

Marriage and Divorce Since WWII: Analyzing the
The Role of Technological Progress on the
Formation of Households:
A Discussion

Stefania Albanesi
Columbia University, NBER and CEPR

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Technological Progress in Home Durables and Equipment

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 - ▶ Trends in leisure (Greenwood and Vandenbroucke, 2005)

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Main assumptions:

1. Non-convexity in market consumption

Main Predictions

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- I. A decline in p/w induces a reduction in h , a rise in d and n
- II. A rise in w reduces the gains from marriage and household size

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- ▶ Technological progress in home production does *not* influence gains from marriage!

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- ▶ Evidence?

Has home production declined?

- ▶ Prior to WWII
- ▶ 1950s and early 1960s
- ▶ Post 1965

Estimates of Weekly Hours Spent in Home Production, Ages 18-64

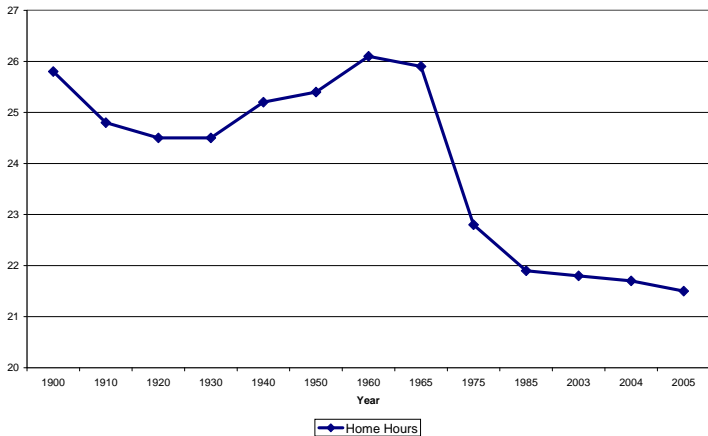


Figure: Ramey (2007)

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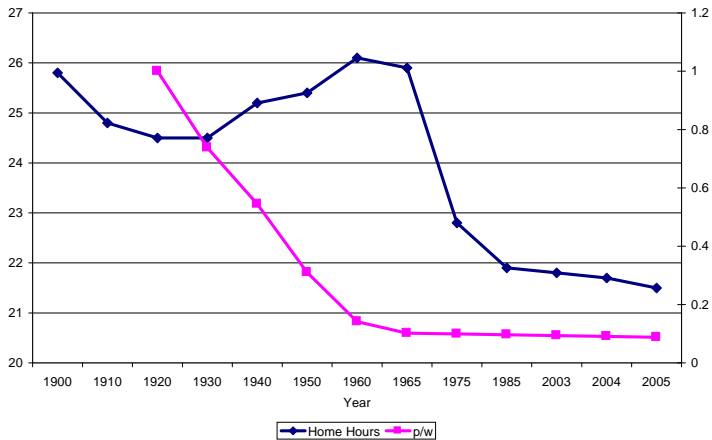


Figure: Ramey (2007), Albanesi and Olivetti (2007)

Has home production declined?

- ▶ Prior to WWII: Increase in home hours
 - ▶ Cowan Paradox: *"more work for mother?"*
 - ▶ Mokyr (2000): Scientific progress pointing to the importance of hygiene and nutrition increased home hours
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- ▶ Post 1965 : Net decline in hours devoted to home production

Figure 3. Housework Hours per Household versus Household Size

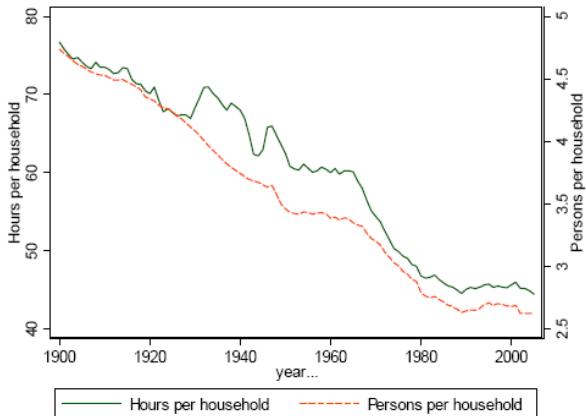


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Cross-sectional distribution of home hours

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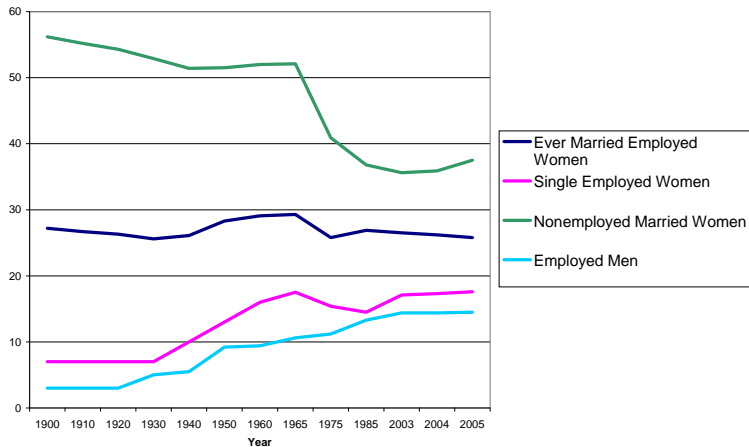


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 - ▶ Changes in household size

Liberating Effect of Home Appliances?

- ▶ Market work
- ▶ Leisure

B. Ratio of Market Hours to Home Hours

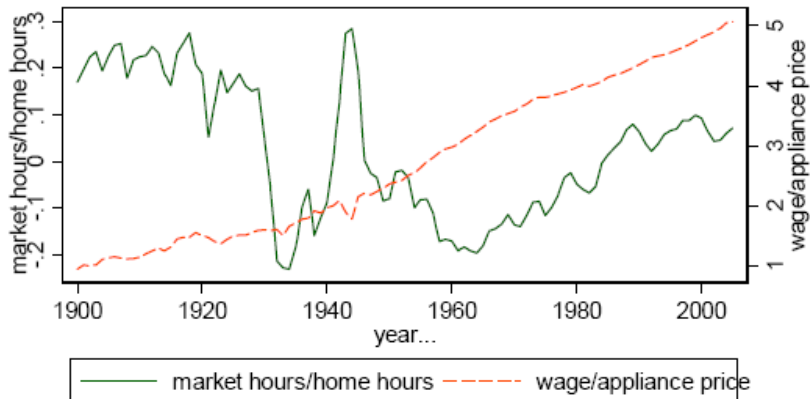


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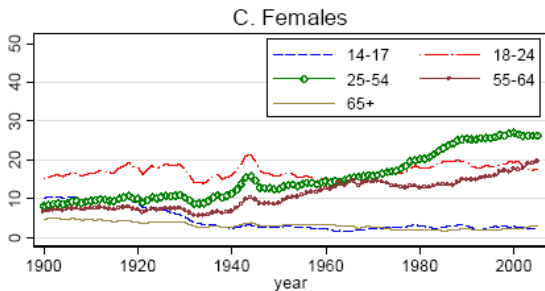
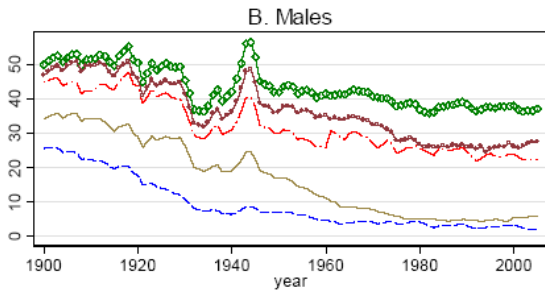


Figure: Francis and Ramey (2008)

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- ▶ Leisure: Aggregate trend disputed
 - ▶ Clear increase in individual lifetime leisure

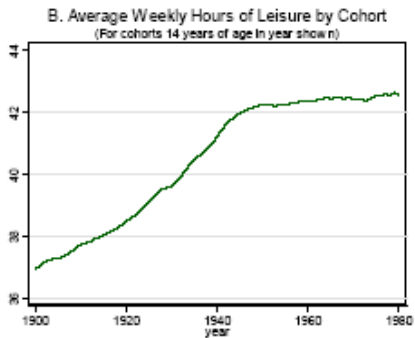


Figure: Francis and Ramey (2008)

Difference 2003-1965

Hours per Week	Women	Men	All
Total Market Work+Non-market Work	-7.83	-8.29	-8.05
Leisure Measure 2	4.89	6.20	5.50

Source: Aguiar and Hurst (2007)

The role of gender and households

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 - ▶ Increase in market and home hours of men (Knowles, 2007)

Is progress in home production technologies exogenous?

- ▶ Married women's labor force participation and female/male wage ratio start rising well before the diffusion of home appliances

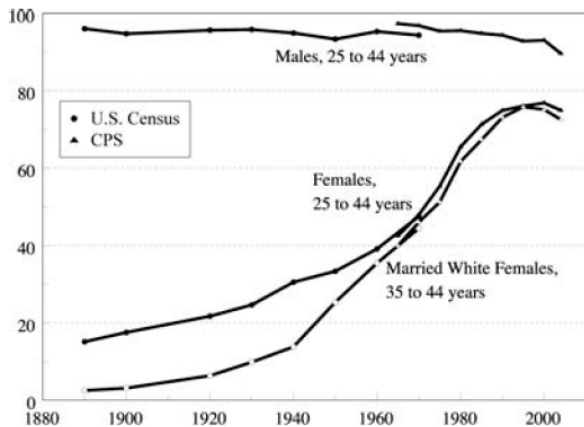


FIGURE 1. LABOR FORCE PARTICIPATION RATES FOR FEMALES AND MALES BY AGE AND MARITAL STATUS: 1890 TO 2004

Figure: Goldin (2006)

UNDERSTANDING THE GENDER GAP

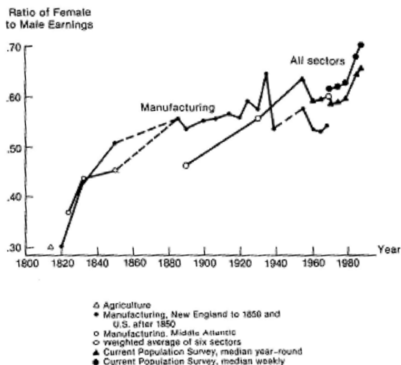


FIGURE 3.1. Ratio of Female to Male Earnings, 1815 to 1987. *Notes and Sources:* Tables 3.1 and 3.2. The unweighted, weekly NICE (Beney) manufacturing data are used for 1914 and 1920 to 1935, at five-year intervals. Data are for full-time workers where available. Dashed lines link manufacturing data series separated by many years.

Figure: Goldin (1990)

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Evidence from 1917-19 Cost of Living Services

Percentage of households:

Using commercial laundry services	70
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Eating meals in restaurants	33
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Employing servants	16
--------------------	----

Source: Moehling (2001)

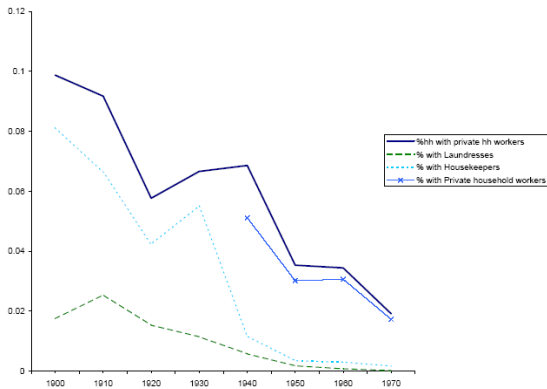


Figure: Bowden and Offer (1994)

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- ▶ Increase in skill level of the workforce and restrictions to immigration induce decline in supply and rise in cost of domestics

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- ▶ Evolution of discrimination (Goldin, 2002, Albanesi and Olivetti, 2006)
- ▶ Culture (Fernandez, 2007, Fogli and Veldkamp, 2007)

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 - ▶ Crucial for policy analysis
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