Does divorce risk depend on spouses' relative income?


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Background: Economic aspects

- **Independence effect** - economic independence of the wife: frequent explanation of the relationship between increasing earnings of women and increasing divorce rates. If the wife is a high earner relative to her husband, she gains less from marriage, and she would be able to maintain her living standard after a divorce.

- Focusing on woman’s income alone does not allow to control for the *income effect*: a higher total income of the family improves its quality of life and thereby enhances marital stability.

→ empirical studies need to be based on individual-level income data from both spouses
Equally Dependent Spouses

- Marriages where each spouse earns 40-60% of the total income are more divorce prone than marriages where the wife earns less (based on results from the U.S.) - in line with the *independence effect* argument.
Background: Gender relations

- More similar labor market roles of women and men are reflected in more egalitarian gender ideology in Sweden. About equal income of both partners would stabilize marriage in a society where egalitarian gender attitudes prevail – if conforming to prevailing attitudes leads to more stable marriage.

- The situation where the wife earns more than her husband may have a destabilizing effect on the relationship because of non-conventional power structures.
Context for our study: Sweden

- Sweden is well known as a country where egalitarian gender ideology is permeated
- In 7% of all married couples, wives earn more than 60% of the total income; in 48% of couples, the spouses’ income ratio ranges within 40-60%; in 45% of couples, wives earn less than 40% of the total income
- Previous studies on family stability in Sweden have not included information on women’s employment or earnings
- We have a very good register data set for studying divorce risks in Sweden
Hypotheses

- **Hypothesis 1 - (wife’s) independence effect:**
  - Wife earns more than the husband’s → higher divorce risk
  - Wife earns considerably less than the husband → lower divorce risk

- **Hypothesis 2a – equally dependent spouses (earning 40-60% each):**
  - The wife may perceive a context of roughly equal earnings and unequal distribution of household work as unfair → higher divorce risk

- **Hypothesis 2b – Swedish context:**
  - Couples where each spouse contributes with 40-60% of the total income have the economic power structure that conforms to the gender ideology that prevails in Sweden → lower divorce risk

- **Hypothesis 3 - income effect:**
  - Divorce risk decreases by the total earned income of the couple
Data and method

- Data from Statistics Sweden obtained by linking individual-level information on demographic, social, and economic variables from different registers.

- Study population:

- Hazard regression model:

\[
\ln \mu_i(t) = y(t) + \sum_j \alpha_j x_{ij} + \sum_l \beta_l w_{il}(t)
\]
Control variables

- Wife's age at marriage
- Number of wife's children from previous partnerships
- Number of husband's children from previous partnerships
- Age of youngest shared child
- Husband's order of marriage
- Couple’s age difference
## Relative and absolute income: main effects

- **Wife’s share in couple’s total income**
  - educ. not controlled: 1.00, 1.29, 1.51, 1.97, 2.10
  - educ. controlled: 1.00, 1.38, 1.62, 2.12, 2.19

- **Couple’s total income**
  - educ. not controlled: 1.00, 0.88, 0.83, 0.79
  - educ. controlled: 1.00, 0.87, 0.86, 0.92
Relative and absolute income: interaction
Level of education: main and interactive effects

- **Husband's level of education**
  - Low (ref.) 1.00 1.00
  - Medium (gymnasium) 0.88 0.83
  - High (post-gymnasium) 0.71 0.63

- **Wife's level of education**
  - Low (ref.) 1.00 1.00
  - Medium (gymnasium) 0.66 0.69
  - High (post-gymnasium) 0.52 0.57

- **Couple’s relative level of education**
  - Husband’s education higher 1.01
  - Same level of education (ref.) 1.00
  - Wife’s education higher 0.89
Summary

- **Support for (wife’s) independence effect hypothesis:**
  - The higher the wife’s share in the couple’s income, the higher the divorce risk.

- **Support for income effect hypothesis:**
  - The higher the total family income, the lower is the divorce risk.
    - (This relationship was rather weak when spouses’ educational level was controlled for.)

- **No or very weak support for the “Swedish context” hypothesis:**
  - Only in the highest income category (7% of all couples) have partners with about equal income a somewhat reduced divorce risk.
Interpretation

- We find strong support for the independence effect hypothesis, but we cannot disentangle the extent to which a wife’s high relative income...
  - ... lowers the barrier to exit an unhappy marriage and/or
  - ... increases the risk of breaking up by producing a non-traditional power structure in the marriage and in this way threatening the traditional division of labor and the breadwinner role, if this is valued by at least one of the partners (usually husband)
  - ... is a consequence of wife’s activities towards increasing her income because of marital discord

- An income ratio that conforms to the prevailing (in Sweden) value orientation of egalitarian power relations does not have a stabilizing influence on marriage