

MARKETPLACE

WORKPLACE

Young Women May Trade Jobs For Marriage

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The steady rise in the proportion of younger women in the work force has stopped. Between 1985 and 1990, the percentage of women 20 to 24 years old who were working dropped to 71.6% from 71.8% — the first decline in more than 20 years. Last year, after seasawing during the recession, it was 71.3%.

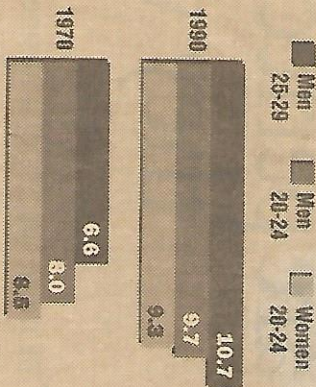
Shoshana Grossbard-Shechtman, an economist at San Diego State University, has a provocative explanation for this: Young women's marriage prospects are better. In a paper presented this year at the American Economic Association, Dr. Grossbard-Shechtman argues that when young women have good marriage possibilities—as she says they do now—joining the work force holds less appeal.

Understandably, many economists don't like Dr. Grossbard-Shechtman's theory. "Every time we see a slight dip in women's labor-force participation we hear, 'Oh goody, they're going back home,'" says Heidi Hartmann, an economist and director of the Institute for Women's Policy Research, a nonprofit group in Washington. "There's a nostalgia for a mythical time when women were home—and nostalgia for the men's income that could support that."

Finding an explanation for the trend isn't just an academic exercise: Even a

More Men

Number of men and women in each age category, in millions



Source: Census Bureau

slight shift in the demographics of the work force can have large social and economic consequences. But in the soft science of economics, any small statistical change can be explained any number of different ways. Claudia Goldin of the Brookings Institution, for example, hypothesizes that occasional retreats are inevitable in the work force. Richard Hokenson, an economist with Donaldson, Lufkin & Jenrette, says lower interest rates have cut mortgage and car payments enough to allow more women to stay home with their children.

Dr. Grossbard-Shechtman's argues instead that there's a market for "spousal labor" — work done within a marriage, such as cooking, cleaning and bill paying—just as there's a market for any other form of labor. The level of "pay" depends on — among other things — the supply of women available to do the work. Dr.

An Economist's Labor Theory: Young Women Shun Jobs to Wed

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Grossbard-Shechtman argues that since women tend to marry older men, marriage prospects can be skewed by population shifts—just as is happening now.

Marriage-minded women in their 20s — part of the baby-bust generation — have a larger pool of slightly older men to choose from than women in the baby-boom generation did, the economist says. As a result, they are more able to marry wealthy men and, once married, negotiate for control over a bigger share of their husbands' incomes. This gives them less economic incentive to join the work force.

Dr. Hartmann, of the Institute for Policy Research, disagrees. She believes that a woman gets more bargaining power in marriage by bringing home a paycheck than by capitalizing on a slight difference in the number of marriageable men. "The extra [bargaining power] she gets from a demographic blip is nothing to what she gets if she works," she says. "I would be willing to bet my life on that."

The Bureau of Labor Statistics reports that the rate of work-force participation of women under 25 has been drifting down since the late 1980s, while the rate of school attendance for that age group has been rising. "Students are less likely than non-students to be in the work force," says Howard Hayfhe, an economist with the bureau.

But others think Dr. Grossbard-Shechtman's approach has merit. Dennis Ahlburg, a professor at the Industrial Relations center at the University of Minnesota, has studied men's and women's wages, as well as divorce and marriage rates. He concludes that "the two really important factors are what money will you make if you don't get married, and what will you make if you specialize in being married."

Dr. Grossbard-Shechtman's work is an outgrowth of her studies with Gary Becker, who won the Nobel Prize in 1992 for

applying economic concepts to marriage and the family. "I don't think feminists should get upset" with her work, says Dr. Becker, himself a frequent target of feminists. "I don't think they would want to deny that there is an economic bargaining component within marriage, and not an unimportant one in many marriages."

"Men's income does indirectly compensate women for working at home," adds Kathryn Shaw, an associate professor of economics at Carnegie Mellon. "I don't know why we can't just come out and say it. Some women do — and more women should — think of their husband's income as compensation for things at home [the men] aren't doing."

For her part, Dr. Grossbard-Shechtman maintains that she has been misunderstood. "Some people interpret it that women are supposed to be in the home and not supposed to work," she says of her work. But, she says, "I'm a professor. I like it. I'm the last person to say [home] is where a woman should be."

In fact, the economist hypothesizes, in a few years, women born in the late 1970s — she calls them the echo baby boom — will face a new marriage squeeze, and young women's work-force participation will climb again.