Changes in Marriage and Divorce as Drivers of Employment and Retirement of Older Women

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PRE-CONFERENCE ON WOMEN WORKING LONGER
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INTRODUCTION

- Individual employment and marital history are both important determinants of wealth but there are significant gender, education, and cohort differentials in these patterns (e.g., Wilmoth and Koso, 2002; Zargosky, 2005; Ulker, 2009; Vespan and Painter, 2011; Zissimopoulus, Karney, and Rauer, 2015; others).

- Current marital status and marital history may differently shape employment behavior at later ages.

- In a life-cycle perspective, the age at which a woman experiences a divorce might matter because it may affect
  - The probability of re-marriage.
  - Investment in human and financial capital.

INTRODUCTION

Increased divorce risk might also impact the work decisions of married women through changes in household bargaining power and economic incentives:

- Self insurance motives (Greene and Quester, 1982; Johnson and Skinner, 1986). Greater divorce risk implies:
  - A higher probability of being in a low consumption state (i.e. becoming a divorced mother with children).
  - A greater incentive to increase earning potential (through labor market experience, education, and/or occupational choice).
- Desire to accumulate financial capital.
- Desire to accumulate of marriage-specific capital (Stevenson, 2007).

WHAT WE DID SO FAR

- Used SIPP 1985-2008 Panels to study the relationships between current marital status, past marital history, and current employment and retirement outcomes of women aged 50-74 at interview.
  - Cohorts included women born in 1920s to 1950s.
  - Most observations for 1930-1949 birth cohorts.
- Empirical strategy: exploit the state and time variation in unilateral divorce laws to provide a causal interpretation of the effect of divorce timing on women's employment later in the life-cycle.

MAIN FINDINGS

- For ever married women aged 50-74, having ever divorced a spouse is associated with:
  - Increased employment.
  - Increased likelihood of collecting social security.
  - Decreased likelihood of having ever retired from a job.
- Both current marital status and past divorce history matter
- Among ever-divorced women aged 50-74, women who divorce at later ages are:
  - Less likely to be currently married.
  - More likely to be employed.
  - Less likely to collect social security.
  - Less likely to classify themselves as having ever retired from a job.
- Evidence that increase in age at divorce (among ever-divorced) causes increase in employment.
  - Based on instrumental variables regression, using age when unilateral divorce was introduced as instrument for age at divorce.

LITERATURE REVIEW

- Changes in divorce laws during the 1960s and 1970s had (short run) effects on divorce rates (Friedberg, 1998; Gruber, 2004; Wolfers, 2006).
  - Consent to unilateral divorce.
  - Property division regimes (title based to equitable distribution vs. community property; will not discuss today).

- Past work has used cross-state differences in the timing of divorce laws to identify a plausibly causal effect of divorce risk on:
  - Women's labor supply (Peters, 1986; Gray, 1998; Stevenson, 2008).
  - Marriage-specific capital (Stevenson, 2007).
  - Intertemporal household savings decisions (Voena, 2015).

LITERATURE REVIEW

- Changes in exposure to divorce risk across cohorts is also potentially important (Fernandez and Wong, 2014).
  - Examine effects on female LFP (for both married and divorced women) and household savings.
  - Two cohorts: 1935 and 1955.
  - Examine outcomes up to age 59.
  - Dynamic quantitative approach: life-cycle framework.

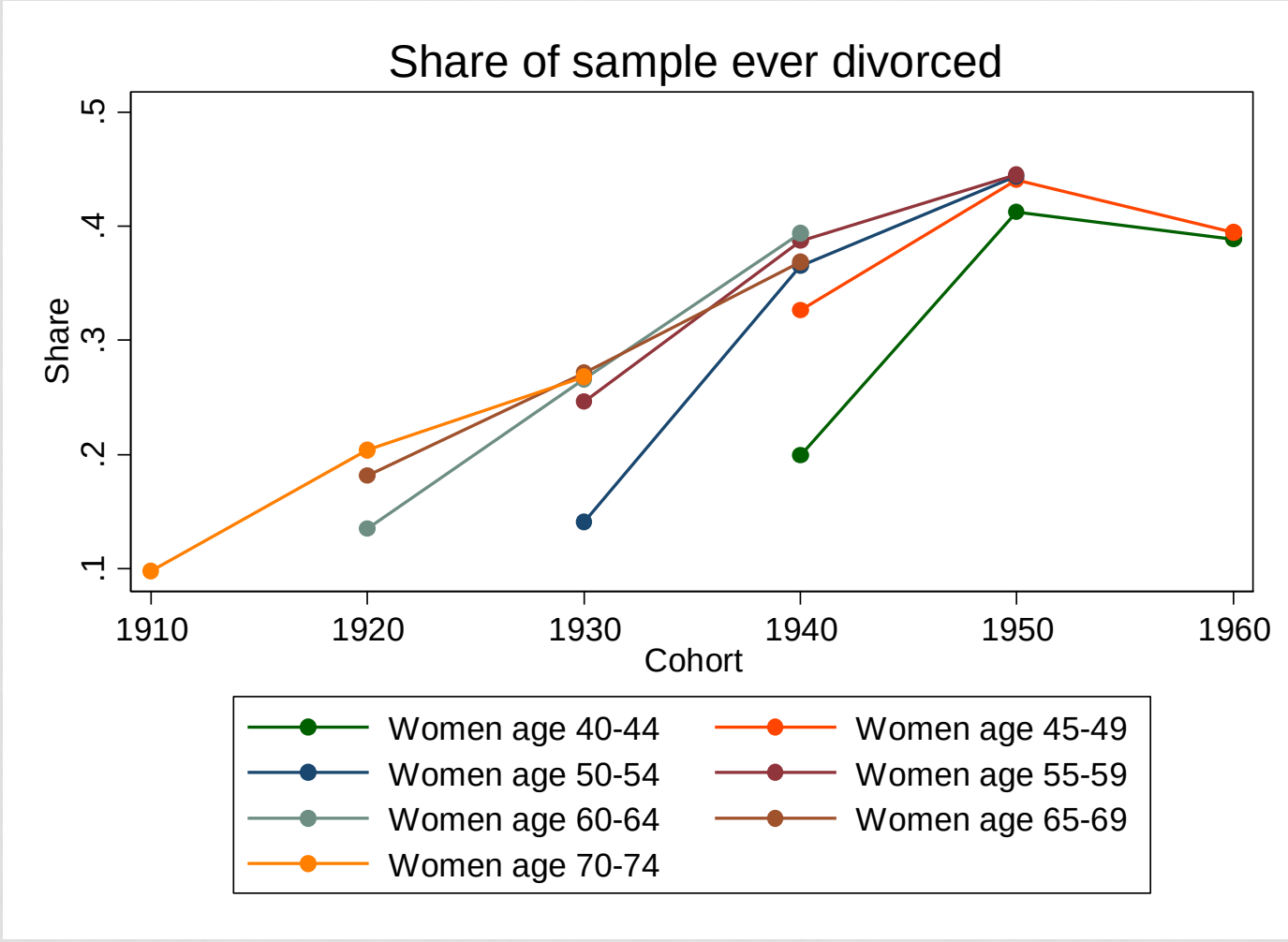
- Our contribution:
  - Document the importance of current marital status, marital history, and age at divorce for work/retirement outcomes.
  - Use changing divorce laws as a source of plausibly exogenous variation to quantify the effects of divorce timing and divorce risk on women's work and retirement later in the life cycle.

DESCRIPTIVE ANALYSIS

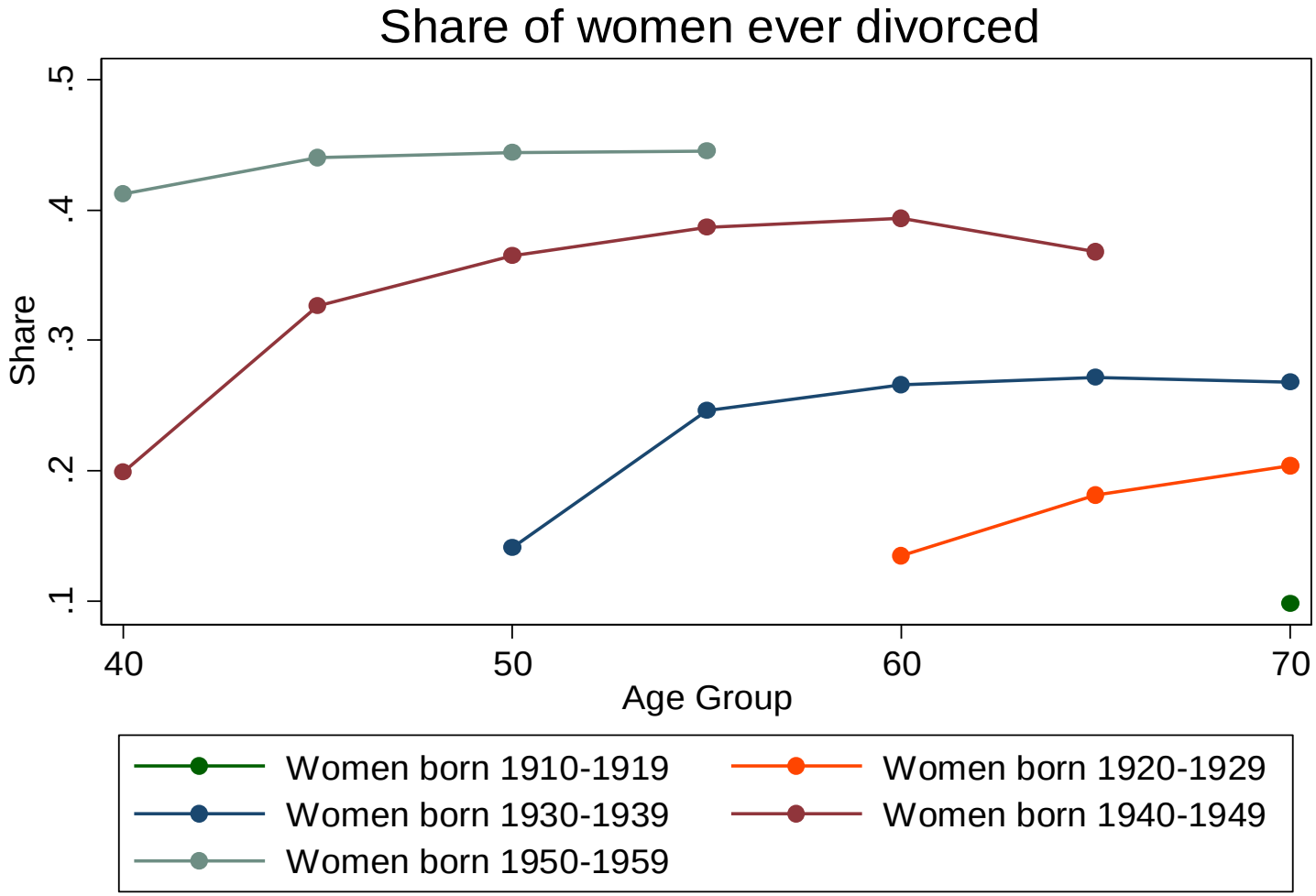
DATA

- Survey of Income and Program Participation (SIPP), 1985-1988, 1990-1993, 1996, 2001, 2004, and 2008 Panels.
- Collated current employment and marital status, and other demographic/background variables, from the core files of every panel and wave.
- Retrospective information in the topical modules used to construct:
  - Marital history
  - Education history
  - Employment history
  - Fertility history
  - Assets and retirement funds.
- Current analysis: only exploits marital history data.

CHANGES IN INCIDENCE OF DIVORCE ACROSS COHORTS, BY AGE GROUP

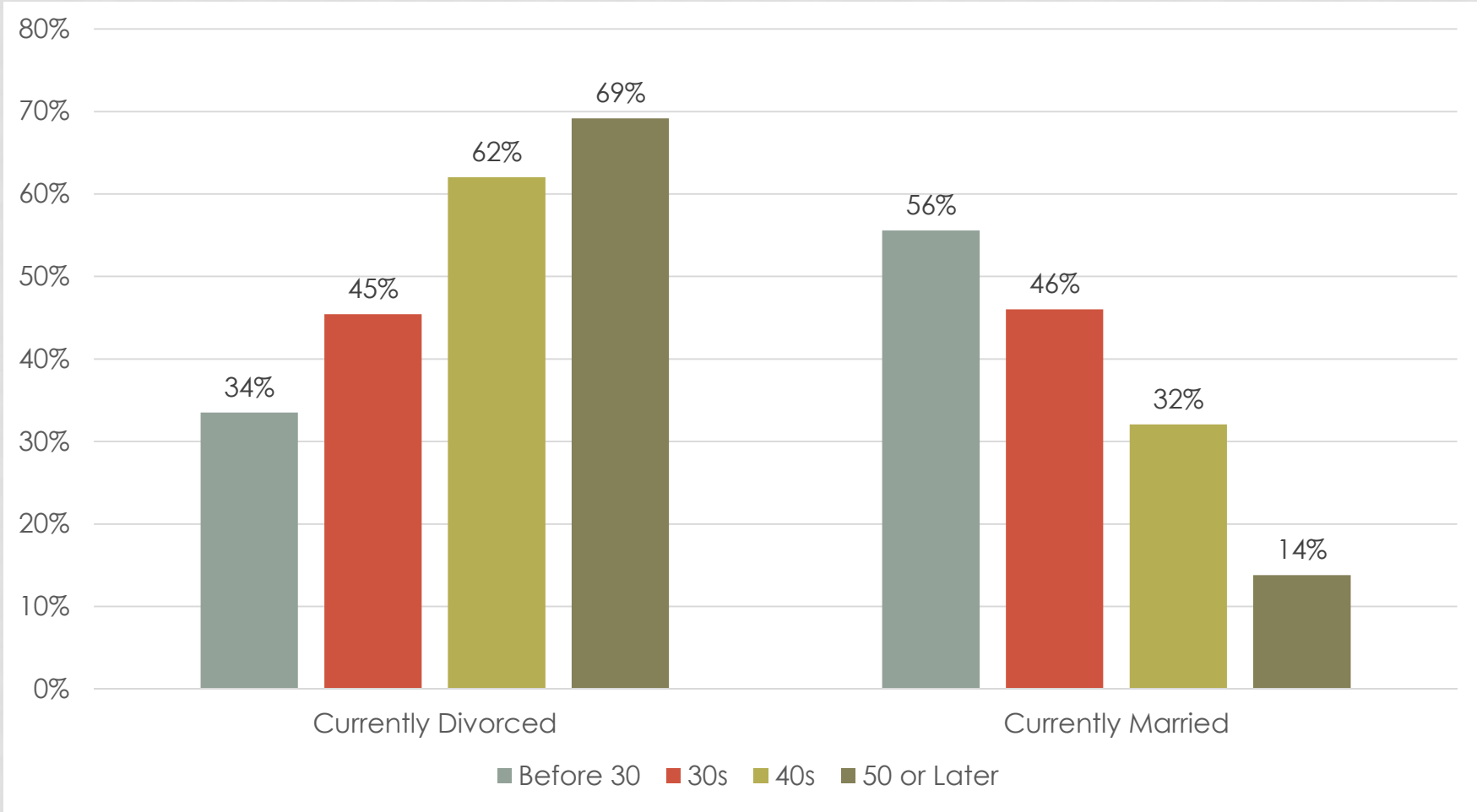


CHANGES IN INCIDENCE OF DIVORCE: PROFILES BY COHORT



AGE AT DIVORCE AND CURRENT MARITAL STATUS

EVER-DIVORCED WOMEN



MARITAL STATUS AND LATER-LIFE OUTCOMES: ALL WOMEN

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Ever divorced	0.0474***	0.0125**	0.0157***	0.0157***	-0.0158***	0.0108**
	(0.00484)	(0.00595)	(0.00357)	(0.00433)	(0.00425)	(0.00526)
Ever widowed	0.000307	-0.0268**	0.0592***	0.0272***	0.0165***	0.0290***
	(0.00586)	(0.0108)	(0.00475)	(0.00869)	(0.00550)	(0.00971)
Currently divorced		0.0834***		0.00547		-0.0650***
		(0.00763)		(0.00580)		(0.00655)
Currently separated		-0.0523***		0.0271**		-0.0677***
		(0.0169)		(0.0133)		(0.0129)
Currently widowed		0.0482***		0.0440***		-0.0292***
		(0.0119)		(0.00963)		(0.0109)
Age at marriage	0.000562	0.000594*	-0.00118***	-0.00116***	0.000316	0.000330
	(0.000352)	(0.000351)	(0.000263)	(0.000263)	(0.000323)	(0.000323)
Observations	48,437	48,437	48,437	48,437	48,437	48,437

Source: Ever-married women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

MARITAL STATUS AND LATER-LIFE OUTCOMES #2: ALL WOMEN

		At Any Point in Panel		
Outcomes	**Employed Full Time During First Panel Month**	**Employed**	**Collected Social Security**	**Classify Self as Ever Retired**
Ever divorced	0.0186***	0.0208***	0.0260***	0.0131**
	(0.00567)	(0.00580)	(0.00469)	(0.00539)
Ever widowed	-0.0217**	-0.0270**	0.0276***	0.0204**
	(0.00946)	(0.0108)	(0.00869)	(0.00940)
Currently divorced	0.114***	0.0713***	-0.00933	-0.0972***
	(0.00767)	(0.00734)	(0.00636)	(0.00703)
Currently separated	0.00771	-0.0506***	0.0343**	-0.0893***
	(0.0162)	(0.0165)	(0.0147)	(0.0145)
Currently widowed	0.0535***	0.0441***	0.00328	-0.0424***
	(0.0102)	(0.0119)	(0.00947)	(0.0103)
Age at marriage	0.000632*	0.00102***	-0.00101***	0.000510
	(0.000323)	(0.000347)	(0.000283)	(0.000322)
Observations	48,437	48,437	48,437	48,437

Source: Ever-married women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

MARITAL STATUS AND LATER-LIFE OUTCOMES: WOMEN WITH HIGH SCHOOL EDUCATION OR LESS

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Ever divorced	0.0413***	0.0108	0.0177***	0.0190***	-0.0168***	0.00708
	(0.00707)	(0.00854)	(0.00542)	(0.00655)	(0.00621)	(0.00761)
Ever widowed	0.00289	-0.0132	0.0549***	0.0166	0.0126*	0.0173
	(0.00748)	(0.0139)	(0.00622)	(0.0116)	(0.00734)	(0.0131)
Currently divorced		0.0781***		0.00557		-0.0638***
		(0.0119)		(0.00925)		(0.00984)
Currently separated		-0.0607***		0.0169		-0.0804***
		(0.0222)		(0.0181)		(0.0169)
Currently widowed		0.0304**		0.0512***		-0.0184
		(0.0152)		(0.0127)		(0.0146)
Age at marriage	0.000731	0.000773	-0.00142***	-0.00138***	0.000293	0.000318
	(0.000472)	(0.000471)	(0.000365)	(0.000366)	(0.000440)	(0.000440)
Observations	26,245	26,245	26,245	26,245	26,245	26,245

Source: Ever-married women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

MARITAL STATUS AND LATER-LIFE OUTCOMES: WOMEN WITH SOME COLLEGE OR MORE EDUCATION

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Ever divorced	0.0519***	0.0132	0.0152***	0.0135**	-0.0144**	0.0150**
	(0.00666)	(0.00831)	(0.00472)	(0.00573)	(0.00584)	(0.00731)
Ever widowed	-0.00182	-0.0414**	0.0654***	0.0408***	0.0209**	0.0451***
	(0.00941)	(0.0171)	(0.00738)	(0.0132)	(0.00831)	(0.0145)
Currently divorced		0.0864***		0.00671		-0.0665***
		(0.0100)		(0.00742)		(0.00882)
Currently separated		-0.0350		0.0424**		-0.0550***
		(0.0259)		(0.0196)		(0.0199)
Currently widowed		0.0697***		0.0356**		-0.0466***
		(0.0192)		(0.0148)		(0.0164)
Age at marriage	0.000463	0.000454	-0.000946**	-0.000942**	0.000326	0.000349
	(0.000529)	(0.000528)	(0.000380)	(0.000379)	(0.000475)	(0.000475)
Observations	22,192	22,192	22,192	22,192	22,192	22,192

Source: Ever-married women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

DIVORCE TIMING AND LATER-LIFE OUTCOMES: ALL EVER-DIVORCED WOMEN

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Age at divorce	0.00199***		-0.000859***		-0.000676*	
	(0.000421)		(0.000328)		(0.000384)	
Divorced in 30s		0.0312***		-0.00741		-0.00752
		(0.00954)		(0.00726)		(0.00819)
Divorced in 40s		0.0394***		-0.00673		0.00741
		(0.0115)		(0.00880)		(0.00999)
Divorced in 50s		0.0569***		-0.0287**		-0.0484***
		(0.0168)		(0.0131)		(0.0156)
Divorced after 59		0.0298		-0.0258		-0.00465
		(0.0278)		(0.0215)		(0.0284)
Ever widowed	-0.0333*	-0.0329*	0.0405***	0.0408***	-0.00710	-0.00681
	(0.0174)	(0.0175)	(0.0143)	(0.0143)	(0.0148)	(0.0149)
Currently divorced	0.0673***	0.0685***	0.0173***	0.0164**	-0.0697***	-0.0700***
	(0.00868)	(0.00869)	(0.00656)	(0.00659)	(0.00743)	(0.00743)
Currently separated	0.00271	0.00274	0.0181	0.0184	-0.0941***	-0.0932***
	(0.0347)	(0.0346)	(0.0265)	(0.0265)	(0.0246)	(0.0247)
Currently widowed	0.0297	0.0342*	0.0705***	0.0700***	-0.0170	-0.0168
	(0.0207)	(0.0207)	(0.0170)	(0.0171)	(0.0184)	(0.0185)
Age at marriage	0.00119	0.00144	-0.00150**	-0.00174**	0.000776	0.000586
	(0.000960)	(0.000956)	(0.000757)	(0.000755)	(0.000869)	(0.000863)
Observations	13,102	13,102	13,102	13,102	13,102	13,102

Source: Ever-divorced women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

DIVORCE TIMING AND LATER-LIFE OUTCOMES #2: ALL EVER-DIVORCED WOMEN

	During Any Point in Panel							
Outcomes	**Employed Full Time During First Panel Month**		**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Age at divorce	0.00163***		0.00153***		-0.0014***		-0.0010***	
	(0.000404)		(0.000415)		(0.000342)		(0.000385)	
Divorced in 30s		0.0289***		0.0227**		-0.0106		-0.0137
		(0.00957)		(0.00915)		(0.00792)		(0.00884)
Divorced in 40s		0.0362***		0.0291***		-0.0177*		-0.00723
		(0.0115)		(0.0111)		(0.00951)		(0.0106)
Divorced in 50s		0.0481***		0.0442***		-0.0283**		-0.0326**
		(0.0169)		(0.0164)		(0.0138)		(0.0159)
Divorced after 59		0.0250		0.0253		-0.0614***		-0.0363
		(0.0226)		(0.0287)		(0.0192)		(0.0237)
Ever widowed	-0.0288*	-0.0283*	-0.0294*	-0.0292*	0.0268*	0.0275**	0.00404	0.00446
	(0.0155)	(0.0155)	(0.0172)	(0.0172)	(0.0140)	(0.0140)	(0.0150)	(0.0151)
Currently divorced	0.104***	0.105***	0.0571***	0.0580***	0.00392	0.00229	-0.0958***	-0.0971***
	(0.00879)	(0.00880)	(0.00829)	(0.00832)	(0.00722)	(0.00724)	(0.00809)	(0.00810)
Currently separated	0.0287	0.0288	0.0214	0.0214	0.0365	0.0365	-0.115***	-0.115***
	(0.0333)	(0.0333)	(0.0329)	(0.0328)	(0.0293)	(0.0293)	(0.0281)	(0.0281)
Currently widowed	0.0506***	0.0543***	0.0259	0.0291	0.0394**	0.0390**	-0.0350*	-0.0355**
	(0.0182)	(0.0182)	(0.0205)	(0.0206)	(0.0164)	(0.0165)	(0.0179)	(0.0179)
Age at marriage	0.000277	0.000391	0.00136	0.00157*	-0.000533	-0.000894	0.000855	0.000594
	(0.000950)	(0.000942)	(0.000925)	(0.000919)	(0.000810)	(0.000805)	(0.000894)	(0.000889)
Observations	13,102	13,102	13,102	13,102	13,102	13,102	13,102	13,102

Source: Ever-divorced women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

DIVORCE TIMING AND LATER-LIFE OUTCOMES: EVER-DIVORCED WOMEN WITH HIGH SCHOOL EDUCATION OR LESS

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Age at divorce	0.00174***		-0.000675		-0.000299	
	(0.000599)		(0.000481)		(0.000557)	
Divorced in 30s		0.0314**		-0.00601		0.00409
		(0.0146)		(0.0113)		(0.0122)
Divorced in 40s		0.0317*		0.00484		0.0115
		(0.0178)		(0.0141)		(0.0151)
Divorced in 50s		0.0434*		-0.0240		-0.0420*
		(0.0253)		(0.0208)		(0.0232)
Divorced after 59		0.0264		-0.0216		0.00808
		(0.0355)		(0.0282)		(0.0397)
Ever widowed	-0.00299	-0.00275	0.0348*	0.0352*	-0.0256	-0.0253
	(0.0233)	(0.0233)	(0.0195)	(0.0194)	(0.0205)	(0.0206)
Currently divorced	0.0642***	0.0660***	0.0172	0.0155	-0.0669***	-0.0666***
	(0.0138)	(0.0138)	(0.0106)	(0.0106)	(0.0112)	(0.0113)
Currently separated	0.0285	0.0288	0.0271	0.0265	-0.101***	-0.101***
	(0.0506)	(0.0507)	(0.0376)	(0.0376)	(0.0335)	(0.0335)
Currently widowed	-0.00250	0.00227	0.0748***	0.0746***	-0.00768	-0.00648
	(0.0271)	(0.0272)	(0.0232)	(0.0233)	(0.0252)	(0.0253)
Age at marriage	0.00161	0.00198	-0.00209*	-0.00235**	-0.000660	-0.000688
	(0.00143)	(0.00142)	(0.00119)	(0.00119)	(0.00125)	(0.00125)
Observations	5,759	5,759	5,759	5,759	5,759	5,759

Source: Ever-divorced women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

DIVORCE TIMING AND LATER-LIFE OUTCOMES: EVER-DIVORCED WOMEN WITH SOME COLLEGE EDUCATION OR MORE

	During First Panel Month					
Outcomes	**Employed**		**Collected Social Security**		**Classify Self as Ever Retired**	
Age at divorce	0.00217***		-0.00107**		-0.000944*	
	(0.000597)		(0.000451)		(0.000537)	
Divorced in 30s		0.0319**		-0.00859		-0.0174
		(0.0128)		(0.00949)		(0.0112)
Divorced in 40s		0.0459***		-0.0175		0.00387
		(0.0153)		(0.0113)		(0.0135)
Divorced in 50s		0.0665***		-0.0309*		-0.0532**
		(0.0225)		(0.0171)		(0.0213)
Divorced after 59		0.0253		-0.0271		-0.0103
		(0.0440)		(0.0326)		(0.0405)
Ever widowed	-0.0622**	-0.0616**	0.0459**	0.0463**	0.0150	0.0151
	(0.0261)	(0.0261)	(0.0211)	(0.0211)	(0.0218)	(0.0218)
Currently divorced	0.0702***	0.0707***	0.0172**	0.0168**	-0.0733***	-0.0741***
	(0.0112)	(0.0112)	(0.00836)	(0.00839)	(0.00994)	(0.00995)
Currently separated	-0.0233	-0.0232	0.0129	0.0132	-0.0934**	-0.0912**
	(0.0483)	(0.0481)	(0.0369)	(0.0369)	(0.0365)	(0.0367)
Currently widowed	0.0646**	0.0694**	0.0630**	0.0618**	-0.0309	-0.0314
	(0.0320)	(0.0321)	(0.0252)	(0.0253)	(0.0275)	(0.0276)
Age at marriage	0.000791	0.000911	-0.000851	-0.00104	0.00216*	0.00187
	(0.00129)	(0.00129)	(0.000977)	(0.000973)	(0.00121)	(0.00120)
Observations	7,343	7,343	7,343	7,343	7,343	7,343

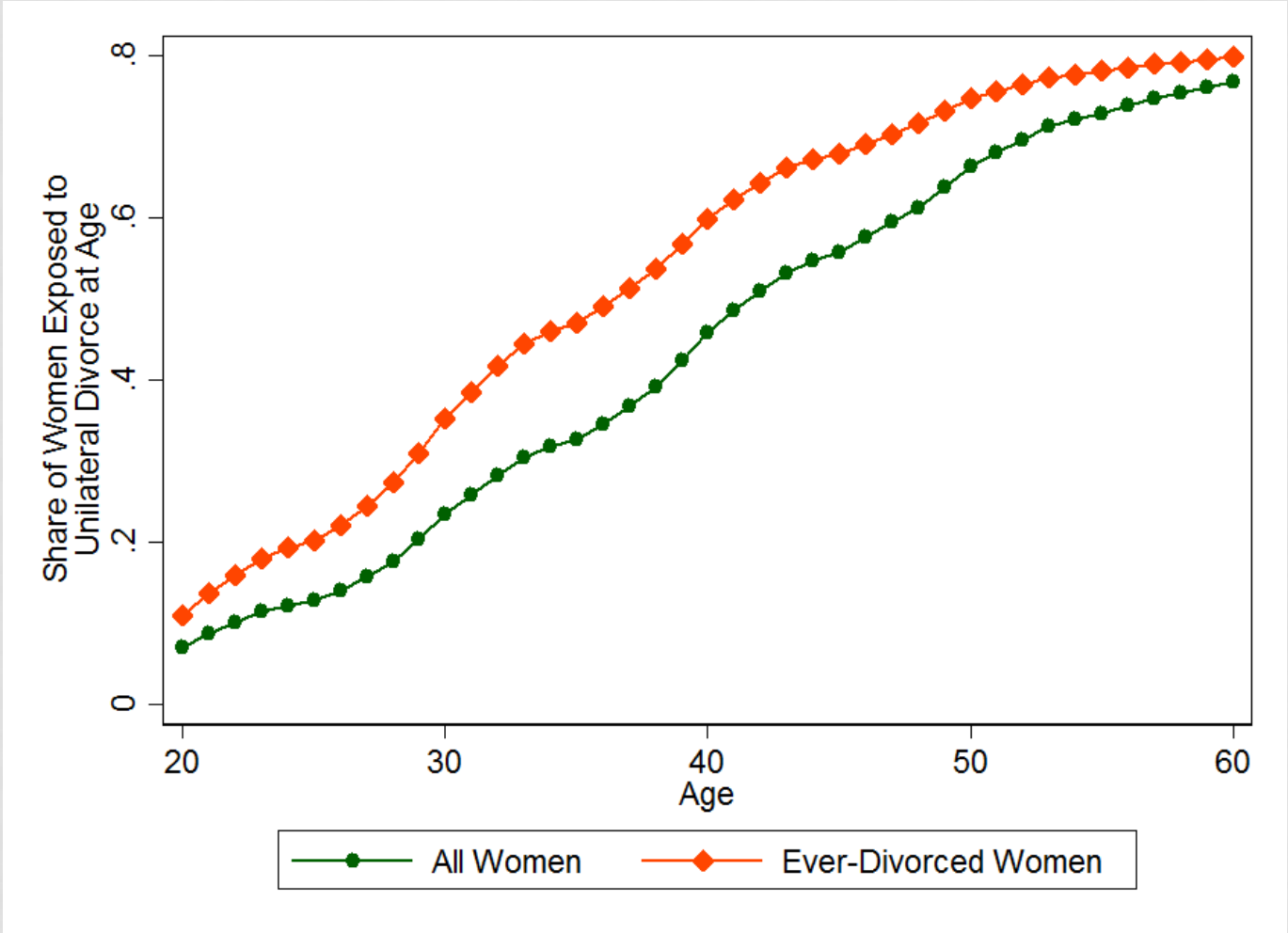
Source: Ever-divorced women over age 50-74 at first interview in the SIPP, 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race; education at interview; and urban location at interview. Robust standard errors reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

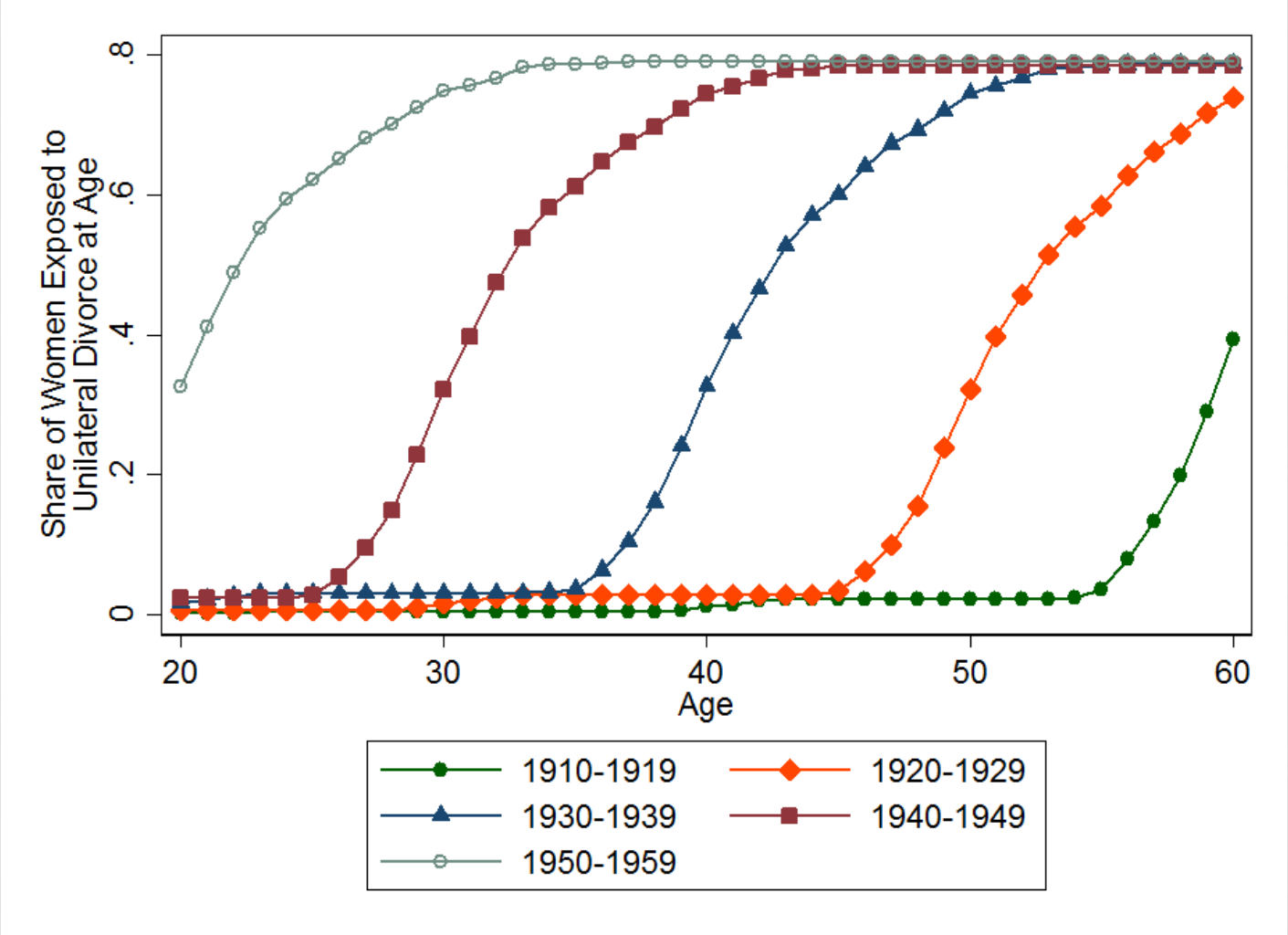
IMPACT OF CHANGING DIVORCE LEGISLATION

EXPOSURE TO UNILATERAL DIVORCE OVER THE LIFE-CYCLE



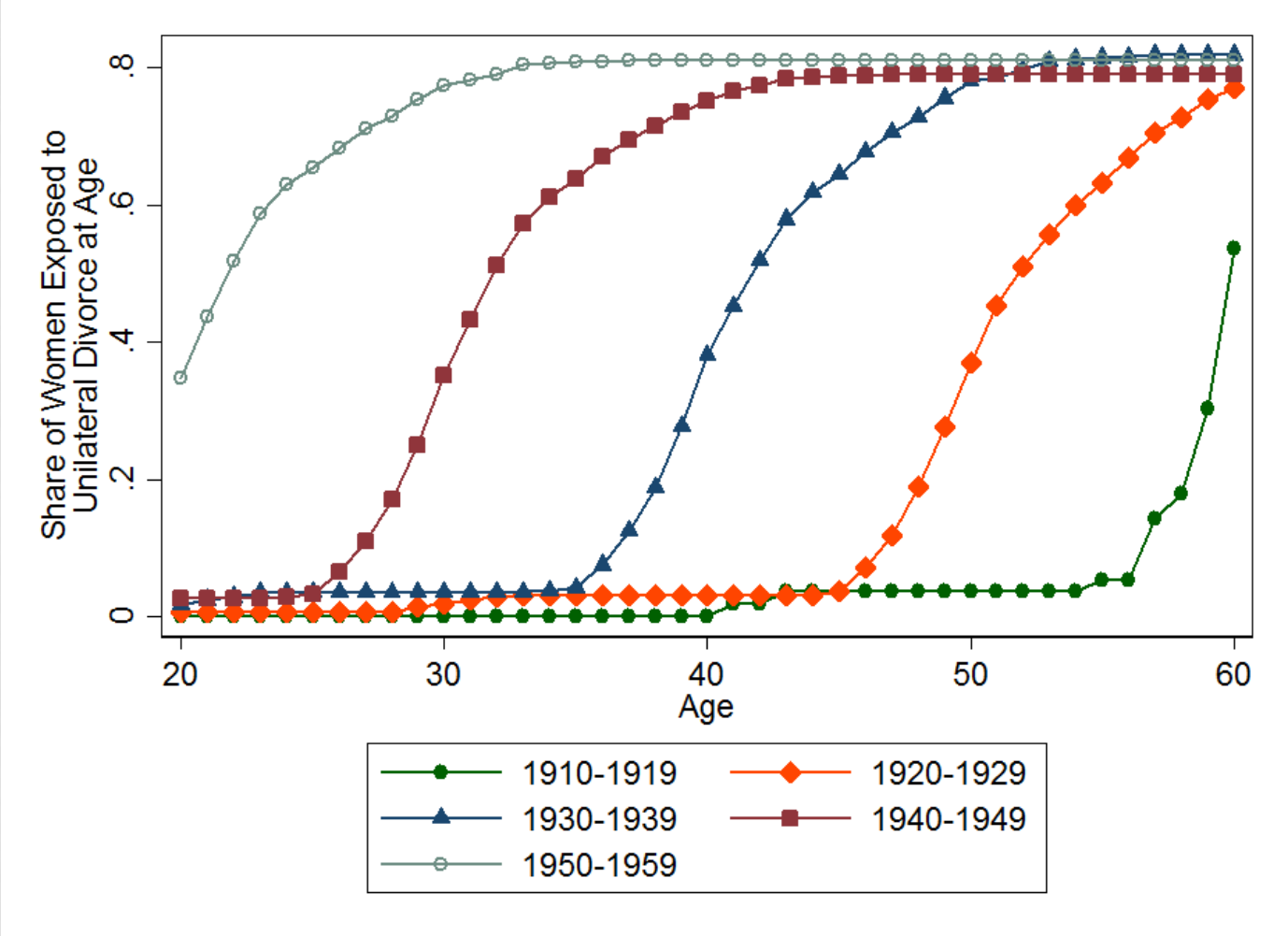
EXPOSURE TO UNILATERAL DIVORCE OVER THE LIFE-CYCLE BY COHORT

ALL WOMEN



EXPOSURE TO UNILATERAL DIVORCE OVER THE LIFE-CYCLE BY COHORT

EVER DIVORCED WOMEN



EFFECT OF AGE WHEN UNILATERAL DIVORCE BECAME AVAILABLE ON EVER-DIVORCE

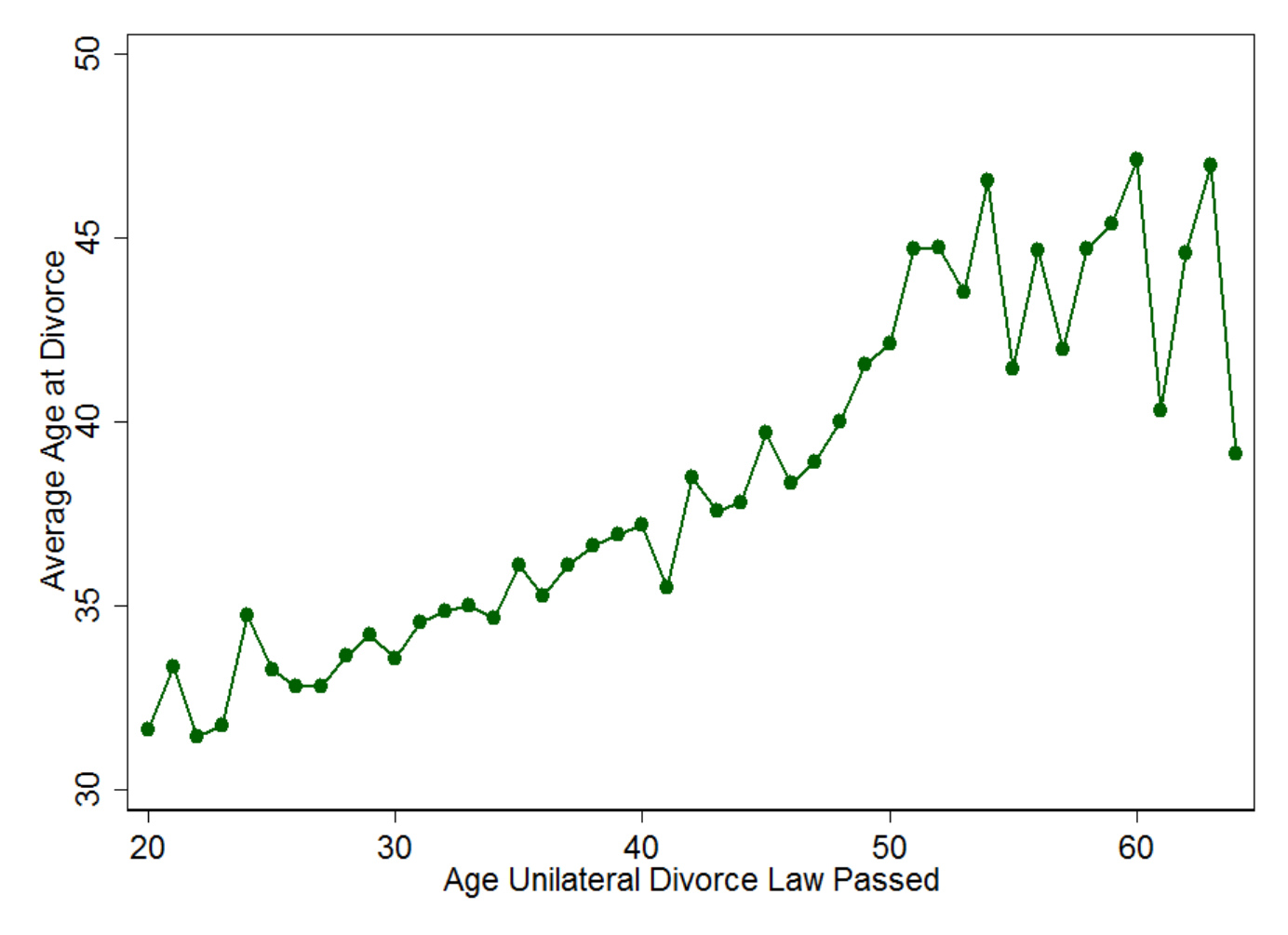
	Indicator for Ever Divorced				
Sample:	**All Women**	**White Women**	**Non-White Women**	**Women with High School Education or Less**	**Women with More Than High School Education**
Age Unilateral Divorce Became Available	0.00333 (0.00270)	0.00194 (0.00143)	0.00674 (0.00443)	-0.000442 (0.00204)	0.00609 (0.00370)
F-statistic	1.52	1.83	2.32	0.05	2.71
Observations	41,021	31,509	9,512	22,570	18,451

Source: Women over age 50 at first interview in the SIPP 1985-2008 Panels.

Note: Age when unilateral divorce is available is determined based on state of birth. Regression also controls for birth year, state of birth, and panel fixed-effects; race (if applicable); education at interview (if applicable); and urban location at interview. Women born in states where unilateral divorce was never available are omitted from this analysis. Standard errors clustered by state of birth reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

AGE AT DIVORCE AND AGE UNILATERAL DIVORCE PASSED



EFFECT OF AGE WHEN UNILATERAL DIVORCE BECAME AVAILABLE ON AGE AT DIVORCE
EVER-DIVORCED WOMEN

	Age at Divorce				
Sample	**All Ever-Divorced Women**	**White, Ever-Divorced Women**	**Non-White, Ever-Divorced Women**	**Ever-Divorced Women with High School Education or Less**	**Ever-Divorced Women with More Than High School Education**
Age Unilateral Divorce Became Available	0.166***	0.304***	-0.00714	0.380***	-0.106
	(0.0464)	(0.0165)	(0.137)	(0.126)	(0.0735)
F-statistic	12.80	340.13	0.00	9.18	2.09
Observations	13,429	10,015	3,414	6,576	6,853

Source: Women over age 50 at first interview in the SIPP 1985-2008 Panels.

Note: Age when unilateral divorce is available is determined based on state of birth. Regression also controls for birth year, state of birth, and panel fixed-effects; race (if applicable); education at interview (if applicable); and urban location at interview. Women born in states where unilateral divorce was never available are omitted from this analysis. Standard errors clustered by state of birth reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

EFFECT OF AGE WHEN UNILATERAL DIVORCE BECAME AVAILABLE ON LATER-LIFE OUTCOMES

	Employed in First Month of SIPP Panel	Receive Social Security in First Month of SIPP Panel	Ever-Retired in First Month of SIPP Panel
All Women			
Age Unilateral Divorce Became Available	0.00479*** (0.000514)	-0.00217*** (0.000405)	0.00411** (0.00172)
Observations	44,282	44,282	44,282
Ever-Divorced Women			
Age Unilateral Divorce Became Available	0.00814*** (0.00151)	-0.00138 (0.00159)	<0.0001 (0.00352)
Observations	14,172	14,172	14,172
Never-Divorced Women			
Age Unilateral Divorce Became Available	-0.000675 (0.00129)	-0.00288*** (0.000718)	0.00680*** (0.00137)
Observations	26,849	26,849	26,849

Source: Women over age 50 at first interview in the SIPP 1985-2008 Panels.

Note: Age when unilateral divorce is available is determined based on state of birth. Regression also controls for birth year, state of birth, and panel fixed-effects; race (if applicable); education at interview (if applicable); and urban location at interview. Women born in states where unilateral divorce was never available are omitted from this analysis. Standard errors clustered by state of birth reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

AGE AT DIVORCE AND LATER-LIFE OUTCOMES

	Employed in First Month of SIPP Panel	Receive Social Security in First Month of SIPP Panel	Ever-Retired in First Month of SIPP Panel
All Ever-Divorced Women			
Age at Divorce	0.00298***	-0.000864***	-0.000778***
	(0.000368)	(0.000224)	(0.000277)
Observations	13,429	13,429	13,429
White Ever-Divorced Women			
Age at Divorce	0.00312***	-0.000979***	-0.000526
	(0.000406)	(0.000235)	(0.000337)
Observations	10,015	10,015	10,015
Ever-Divorced Women with High School Education or Less			
Age at Divorce	0.00244***	-0.000636*	-0.000546
	(0.000427)	(0.000361)	(0.000450)
Observations	6,576	6,576	6,576

Source: Women over age 50 at first interview in the SIPP 1985-2008 Panels.

Note: Regression also controls for birth year, state of birth, and panel fixed-effects; race (if applicable); education at interview (if applicable); and urban location at interview. Women born in states where unilateral divorce was never available are omitted from this analysis. Standard errors clustered by state of birth reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

Instrumental Variables Regressions: The Impact of Age at Divorce on Later-Life Outcomes

	Employed in First Month of SIPP Panel	Receive Social Security in First Month of SIPP Panel	Ever-Retired in First Month of SIPP Panel
All Ever-Divorced Women			
Age at Divorce	0.0510**	-0.00907	-0.00357
	(0.0224)	(0.00932)	(0.0223)
First-stage F-Statistic		12.80 (p=0.0009)	
Observations	13,429	13,429	13,429
White Ever-Divorced Women			
Age at Divorce	0.0299**	0.0112	-0.0184*
	(0.0144)	(0.00882)	(0.00978)
First-stage F-Statistic		340.13 (p<0.0001)	
Observations	10,015	10,015	10,015
Ever-Divorced Women with High School Education or Less			
Age at Divorce	0.0319***	-0.00115	-0.0101**
	(0.00710)	(0.0224)	(0.00414)
First-stage F-Statistic		9.18 (p=0.0042)	
Observations	6,576	6,576	6,576

Source: Women over age 50 at first interview in the SIPP 1985-2008 Panels.

Note: First stage regression (impact of age unilateral divorce became available on age at divorce) in Table 2 above. Age when unilateral divorce is available is determined based on state of birth. Regression also controls for birth year, state of birth, and panel fixed-effects; race (if applicable); education at interview (if applicable); and urban location at interview. Women born in states where unilateral divorce was never available are omitted from this analysis. Standard errors clustered by state of birth reported in parentheses.

*/**/*** Significantly different from zero at the 0.10/0.05/0.01 level, two-tailed test.

SUMMARIZING …

- We find that later exposure to unilateral divorce is associated with later age at divorce.
- For never-divorced women, we find that age when unilateral divorce was passed is associated with an increased likelihood of collecting social security and decreased likelihood of having ever retired from a job.
  - Mechanism unclear. Plan to explore employment history.
- For ever-divorced women, we find a causal effect of age at divorce on employment at age 50+.
  - We are capturing the effect of staying in marriage one more year given that the marriage will dissolve.
  - Perhaps this captures some of the self-insurance motive?
  - Perhaps employment history can help understanding mechanism?

(MUCH) MORE TO DO…

- Explore several mechanisms for the link between divorce and employment later in the life cycle such as:
  - Accumulation of human capital (via career/work choices or education).
    - Use employment history to get proxy for work attachment at time of marriage.
    - Use education history to see if individuals go back to school.
  - Accumulation of financial capital (via pension funds or other investments).
  - Presence/age of children at time of divorce.
- Other outcomes:
  - Information on assets and pensions around retirement age.
- Potentially: explore changing property division legislation, as well as unilateral divorce.