AMERICA’S RACIAL MARRIAGE GAP: New evidence of the impact of different rates of incarceration and employment among black and white men

If a black male were to face the same probability of going to prison as a white male with the same level of education, marriage rates for blacks would increase by 14 percentage points. What’s more, if black males resembled white males in terms of both prison and employment, three-quarters of the marriage gap between blacks and whites would be closed.

These are among the findings of research by Elizabeth Caucutt, Nezih Guner and Christopher Rauh, to be presented at the annual congress of the European Economic Association in Geneva in August 2016. Their study uses the 500% surge in incarceration in the United States from 1970 to 2013 (which disproportionately affected black males) to estimate the relative importance of prison, labour market opportunities and education level for males when females choose a partner.

The researchers find that the greater chance that a black male has of being in prison or going to prison in the future is a strong disincentive to marriage among black females. It is therefore an important contributing factor to the statistic that 77% of white children have two parents at home compared with only 40% of black children.

The authors conclude: ‘Our results suggest that incarceration is the dominant deterrent of family formation, which disproportionately affects the black population of the United States.’

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Despite accounting for around only 10% of the world’s population, the United States accounts for 25% of the world’s prison population. Moreover, the prison population is mostly composed of black males, as they are more than five times more likely to go to prison than white males. The 500% surge in incarceration from 1970 to 2013 can to a large extent be attributed to changes in policies, many of which were introduced as part of the War on Drugs, such as minimum mandatory sentences and truth in sentencing.

Coincidentally with the rise in the US prison population, marriage rates have decreased across the board. But the decline has been particularly pronounced among blacks. In 2013, 79% of white women aged 25-54 had ever married compared with only 51% for black women, while divorce rates are very similar.

Moreover, fertility rates are actually higher for black than for white females. As a consequence, 77% of white children have two parents at home compared with only 40% of black children. Single motherhood is associated with fewer financial resources and less time spent with a child. This has been shown to, on average, lead to a negative effect on the cognitive development of a child. Therefore, the lower marriage rates of blacks are likely to have intergenerational repercussions.

Figure 1 shows that the difference in non-employed or incarcerated males between blacks and whites exhibits a strong negative correlation with the difference in ever married females across states. In order to isolate the prison effect, the authors disentangle the roles played by education and labour market attachment.
In general, less educated people are less likely to get married, and black males tend to have enjoyed less formal education. Moreover, black males are more likely to lose their job and less likely to find a job, even when they have the same level of education.

Therefore, women in search of a stable relationship might not only take into consideration whether someone has not been to prison or whether the potential spouse is employed, but also the possibility of the candidate going to prison or losing his job in the near future.

To disentangle these potentially confounding channels, the authors develop a model in which people meet and decide whether to marry. When making the decision in the model, people consider how well they match and who else they might meet in the future by staying single. They also consider the expected professional trajectory of their potential partner. Once married, couples can unilaterally decide to get divorced. Under consideration of US demographic characteristics, the model replicates key marriage, employment, income, and prison statistics.

Simulations reveal that incarceration accounts for 38% of the racial marriage gap. If a black male were to face the same probability of going to prison as a white male with the same level of education, marriage rates for blacks would increase by 14 percentage points.

While this effect is large, the labour market plays a similarly important role. If a black male were to lose and find jobs with the same probability as a similarly educated white male, the marriage rates for blacks would increase by 11 percentage points. When black males resemble white males in terms of both prison and employment, three-quarters of the marriage gap is closed. The remaining gap is mostly attributable to the higher education levels among whites.

While poor labour market prospects play a role as well, the results suggest that incarceration is the dominant deterrent of family formation, which disproportionately affects the black population of the United States.

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Figure 1: Difference in incarceration and non-employment versus marriage rates between blacks and whites in 2006