RACIAL DIFFERENCES IN MARRIED FEMALE LABOR FORCE PARTICIPATION BEHAVIOR: AN ANALYSIS USING INTERRACIAL MARRIAGES

David A. Macpherson and James B. Stewart

Based on data from the 1980 census, three major findings emerge from this study. First, the labor force participation rate is higher for women in black-white interracial marriages than women in endogamous marriages. Second, the labor force participation rate of wives in interracial marriages, after adjusting for differences in observed personal characteristics, is approximately halfway between that of women in white homogeneous and black homogeneous marriages. Third, interracial marriages are more likely among women who are younger, Hispanic, foreign-born, more educated, previously married, and reside in the West.

INTRODUCTION

Empirical research consistently shows black married women have a higher labor force participation rate than white married women, even after adjusting for observed labor market characteristics.1 Some researchers point to unobserved characteristics of black husbands such as their less stable employment as a possible explanation of this gap.2 On the other hand, Reimers argues that “cultural” differences due to the historical experience of black women lie behind this gap.3

This analysis extends the existing literature by comparing the labor force participation rates of wives in black-white marriages with those in racially homogeneous (endogamous) marriages. Such an analysis is useful for two reasons. First, no other study has examined the economic behavior of partners in interracial marriages. This void is becoming more impor-
tant because the number of black-white interracial marriages has been increasing steadily. The number of black-white married couples rose from 65,000 in 1970 to 218,000 in 1988.4

Second, this comparison sheds some light on the relative importance of unobserved characteristics of black husbands versus black wives. If the participation rates of black women in interracial marriages and white women in endogamous marriages are similar, after adjusting for differences in observed characteristics, then unobservables of black husbands such as their greater income instability may be important in explaining the black participation differential. On the other hand, if participation rates of black women in interracial and black women in endogamous marriages are similar, then unobservables of black women such as cultural differences are playing a role in the differential. Similar logic would apply for white women in interracial marriages.

PREVIOUS RESEARCH

Economic theories of marriage and household resource allocation have not examined interracial marriages. A variety of psychological and sociological literature does exist, however, on the topic.

The neoclassical model of marriage developed by Becker treats race as a trait that induces positive assortive mating.5 In Becker’s model individuals attempt to maximize gains in a marriage market through an optimal sorting process whereby “men differing in physical capital, education, or intelligence (aside from their wage rates), height, race, or many other traits will tend to marry women with like values of these traits.”6

Sociologists and psychologists concur interracial marriages are superimposed on a prevailing pattern of endogamy.7 Murstein argues that two distinct probabilities condition the likelihood of an interracial marriage: (a) the probability of an encounter conducive to the formation of a relationship, and (b) the probability that given such an encounter the probability that a marriage will result.8 Herr found that the number of blacks in a county, the degree of residential segregation, and the proportion of blacks holding white collar jobs all affected the probability of encounters.9 This finding is consistent with Becker’s view that, in general, the gain to an individual from marrying versus staying single depends positively on incomes, human capital, and relative differences in wage rates. One issue that has been explored extensively is the extent to which deviation from the endogamous norm involves an exchange whereby the lower-caste person gives something extra to the relationship to compen-