

The Role of Employment in Enabling and Constraining Marriage in the Middle East and North Africa

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1. Introduction

As youth transition to adulthood, different life course transitions are dependent upon each other. In the Middle East and North Africa (MENA), the transition into marriage and family formation is contingent upon the transition of youth into the labor market, particularly for men (Assaad, Binzel, & Gadallah, 2010; Assaad & Krafft, 2014a). Concerns about youth “waithood” link poor employment prospects to delays in marriage (Dhillon, Dyer, & Yousef, 2009). This paper will examine the role of employment in the transition to marriage, both by comparing a number of countries (Egypt, Jordan, and Tunisia) and by examining multiple dimensions of the employment transition, beyond just the time it takes to transition to employment.

For men, work is necessary both to generate the savings required for marriage and to demonstrate one’s economic value to potential spouses and their families (Hoodfar, 1997; Singerman & Ibrahim, 2003; Singerman, 2007). For women, work may be a key strategy for generating the savings needed to cover the bride’s side marriage costs (Amin & Al-Bassusi, 2004; Sieverding, 2012). Working (temporarily) prior to marriage may particularly assist women whose families would otherwise struggle to accumulate the resources necessary for marriage. We will clearly distinguish between the different patterns youth experience by gender. Other elements that may affect the transitions to work and marriage will also be incorporated, such as education, place of residence, and socio-economic status.

This paper will draw on several key strains of theoretical literature. First, the global and regional life course transitions literature (Amer, 2014, 2015; Assaad & Krafft, 2014b; Gebel & Heyne, 2014; Lloyd, 2005; Mortimer & Shanahan, 2003) will provide an important theoretical framework for understanding individuals’ transitions into adult roles. Secondly, we will draw on the economics of marriage literature, both globally and in MENA (Adachi, 2003; Assaad & Krafft, 2014c, 2014d; Becker, 1973, 1974; Bergstrom & Bagnoli, 1993; Hoodfar, 1997; Smith, 2006), to understand the underpinnings of marriage market behavior, including features such as utility maximization, uncertainty and information problems, and strategic and game theoretic behaviors. In maximizing their lifetime utility, individuals face a number of constrained strategic choices in the labor and marriage markets.

Four key questions about the role of employment in enabling or constraining marriage will be examined by this project, with separate analyses for men and women:

- 1) How do different labor market statuses (different types of employment, unemployment, or remaining out of the labor force) affect the timing and probability of marriage?

- 2) How much of the effect of employment statuses on marriage are mediated through different qualities of the job, such as the security and prestige of jobs or earnings?
- 3) Does queuing (i.e. waiting in unemployment for a formal job, or a public sector job) pay off as a strategy for accelerating marriage?
- 4) How does employment facilitate saving for marriage?

2. Data

Data are needed on both the timing of marital statuses and employment histories. Given the data requirements, the study will be able to examine three MENA countries: Egypt, Jordan and Tunisia. The study will use the Egypt Labor Market Panel Survey 1998-2012, Jordan Labor Market Panel Survey 2010 and Tunisia Labor Market Panel Survey 2014 data sets. All of the datasets include detailed labor market histories for those who ever worked as well as information on the timing of first marriages. This will allow for the creation of synthetic panel data of individuals' labor market states and marital status on an annual basis, going back a number of years. Some of the analyses on mechanisms will require panel data, specifically information on employment and earnings prior to marriage at one point in time and then subsequent marriage timing. These analyses will have to be restricted to the Egyptian data, as the other surveys only have one round to date.

As discussed below, we hope to achieve causal identification of the impact of employment on marriage by using exogenous variation in employment opportunities and characteristics. Data on local employment opportunities can come from a variety of sources. Ideally we would have annual labor survey data on local employment opportunities for a number of years, and we have already obtained such data from 1980-2012 for Egypt. We have more limited time periods for Jordan and Tunisia, and will assess empirically the tradeoffs between using a limited time horizon or, alternatively, using the various LMPSs to construct data on local employment opportunities based on the labor market histories.

3. Methods

In order to assess the timing of marriage and its relationship with labor market statuses and characteristics, survival analysis methods will be used. These methods allow each individual to have a time-varying vector of characteristics (such as whether or not they have yet obtained a job or a formal job), which predicts whether or not they will have yet married. Specifically, the Cox proportional hazards model will be used, which has the advantage of not assuming any particular parametric form for the baseline probability of marriage (Moeschberger & Klein, 2003). In all of our models, we will include controls for other characteristics that are likely to affect the timing of marriage, such as education, socio-economic status, and place of residence.

In examining the questions about the mechanisms that mediate the effect of employment statuses, we will incorporate data on past earnings and job characteristics to assess the relative contributions of these different factors to accelerating or delaying marriage. In examining savings behaviors, we will look at the ratio of own/family's contributions to marriage costs, and whether individuals contribute at all, to see whether this affects the timing of marriage. The investigation of queuing will use the parameters of the Cox proportional hazards model to

compare the effects of unemployment on marriage timing to those of obtaining a better job, and identify the tradeoffs between the two. Models will be estimated separately for men and women and by county, as we expect labor market statuses to have different effects by gender and in different country contexts.

Endogeneity is likely to be a problem in estimating the role of employment in enabling or constraining marriage. There may be omitted variables, for instance unobservable features of individuals such as their work ethic may affect both individuals' employment prospects and their marriage prospects directly. Reverse causality might also be an issue. For instance, women who know they have few marital prospects may be more likely to work in the meantime. We therefore will need instruments for employment and employment characteristics. One important potential instrument is the availability of different types of work in the local labor market. For instance, government employment opportunities are centrally allocated. These employment opportunities will affect youth transitions to work, but should meet the exclusion restriction for use as an instrument in examining the effect of employment on marriage. All potential instruments will be assessed in terms of both their statistical power and whether they meet the exclusion restrictions.

4. Intellectual Contribution

A number of specific features of MENA marriage markets make analyses from within the region crucial to understanding market behaviors. Marriage is the sole socially acceptable route to a number of adult roles, including independent living, sex, and childbearing. In the marriage market, the bride side's bargaining power is greatest up front, due to the unequal rights accorded to husbands and wives within marriage (Assaad & Krafft, 2014c). Divorce is uncommon and particularly damaging to women (El Feki, 2013; Hoodfar, 1997). Marriage is therefore a high-risk endeavor, and the bride's side tries to secure both as much certainty about the spouse and as much assured in terms of living conditions as possible up front (Assaad & Krafft, 2014c). For instance, it would take a groom eight years of his total salary to save for the full cost of marriage (Assaad & Krafft, 2014d). These features of the marriage market mean that both theoretical and empirical research from other regions tends to be inapplicable.

In MENA labor markets, there are also a number of distinct features of importance to the transition to marriage. Youth unemployment rates are high, in part because MENA labor markets are not dynamic and the first job youth obtain plays a decisive role in their lifetime employment prospects (Amer, 2014, 2015; Yassine, 2015). Unemployment is often a strategic queuing behavior, where youth remain unemployed in hopes of obtaining a formal or government job, jobs which offer better benefits and wages as well as greater social prestige (Assaad, 1997; Groh, McKenzie, Shammout, & Vishwanath, 2014). Female labor force participation is very low (Assaad & Krafft, 2015a; Mryyan, 2014; World Bank, 2013) and the types of work women undertake are limited (Assaad, Hendy, & Yassine, 2014; Assaad & Krafft, 2015b). The combined distinctive features of the MENA labor and marriage market make within-region theoretical and empirical research crucial to understanding individual behaviors and designing effective policy.

To date, there is limited empirical evidence on how employment shapes the transition to marriage in the MENA region. Evidence is available only for the case of Egypt (Amin & Al-

Bassusi, 2004; Assaad, Binzel, & Gadallah, 2010; Assaad & Krafft, 2014a) and Iran (Egel & Salehi-Isfahani, 2010). Work to date has also focused primarily on the issues of being employed at all and also on having ‘good’ jobs (i.e. formal work) without distinguishing between other aspects of employment, such as earnings and savings behavior, that might contribute to employment’s role in the marriage transition. This paper will therefore add substantial value to our understanding of the role of employment in constraining or enabling marriage in MENA by exploring additional dimensions of work, such as the relative importance of earnings versus job security in enabling the transition to marriage. The efforts of this paper to instrument for employment and its characteristics will also substantially advance the rigor of research on this topic.

5. Policy Implications

This study is particularly important for understanding where there might be opportunities for policies that could promote easier transitions into employment and marriage. If earnings are identified as a key constraint on marriage, then policies such as Tunisia’s wage subsidy program for young university graduates (Broecke, 2013) might merit expansion as a policy for easing marriage transitions. The separate analyses by country can allow for important comparative elements with potential policy implications. For instance, Jordan has increased the share of new entrants with work contracts by allowing for more temporary contracts (Assaad, 2014a). Do these provide youth with enough employment security to marry? If so, similar policies might facilitate marriage transitions in other countries.

This work will also provide an opportunity to better understand strategic behaviors in the labor and marriage markets. For instance, queuing for formal (usually public sector) employment is common in MENA and drives high youth unemployment rates (Assaad, 2014b). Is this a viable strategy for improving marriage prospects, which might help explain the persistence of queuing despite decreases in government hiring? Policies facilitating marriage might then have important impacts on the functioning of labor markets. Overall, while social anxieties about marriage in the region are strong (Dhillon & Yousef, 2009; Salem, n.d.), there has been very little empirical work identifying policies that ease or constrain the transition into this important adult role. This rigorous empirical work can help understand the role of employment in this important transition and identify policies to ease this important life course transition.

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