The stability of early partnerships: What is the influence of labor market insecurity on union separation for younger cohorts in Germany?

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Abstract

In early labor market careers, young people often work in non-standard and insecure types of jobs. We are interested to see how these types of employment insecurities impact partnership stability. Our focus is on non-cohabiting partnerships. While early partnerships often are non-cohabiting partnerships, little is known about the stability of these partnerships, and what factors are important for their transformation into cohabiting unions. We make use of the opportunity to incorporate information on such non-cohabiting partnerships offered by PAIRFAM, a recent German panel and retrospective survey focusing on relationship dynamics for three young cohorts. We analyze the impact of labor market status and type of employment on partnership exit rates, applying event-history analysis. We examine whether findings differ for cohabiting and non-cohabiting unions. We treat exits from non-cohabiting unions and transitions from non-cohabiting to cohabiting unions as competing risks.

Introduction

In this study, we look into the impact of labor market insecurity on the stability of young peoples' partnerships. As many early partnerships are non-cohabiting unions, it is of great advantage to have data on such unions, not only on cohabitations and marriages. We make use of the possibility to analyze the dynamics of non-cohabiting unions offered by recent German PAIRFAM data.

Research on the effects of employment insecurity on the stability of early non-cohabiting unions is rare. However, the relationship between unemployment and the risk of divorce has been the issue of many recent studies. Findings have differed depending on whether one is looking at the micro- or macro- level.

Studies focusing on the macro level, hence on general unemployment statistics or divorce rates, suggest that high unemployment rates in a country are not necessarily associated with higher divorce rates. For instance, Kalmijn (2007) studies the influence of the unemployment rate on the divorce rate at the macro-level in a comparative perspective for

different European countries. Kalmijn's (2007) results reveal a negative effect of unemployment on divorce when running OLS regression, but this is not confirmed in panel regression models. High female labor market participation in combination with low marriage rates and high levels of cohabitation on the other hand are associated with high divorce rates. While increasing unemployment rates have only small effects on divorce rates, they do lead to increased marriage rates. The overall findings furthermore show that gender roles and religiosity are key factors influencing divorce (Kalmijn, 2007). Further macro-level studies similarly find no evidence of a positive association between unemployment rates and divorce rates (Amato and Beattie, 2011; Hellerstein and Morrill, 2011; Schaller, 2013). To sum it up, the relationship between unemployment rates and divorce rates seems still to be unclear, and, as argued bySchaller (2013), there must be another "mechanism other than job loss through which economic recession affects individual outcomes" (Schaller 2013: 1031).

Studies linking macro-level conditions to micro-level divorce propensities are still rare (Fischer and Liefbroer, 2006). As Fischer and Liefbroer (2006) pointed out, the interesting thing about the linkage between macroeconomic conditions and divorce at the micro level is that two scenarios are plausible. On the one hand, one could argue that people tend to avoid divorce or separation in bad economic times since this adds additional costs and stress (*relative cost argument*). This would lead to the hypothesis that in bad economic times, divorce rates are lower. One the other hand, one could argue that during times of economic hardships, the risk of dissolution increases due to the stress the economic hardship creates for couples (*relational stress argument)*. Miller and Rahe's (1997) results generally suggest that bad economic conditions increase the risk of dissolution; hence the *relational stress* argument is supported.

Several studies (mainly in the economics literature) draw attention to these issues raised by Fischer and Liefbroer (2006), but remain at the micro-level and focus on effects of individual job loss on divorce. Eliason (2012) for example asks whether it is the stress of losing a job which leads to divorce or if such hard economic times tie people even closer together and they do not get divorced (or postpone it). His results reveal that people experiencing job displacement[1], both men and women, were more likely to divorce. However, the impact is somewhat stronger for men than for women. Those results are also confirmed in the study on the influence of job loss on family dissolution by Doiron and Mendolia (2012). Kraft (2001) confirmed the relationship between unemployment and increasing divorce risk

[1] Eliason (2012) was looking at job displacement as a result of closure of a whole enterprise and not only personal job loss, in order to avoid having people in the sample with personal traits or poorjob performance leading them to lose their job.

for men with German Socio-Economic Panel data. A further micro-level study by Hansen (2005) showed that both women's and men's unemployment led to higher rates of marital dissolution in Norway. For Finland, Jalovaara (2003) likewise shows that both the husband's and the wife's unemployment lead to higher divorce risks.

The studies discussed above all investigate factors influencing divorce rates. For France, Ekert-Jaffe and Solaz (2001) provide evidence that men's unemployment has a destabilizing effect on cohabiting unions as well. The authors show that 20% of those who were unemployed dissolved their unions within a duration of five years, as opposed to 6% of couples where the male partner had a stable job. They also analyzed the situation for people with an "insecure job" and here the results also show a higher likelihood of union break-up for men with an insecure job compared to those with a secure job (20% versus 6%). The authors note that it might not be solely the lack of money, also the insecure situation which leads to a break up. One could assume that a partner who is permanently worried about his or her job situation and is under pressure to keep a job or get a further contract carries this feeling of being stressed into the relationship, and may also be reluctant to make a long-term commitment. Breaking up a cohabiting union as a consequence of unemployment might also be easier than in the case of marriage, because of the lower costs associated with this break up compared to a divorce.

While insecure and non-standard work may thus be stressful for relationships, Mills and Täht (2010) show that this need not necessarily be the case in all contexts. In a study of relationships in the Netherlands, men were shown to use varying work hours to be able to contribute to childcare, which improved their relationship quality. One explanation could be that those varying work hours might be negotiated voluntarily with the employer, making them easier to handle than if they were obligatory.

Labor market factors can influence relationship entries as well. The seminal work of Oppenheimer (Oppenheimer, 2003; Oppenheimer et al., 1997) puts an emphasis on the male perspective, and takes growing insecurities in job histories into account in studying the likelihood of men's union formation. This research furthered the understanding of how the changing situation on the labor market is crucial for men's union formation patterns, given their continued expectation to assume the breadwinner role.

Others focus more on the economic perspective of union formation among young people, with regard to the decision of either entering into a marriage or cohabitation (Dykstra and Poortman, 2010; Sassler and Goldscheider, 2004; Smock et al., 2005; Wiik, 2009). Growing labor market insecurities in recent years in the context of globalization have

especially been found to impact young peoples' partnership formation process (Buchholz et al., 2009; Mills, 2009). Moreover, large gender differences have been found in this context. For instance, Dykstra and Poortman (2010) find that women with high economic resources have lower chances of finding a partner, but men's increasing economic resources raise his chances of finding a partner. For men without a job, the chances of union formation are also found to decrease (Ekert-Jaffe and Solaz, 2001).

Much interesting research has thus been done on the relationship between labor market factors and union dissolutions and formations. However, less is known on effects of the employment situation on union entries and break-ups for younger cohorts, especially concerning non-cohabiting unions. We do know that more and more young people are without long-term contracts when they start their working career, work only part- time, and are often perceived to be part of the "Generation Praktikum", as younger generations are popularly referred to in Germany, implying that they switch from one internship to the next in the hope of finding a permanent job. The aim of this paper is to analyze the relationship between insecure job histories in younger years and rates of partnership separation.

The length of marriage is a crucial factor influencing the risk of divorce. According to Gary Becker et al.'s (1977) theory about investment and specialization in marriage, the longer the duration of a marriage and the more the couple invested together, the lower the risk of divorce. For the younger people we aim to look at in this research, investment into their relationship are as of yet smaller, simply due to the fact that the time they have spent together is shorter and investments such as buying an apartment might have not been undertaken so far. However, those younger cohorts might have made investments of a different nature than in the older cohorts. They may have accepted a long-distance relationship for a time due to unstable work situations, for example. The interesting question for the younger ones is thus if they a) make the decision to form a union given more difficult job situations and b) if they do so, how long those relationship last under those conditions.

Research Questions

The empirical literature discussed above points to disruptive effects of unemployment and insecure employment situations on cohabitations and marriages. For northern European countries, in particular, such effects have been found for both men and women. Explanations for these findings are that financial worries and stress caused by employment insecurities are carried into partnerships and reduce partnership quality. For men, failure to meet societal expectations to fulfill the breadwinner role may lead to additional relationship conflicts.

Previous research has not yet often addressed the impact of the employment situation on non-cohabiting relationships. Even for young peoples' early non-cohabiting relationships though, we expect the employment situation to already have an influence on union stability. If young people are unemployed, or have insecure employment arrangements, they may be under a lot of stress, and might also be unsure if they will need to relocate to find a better job. We expect only limited gender differences in the effect of employment insecurity on non-cohabiting unions. For both young men and women, entering the labor market and starting their professional trajectory is a central part of their early life-course. However, men's employment status and form of employment may already signal their ability to later fulfill societal expectations to take on the breadwinner role. This could lead to slightly stronger positive effects of unemployment and atypical employment on men's than women's non-cohabiting union disruption rates. Having a low level of education makes it more difficult to find stable employment and achieve a higher level of earnings. The level of education can capture aspects of employment prospects that are not measured by our employment status variable. Thus, we would expect a low level of education to likewise be connected to higher disruption rates of non-cohabiting unions for both men and women, with slightly stronger effects for men.

In the course of living together, it is likely that partners will more strongly fall into traditional gender roles, particularly when they become parents. One of the partners (often the woman) will tend to reduce their employment and earnings and do a larger proportion of non-market work. In more committed relationships, especially marriages, the partners will also be more likely to organize their finances jointly. If non-employed women or women with reduced employment hours can rely on their partner for economic support, this might reduce their union exit rates compared to the full-time employed. Often, women with long employment breaks will also have lost options to reenter employment or to increase their employment hours, and thus are financially dependent. For men, societal expectations to fulfill the breadwinner role should be stronger in more committed relationships, especially marriages. If they are unemployed or atypically employed, or only have a low level of education, this could be expected to lead to a greater level of relationship stress the more committed the relationship. Altogether, we thus expect unemployment, atypical employment, and a low level of education to increase cohabitation disruption rates for men but not for women. For marriages, we expect stronger positive effects than for cohabitations of men's un/non-employment, atypical employment, and low levels of education on union disruption rates.

Women's un/ non-employment, atypical employment, and low levels of education are expected to have a negative effect on marriage disruption rates.

Conversely, we expect a negative effect of un/ non-employment, atypical employment, and low levels of education on transition rates from non-cohabiting unions to cohabitations for men but not for women. We expect un/ non-employment, atypical employment, and low levels of education to have yet stronger negative effects on men's transition rates from cohabitations to marriages than from non-cohabiting unions to cohabitations. For women, we expect positive effects of un/ non-employment, atypical employment, and low levels of education on entries from cohabitations to marriages.

Data and Methods

Data for this research is from the first three waves of the German Family Panel (*pairfam*) (Huinink et al., 2011). The German family panel is a multi-actor dataset. In addition to the anchor respondents, the partner, the children and the parents are interviewed. The first round of the survey took place between Fall 2008 and Spring 2009, the second wave was conducted in 2009/ 2010, and the third in 2010/ 2011. The survey includes anchor respondents from the cohorts 1971-73, 1981-83 and 1991-93. We use data on men and women for the first three waves.

In our empirical analyses, we study exits from non-cohabiting unions, cohabitations, and marriages, as well as transitions from non-cohabiting unions to cohabitations and cohabitations to marriages. Each respondent can have multiple union spells, which also facilitates the identification of our competing risks models. We prepared the partnership histories on the basis of the *biopart* data set provided with the Pairfam data. The *biopart* data set combines information from the retrospective and panel sections of the survey. In the *pairfam* survey, respondents were asked to give information on all intimate relationships that lasted for more than six months or were particularly important to the respondent for other reasons.

Our main research interest concerns the influence of the respondents' employment situations on their union exit rates and on their rates of transitions from non-cohabiting unions to cohabitations and cohabitations to marriages. To construct a time-varying variable for the respondents' activity status, we combined information from the *bioact* data set that covers respondents' activity calendar between the waves of the panel with retrospective information on activity histories starting at age 18 that was collected at wave three. Since activity histories

are not available for respondents who did not take part in wave 3, we restricted our sample to respondents who, besides taking part in wave 1, also took part in wave 3. Participation in wave 2 is not strictly necessary for our purposes, since all between-wave activities are recorded even if one wave is missing. Respondents who participated in wave 3 but whose activity histories were nonetheless missing were excluded as well. Because activity histories are not available before the age of 18 for all respondents, we left-censored our non-cohabiting union, cohabitation, and marriage spells at the age of 18. In the survey, information on union spells was collected starting at age 14. Thus, we have information on the true starting point of each union. We use this information to correctly place left-censored unions on the time lines in our models.

In the activity calendar which covers respondents' employment and non-employment activities between the waves, respondents were asked to give information on their activities during each month of this time-frame. The activity histories between age 18 and the first interview, surveyed at wave 3, were collected in a somewhat different manner. Respondents were not requested to report a gap-free sequence of events. Instead, for each type of activity, respondents were asked to give information on the starting and ending times of spells during which they were engaged in that activity. This activity history collection approach allows gaps in respondents' activity histories. Most gaps appear between education spells or just after the completion of education. It is likely that during these times, respondents were waiting for their next education spell to start, or were in a period of orientation after finishing education. It is likely that their activities in these time periods did not fit the list of activities provided in the survey. They may have been preparing for classes, travelling, or perhaps even doing volunteer work. During such periods, they would neither consider themselves to be unemployed, caring for the family, employed, or in education. To account for such transitional phases, we created the category 'no job yet' for our activity variable. All persons who have never been employed before and neither declare themselves to be unemployed, non-employed, nor in education are assigned this category.

Our activity variable includes the categories: full-time employment, atypical employment, un-/ non-employment, in education, and no job yet. The category atypical employment covers part-time employment, minijobs, irregular employment, internships, self-employment, and other employment that does not fit the provided options. We combined these different types of atypical employment into one category since the sample sizes did not allow differentiating such detailed statuses. The category un/ non-employment covers the statuses unemployment, non-employment (caring for the family), retired, parental leave,

military or civil service, and other non-employment. We combined un- and non-employment into one category since peoples' self-declared un- or non-employment status may depend on their family situation and perhaps also on the perceived stability of their relationship. We would not want this to bias our estimates of the effect of employment status on union exit rates. The sample sizes did not allow separate categories for retirement, parental leave, military/ civil service, or other non-employment.

We also included a time-varying variable on the type of educational enrollment. Since the members of our sample are still quite young, educational enrollment composes an important part of the respondents' life histories up until the time of interview. We differentiated between school education, vocational training, university/ college education, and other type of educational enrollment. For the educational enrollment variable, we combined information from the *bioact* data set covering the time between the waves of the panel with information from the educational enrollment histories collected at the first wave. We dropped persons from our sample for whom educational enrollment histories were missing.

Unfortunately, respondents' educational attainment was not collected in a retrospective manner. Only information on the highest school and vocational degrees at each wave are available. To at least approximate the timing of respondents' educational attainment, we reconstructed such histories on the basis of their educational enrollment histories and the information on the highest educational degrees at the time of interview. We assigned respondents' highest school degree for the time span after they had left school education for the last time. The highest vocational degree was assigned starting when the respondent left vocational education for the last time. We assigned missing values for the time between two vocational education spells. Finally, we updated vocational and school attainment with information provided at each wave of the panel.

To build time-varying variables for the number of children and age of the youngest child, we used respondents' children's birth dates from the data file *biochild*. We included biological, adopted, step- or partner's children as well as foster children. However, we excluded children during times that they were not living with the respondent. This is because children currently living with a respondent are much more likely to influence their partnership transitions and disruptions than non-co-resident children.

We estimated competing risks models for disruptions of non-cohabiting unions and transitions from non-cohabiting unions to cohabitations. We also estimated competing risks for disruptions of cohabitations and transitions from cohabitations to marriages. Finally, we

estimated models for disruptions of marriages. We ran separate models for women and men. Our dependent variables, depending on the model, are thus the non-cohabiting union exit rate, the entry rate into cohabitation from non-cohabiting unions, the cohabitation exit rate, the entry rate into marriage from cohabitation, and the marriage exit rate. In each model, we explicitly estimated the standard deviation of the error term. In the competing risks models, we controlled for the correlation of the error terms in each of the two respective processes.

Results

Our findings indicate that women's employment security does not seem to have much influence on the stability of non-cohabiting relationships. Men's contractual situation, on the other hand, does impact disruption rates of non-cohabiting unions. When men are atypically employed, their non-cohabiting union disruption rate is about 40% higher than for men who are employed full-time (Table 1). Thus, even in early relationships where the partners are not yet living together, men's economic security is a factor for union stability. Peoples' educational attainment may also serve as an indicator of their employment and earnings prospects. Our results indicate that the level of men's education likewise impacts the stability of their non-cohabiting unions: the higher men's educational degree, the lower their non-cohabiting union disruption rates. Non-cohabiting union disruption rates for men with a university degree are only 72% as high as for men without any vocational degree.

With respect to the transformation of non-cohabiting unions into cohabiting unions (Table 1), women's and men's employment security both seem to be of importance. We find that for women, atypical employment lowers transition rates from non-cohabiting unions into cohabitation, and that for men, being unemployed or never having been employed likewise leads to lower entry rates into cohabitation from non-cohabiting unions. Particularly for women, having a vocational or university degree raises cohabitation entry rates by over 20%. Thus, it seems that having an educational degree is seen as an important precondition for partners to begin living together, perhaps because this signals more promising employment prospects.

Turning to exits from cohabiting unions (Table 2), we do not find any significant effects of employment status on union stability for either women or men. For men, holding an educational degree stabilizes their cohabiting unions, though. Disruption rates of cohabitations are only 62% and 65% as high for men with a vocational or university degree, respectively, as for those without a degree. The more favorable employment and earnings

prospects of men with a degree might thus be a factor influencing the stability of their cohabiting unions.

For transformations of cohabitations into marriages (Table 2), women's and men's employment status both seem to be influential, as was the case for transformations of non-cohabiting unions into cohabiting unions. This time though, the effects for women are opposite to those for men. While unemployment leads to lower entry rates into marriage for men (they are only 53% as high for unemployed as for full-time employed men), marriage entry rates are actually 20% -30% higher for women who are un- or non-employed or have never had a job yet. These findings appear to give evidence of an adherence to traditional gender roles. While economic security provided by men is important for marriage formation, it appears that women who are more economically dependent are more likely to marry. On the other hand, it is especially women's educational attainment that furthers marriage formation, as was also the case for transformations of non-cohabiting unions into cohabitations.

Furthermore, our findings confirm that being enrolled in education lowers entry rates into cohabitation as well as marriage (Tables 1 and 2), as is well-established in the literature (Blossfeld and Huinink, 1991; Hoem, 1986). It appears that people postpone their family and partnership formation processes until after they complete their educational career. In the literature (Blossfeld and Huinink, 1991), it has been argued that normative expectations may be responsible for this pattern. When interpreting our estimates for the effects of educational enrollment, it is important to keep in mind that for people who are enrolled in education, there is no variation on the variables 'activity' and 'educational degree'. Thus, the estimated effects of educational enrollment shown in the table compare people who are enrolled in education to those who are in the reference categories of the variables 'activity' and 'educational degree', that is, people who are employed full-time and have no vocational degree. Compared to this group, women enrolled in school education only have 38% as high transition rates into cohabitations (Table 1). For women enrolled in vocational or university education, transition rates are 79% and 68% as high, respectively, as for the reference group of full-time employed women without a vocational degree. The effects for men are even stronger. To draw comparisons to non-enrolled persons with a vocational degree, we need to take the respective estimate for having a vocational degree into account. For women, this amounts to cohabitation entry rates that are only 64% as high for those enrolled in vocational training as for those already holding a vocational degree (and working full-time) (0.79/1.23=0.64). Compared to women working in atypical employment though, the difference is smaller. The currently

vocationally enrolled have cohabitation entry rates that are 82% as high as the atypically employed who already hold a vocational degree (0.79/(0.78*1.23)= 0.82).

Finally, Table 3 presents our findings on factors influencing marriage disruption rates. While women's employment status had no significant effect on the stability of either their non-cohabiting union or cohabiting unions (Tables 1 and 2), being atypically employed does seem to lead to lower marriage disruption rates for women (Table 3). For atypically employed women, marriage exit rates are only 65% as high as for the full-time employed. For women in economically more insecure situations, dissolving their marriages thus may be more difficult. Men who are in economically more insecure situations by contrast have much higher marriage disruption rates. Those who are still enrolled in education have 246% as high marriage disruption rates as the full-time employed. For those who are unemployed, marriage disruption rates are even 346% as high as for the full-time employed. These findings indicate a particularly strong adherence to traditional gender roles in the case of marriage. On the other hand though, it is again especially women's educational attainment that has a stabilizing effect on marriages.

In all of our models, we controlled for respondents' age. We find that non-cohabiting unions are more instable for men and women aged over 35. Entries into cohabitation increase steadily between the ages of 18 and 34, as do entries into marriage. Cohabitations are most instable for men and women aged below 20. We find no significant effect of age on marital stability, perhaps because there is comparatively little variation in the age of married couples in our sample.

We find that non-cohabiting unions and cohabitations are more instable for respondents in the younger cohorts. Members of younger cohorts also transform non-cohabiting unions into cohabitations and cohabitations into marriages at lower rates. One might suspect that this could have to do with growing insecurities in all areas of young generations' life courses. However, we would suspect that these results indicate recall errors among the older cohorts. After some time has passed, people might not recollect or consider it relevant to report all short-term non-cohabiting unions or even some shorter-term cohabitations that they had entered at a younger age. If this is the case, our 'cohort' variable is an important control variable that ensures that the effects of our other variables are not biased by correlations with respondents' cohort and potential recall bias.

Only very few people in non-cohabiting unions have children, which is why we did not further differentiate by number and age of children in the case of non-cohabiting unions (Table 1). We find a significant, and positive, effect of having children only on men's entries

into cohabitation from non-cohabiting union. For cohabitations, on the other hand, we do take children's age and the number of children into account (Table 2). When interpreting the effects of these variables, it is important to be aware that there is no variation of the age of the youngest child for childless respondents. Therefore, the effects shown in Table 2 of the number of children compared to having no children refer to people whose youngest child is 0-2 years old (reference category of the variable 'age of the youngest child'). For instance, cohabitation disruption rates are only 57% as high for women with two children, the youngest of which is 0-2 years old, than for childless women. The effect is not quite as strong when the children are a bit older. Mothers of two children, the youngest of which is 6-18 years old, have cohabitation disruption rates that are 86% (0.57*1.51=0.86) as high as for childless women. There seems to be a general pattern that cohabitation and marriage disruption rates are lower for persons with younger and a greater number of children. We do not find any evidence of higher marriage entry rates for those with more than one child, while there is some indication that those with a very young child aged 0-2 have higher marriage entry rates.

Summary and interpretation of the findings

Thus, altogether, our findings indicate that men's insecure employment situation and low educational resources do have a destabilizing effect on their unions, in accordance with our hypotheses. It appears that unions are more instable for men who do not conform to the breadwinner role. This even already becomes evident in unions where the partners are not yet living together. As the majority of people in non-cohabiting unions are still quite young, it is not surprising that employment insecurity in the form of atypical employment is the main destabilizing factor that we find for men in non-cohabiting unions. In marriages, the impact of men's employment situation on union stability is even more prominent than in the case of non-cohabiting unions or cohabitations. Compared to unemployed men, the marriages of full-time employed men are particularly stable. Perhaps in marriages, spouses have already become more dependent on each other to fulfill their respective roles and are reluctant to exit their marital unions as long as this works out. Men's low level of education has a disruptive effect on both non-cohabiting unions and cohabitations, and marriages are much more instable for men who are still enrolled in education.

In contrast to men, there is almost no evidence of a negative effect of women's insecure employment or economic prospects on union stability. Women's employment status and educational attainment have no effect on non-cohabiting union or cohabitation disruption

rates, and atypically employed women's marriages are actually even more stable than for full-time employed women. Thus, it does not appear that women's failure to take on a breadwinner role promotes union disruptions. In the case of marriages, it even appears that women who have come to economically rely on their partner and work part-time, for instance, have lower marriage disruption rates. In the case of early non-cohabiting and often also cohabiting unions, partners may more frequently still be keeping their finances separate, and women in insecure economic situations would not necessarily be receiving economic support from their partners. This could explain the lack of effects of employment status for women in non-cohabiting and cohabiting unions. Perhaps the legal protection provided by marriage encourages spouses to share their economic resources. It is also possible that there is selection into atypical employment in marriages in that those women who perceive their marriages to be more stable are more likely to take on atypical employment. One of the findings for women does not fit the general pattern. Marriage exit rates are significantly lower for women with a university degree. This could indicate that there is some ambivalence in the impact of women's economic resources on union stability. Perhaps the higher earnings of women with a higher level of education make them more attractive marriage partners. Perhaps the lower marriage disruption rates of atypically employed women are not related to their financial dependence after all. It could also be the case that families in which one partner is employed part-time, for instance, experience lower levels of stress, which could have a stabilizing effect on the relationship.

Economic resources may not only influence the stability of unions. They can influence peoples' decisions on whether to change the status of their unions as well. When partners in non-cohabiting unions decide to live together in a cohabiting union, or when cohabitations are transformed into marriages, this expresses confidence in the partnership. It indicates that the partners are willing to let their union shape their everyday lives in a more profound way. In the case of marriages, they are even entering a legal contract that regulates their mutual obligations. These obligations are partially of economic nature. Even in the case of cohabitations, people often make joint financial investments. Thus, when transforming non-cohabiting unions into cohabitations and cohabitations into marriages, each partner's employment situation and economic prospects could also have some impact. If they are in an insecure employment situation, they may also feel too stressed to make a stronger commitment to their partnership.

For both men and women, we found that an insecure employment situation decreases entry rates into cohabitations. Thus, it seems that employment insecurity makes both men and

women reluctant to make a commitment to cohabitation. One reason could be that they are still unsure if they will need to relocate to find a more stable job. For entries into marriages, men's unemployment has a negative effect, while for women, it had a positive effect. For men, this points towards expectations for them to assume the breadwinner role. The finding for women could perhaps be explained by tax advantages for married couples with very unequal earnings in Germany. Couples where only one partner is employed can save a lot in taxes by getting married.

Table 1: Exits from non-cohabiting unions. Union endings and entries into cohabitation as competing risks

	Women				Men			
	union ending		entry into cohabitation		union ending		entry into cohabitation	
Constant	0.0070	***	0.0164	***	0.0087	***	0.0106	***
union duration (months): gradients								
0-12 months	1.1032	***	1.0139		1.1002	***	1.0011	
12-36 months	0.9928	**	0.9760	***	0.9949		0.9921	*
36+ months	1.0015		0.9985		0.9940	***	0.9985	
age								
18-19	*1*		*1*		*1*		*1*	
20-23	0.87	*	1.40	***	0.80	***	1.57	***
24-29	1.00		1.74	***	0.93		2.31	***
30-34	0.77	*	1.81	***	0.79	*	3.06	***
35+	1.53	***	1.36	*	1.30	*	1.93	***
cohort								
1971-73	*1*		*1*		*1*		*1*	
1981-83	1.40	***	1.00		1.40	***	0.99	
1991-93	1.85	***	0.59	***	2.12	***	0.74	
type of educational enrollment								
not enrolled	*1*		*1*		*1*		*1*	
school	1.04		0.38	***	0.94		0.29	***
vocational training	0.85		0.79	**	1.12		0.75	**
university/ college	1.02		0.68	***	1.05		0.58	***
other	0.94		1.02		1.12		0.64	*
activity								
full-time employment	*1*		*1*		*1*		*1*	
atypical employment	0.92		0.78	**	1.41	**	1.09	
un/ non-employment/ military/ civil service	1.19		1.00		1.07		0.70	**
no job yet	0.95		0.88		1.11		0.59	***
missing	1.28		1.35	*	1.61	**	1.24	
children								
no	*1*		*1*		*1*		*1*	
yes	0.94		0.92		0.93		1.84	***
educational degree								
no degree	*1*		*1*		*1*		*1*	
vocational degree	0.93		1.23	**	0.85	*	1.20	
university/ college degree	0.92		1.24	*	0.72	***	1.23	
missing	1.15		0.98		1.11		1.09	
standard deviation of the heterogeneity distribution	0.45	***	0.36	***	0.44	***	0.49	***
correlation of the error terms	-0.04				-0.22			
N	2533		2533		2135		2135	
spells	4426		4426		3876		3876	
events	1816		1696		1865		1269	

Significance: '*'=10%; '**'=5%; '***'=1%

Table 2: Exits from cohabitation. Union endings and entries into marriage as competing risks

	Women				Men			
	union ending		entry into marriage		union ending		entry into marriage	
Constant	0.0030	***	0.0064	***	0.0049	***	0.0029	***
union duration (months): gradients								
0-12 months	1.0812	***	1.0325	**	1.0961	***	1.0196	
12-36 months	1.0236	***	1.0059		1.0150	*	1.0156	**
36-60 months	0.9917		0.9888	**	1.0158		0.9937	
60+ months	1.0026		0.9987		0.9999		0.9960	
age								
18-19	*1*		*1*		*1*		*1*	
20-23	0.66	**	1.06		0.63	*	2.99	**
24-29	0.75		1.40	*	0.58	**	3.81	**
30-34	0.59	**	1.47	**	0.50	**	3.92	**
35+	0.63	*	1.40		0.43	**	3.26	**
cohort								
1971-73	*1*		*1*		*1*		*1*	
1981-83/ 1991-93	1.38	***	0.74	***	1.47	***	0.71	***
type of educational enrollment								
not enrolled	*1*		*1*		*1*		*1*	
school	1.32		0.51		0.51		0.33	
vocational training	1.15		0.76		0.52	**	0.52	**
university/ college	0.87		0.64	**	0.49	***	0.44	***
other	1.63		0.45		0.92		0.25	**
activity								
full-time employment	*1*		*1*		*1*		*1*	
atypical employment	0.88		0.98		1.31		0.86	
un/ non-employment/ military/ civil service	1.08		1.22	*	1.23		0.53	**
no job yet	0.76		1.29	**	0.82		0.97	
missing	0.83		1.55	***	1.40		0.86	
number of children								
no children	*1*		*1*		*1*		*1*	
one child	0.88		1.16		0.22	***	1.38	***
2+ children	0.57	**	0.95		0.08	***	1.49	**
missing	0.23		1.42		1.11		0.98	
age of the youngest child								
0-2 years	*1*		*1*		*1*		*1*	
3-5 years	1.05		0.60	***	1.96		0.75	
6-18 years	1.51	*	0.68	**	4.47	***	1.12	
educational degree								
no degree	*1*		*1*		*1*		*1*	
vocational degree	0.89		1.30	**	0.62	**	0.92	
university/ college degree	0.86		1.25		0.65	*	1.20	
missing	1.45		0.73		0.50	**	0.61	*
standard deviation of the heterogeneity distribution	0.66	***	0.24		0.81	***	0.18	
correlation of the error terms	-0.21				0.41			
N	1680		1680		1222		1222	
spells	2158		2158		1513		1513	
events	650		1043		440		693	

Significance: '*'=10%; '**'=5%; '***'=1%

Table 3: Exits from marriage

	Women		Men	
	union ending		union ending	
Constant	0.0001	***	0.0006	***
union duration (months): gradients				
0-6 months	2.0383	*	1.1352	
6-12 months	0.9785		0.9944	
12-24 months	1.0269		1.0410	
24-48 months	0.9940		1.0036	
48-96 months	1.0106	*	1.0081	
96+ months	0.9909	**	0.9979	
age				
18-23	*1*		*1*	
24-29	0.76		1.13	
30-34	0.69		0.73	
35+	0.63		0.68	
cohort				
1971-73	*1*		*1*	
1981-83/ 1991-93	1.00		0.84	
activity				
full-time employment	*1*		*1*	
in education	1.00		2.46	**
atypical employment	0.65	**	1.24	
un/ non-employment/ military/ civil service	0.82		3.46	***
no job yet	0.94		1.54	
missing	0.97		0.66	
number of children				
no children	*1*		*1*	
one child	0.52	***	0.28	***
2+ children	0.38	***	0.23	***
missing	0.95		2.05	
age of the youngest child				
0-2 years	*1*		*1*	
3-5 years	1.50	**	2.17	***
6-10 years	1.39		1.85	*
10-18 years	3.50	***	1.38	
educational degree				
no degree	*1*		*1*	
vocational degree	0.79		1.71	
university/ college degree	0.54	**	0.75	
missing	2.26	**	1.17	
standard deviation of the heterogeneity distribution	0.56		0.73	
N	1267		838	
spells	1340		867	
events	262		139	

Significance: '*'=10%; '**'=5%; '***'=1%

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