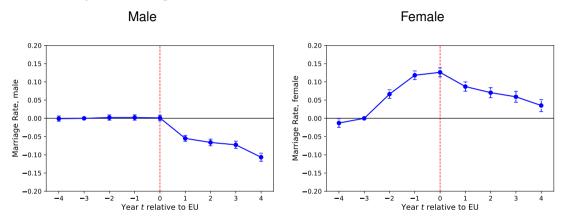


## Event Study: Employment Rate around Marriage





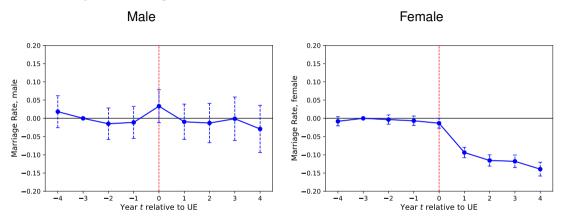
## Event Study: Marriage Rate around EU Transition



• Relative to matched control group: no EU Transition, matched in t-3.



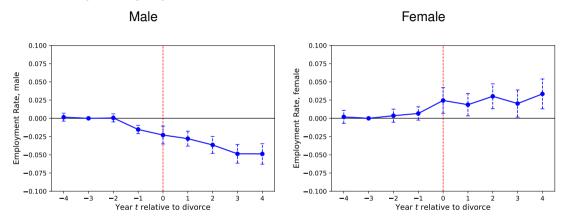
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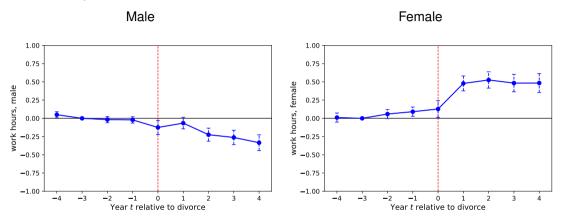


## Event Study: Employment Rate around Divorce



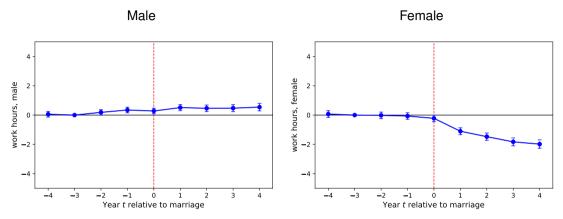


## Event Study: Work Hours around Divorce



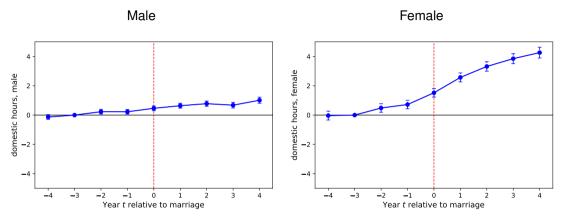


## Event Study: Work Hours around Marriage



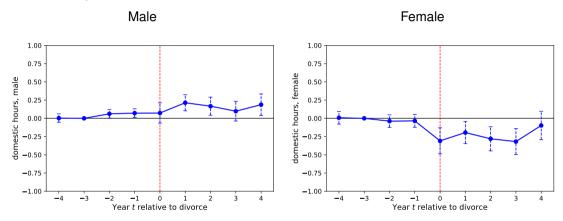


## Event Study: Domestic Hours around Marriage



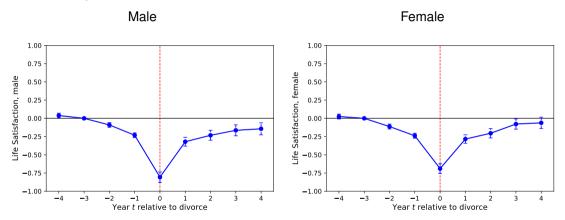


## Event Study: Domestic Hours around Divorce





## Event Study: Life Satisfaction around Divorce





## Event Study: EE Rate around Divorce

