

# **Applying a Multiple Equilibrium Framework to Divorce Risks in Western Germany, UK and US**

Gosta Esping-Andersen  
Daniela Bellani,  
Diederik Boertien  
(Universitat Pompeu Fabra)

**(Long abstract for PAA – 2013)**

**Abstract:** Divorce research often produces ambiguous findings regarding the influence of women's new economic role. To exemplify, wives' income tends to affect divorce positively and, yet, we see that the educational gradient is being reversed. How does one reconcile such findings? In this paper we apply an alternative approach to the issue, one derived from multiple equilibrium models. We predict that couple instability should be greatest where strong normative signals are absent – i.e. in 'unstable equilibria'. Vice versa, divorce risks should decline when (and if) gender-egalitarian norms of couple life gain ground. One important upshot is that research on family dynamics should be more sensitive to non-linearities. Using the GSOEP, the BHPS and PSID waves 1986-2009; we apply discrete time event history analysis to couples and relate partnership durations to couple specialization. We focus particularly on inequity effects related to the division of domestic and market work.

## **Long abstract**

In recent years demographers have uncovered a remarkable u-turn on key dimensions of family life. The classical negative correlation between female employment and births is turning positive. A similar trend emerges also for couple formation and divorce. These changes seem at odds with the core predictions inherent in both Becker's (1977; 1991) New Home Economics and the 'post-modernism' variant of the Second Demographic Transition (SDT) thesis (van de Kaa, 2001).

Albeit argued very differently, both envisage a steady decline in fertility and marriage, and a concomitant rise in divorce. In Becker's framework, the returns to marriage depend on specialization. The opportunity costs of marriage will rise in tandem with gender-convergence in market productivities. At the micro-level we should accordingly expect that high-skilled, high-earning women are less likely to marry and have children (and also be more prone to divorce). At the macro-level, increases in women's employment will induce falling fertility, lower marriage and higher divorce rates.

The postmodernism variant of the SDT thesis predicts pretty much the same trend, but on the basis of a value-change argument. The basic proposition here is that citizens increasingly act on individualistic value preferences (such as self-realization) rather on commonly shared norms and expectations.

We question the validity of the projected secular rise in couple volatility. Instead we believe that the observed rise in divorce, as well as the recent shift towards greater marital stability (at least among the higher educated), both reflect a dynamic inherent in the unfolding revolution of women's roles. As is well-established, women's exit from housewifery and their adoption of a more 'masculine' life course was not paralleled by any serious male adaptation within the domestic sphere (Gershuny et.al., 2005; Bianchi 2000; Bittman et.al., 2003; Esping-Andersen et.al., 2010). The failure of men to adjust fueled concepts such as the 'second-shift' (Hochchild, 1989); a number of studies pointed to the prevalence of 'doing gender' practices (Berk, 1985; Brines, 1994). The upshot is that greater gender parity in terms of paid work failed to carry over to private life. The upshot was widespread inequity in couple relations.

With the same logic we should, accordingly, expect that marital stability will increase when couples adopt more equitable arrangements. The u-turn we observe in terms of falling divorce rates among the higher educated in countries like the Scandinavian coincides with a sudden burst in men's contribution to domestic tasks. In Denmark, their mean share of housework shot up from around 30 percent in the 1980s to 41

percent in 2001 -- with almost 30 percent of men contributing in excess of 50 percent (Esping-Andersen et.al, 2010). Our comparative study is a first attempt to tease out whether the coincidence has any causal stature.

As we explain below, demographic behaviour in contemporary societies resembles very much a **multiple equilibrium logic**: the traditional male breadwinner model co-exists with a nascent gender egalitarian one and, as is inherent in multiple equilibrium settings, there is a potential large population situated in a 'normative limbo' (what economists term an unstable equilibrium).

Hence, as a new gender-symmetric equilibrium gains ground we should also expect that marriages become more stable. So far, the declining incidence of divorce is very much concentrated among the highly educated. These are, not incidentally, not only the vanguards of the female revolution but also of gender-egalitarian partnerships. As a new egalitarian equilibrium gains dominance beyond the confines of a narrow social stratum we should see divorce risks declining across the social pyramid.

In this study the focus is on Germany, UK and US; in (West) Germany traditional couple specialization still is prevalent, notwithstanding female employment gains (Cooke, 2004; 2011). This is why, in line with previous research, one would expect that German divorce risks remain lowest among traditional couples. And yet Germany has experienced a trend towards greater gender-egalitarianism. In Britain, and more so in the U.S. the share of partnerships that display more gender egalitarian practices is substantially larger -- although as yet they are far from being the norm.

The question is whether the degree of diffusion of gender symmetric norms in these countries has been sufficiently strong -- at least among substantial population segments -- to influence divorce propensities.

We adopt an explicitly **non-linear modelling approach**. To this end, we identify distinct and, indeed, rival specialization models. Using information on both partners' contribution to paid and unpaid work, we proceed by firstly identifying couples that display patterns of work allocation that are equitable versus inequitable. We subsequently distinguish between three types of equitable arrangements.

1) *Equitable couples*: both partners contribute symmetrically to the paid and unpaid work. We distinguish between three distinct 'equity-groups':

1a) Traditional-equitable couples. Here women's unpaid work corresponds (symmetrically) to men's paid work.

1b) Part-time-equitable couples - as above, the partners' share of domestic work corresponds to their relative paid work burden.

1c) Gender-symmetric (or egalitarian) couples - paid and unpaid work shares are the same for both the partners.

2) *Non-equitable couples*. All the couples in which one partner contributes more or less to unpaid work than would be warranted given his/her share of paid work.

We shall especially focus on how divorce risks are influenced by *transitions* between these states.

As noted, a major advantage of our data (GSOEP, the BHPS and PSID waves 1986-2009) lies in their provision of annual information on both partners' time-use, both regarding paid and unpaid work. This is of course sine qua non for estimating how types of couple specialization influence divorce risks over the partners' life course. We observe couples from the beginning of their partnership until separation or right-censoring (in our case, up to 15 years).

Further, we control for potential bias that can arise from different sources: self-selection into marriage, (potential) endogeneity between divorce and cohabitation, and the effect of unobserved partner characteristics on couples' arrangements as well as on marital dissolution. Such controls are relatively rare in divorce research.

Our main expectation is that equity is associated with significantly greater marital stability and that divorce risks are significantly greater among non-equitable couples. To the extent that gender egalitarianism has become normative, we should also expect lower divorce risks among gender-symmetric couples.

In particular our core hypothesis is that equitable specialization per se diminishes the risk of divorce. The reasoning is straightforward: inequities are likely to provoke tensions and conflicts. We expect, secondly, that equitable traditional couple arrangements offer the single strongest source of partnership stability. Thirdly, in address to couple dynamics, we hypothesize that permanence in an equitable arrangement reduces divorce risks while in non-equitable arrangements it will increase divorce risks. Fourthly, to the extent that a gender egalitarian arrangement has gained normative sway, at least for some sections of the population, we hypothesize that permanence in a gender symmetric arrangement will enhance couple stability

To anticipate the conclusions for Western Germany (we are still completing our study of the British and US cases), our analyses show that more equitable domestic arrangements do produce significantly lower marital dissolution. This effect is in large part driven by traditional couples who are, comparably speaking, very stable. They continue to represent the only dominant equilibrium in Germany. But, unlike earlier

studies, we find that permanence in an egalitarian regime also lowers the probability of rupture.