

ABSTRACT

My dissertation mainly investigates the causal impact of economic inequality on marriage formation in both U.S. and China. Based on the framework of Loughran (2002) and Gould and Paserman (2003), I identify the causal impact of male wage inequality on the marriage propensity among women in the U.S. using 1990 and 2000 censuses as well as 2007 American Community survey. I address the endogeneity and reverse causality problems by applying skill-biased technological shock as an instrument for the wage gap between high and low educated men following the example of Mocan and Unel (2011). I discover that a low educated woman's marriage propensity becomes lower but a high educated woman's marriage propensity becomes higher when there is an increase in the wage ratio between high and low educated men. Furthermore, I examine whether in China the income inequality among men affects female marital decision using data from Chinese Health and Nutrition Survey (CHNS). I find that a one-standard-deviation increase in the Gini coefficient of male income increases a woman's probability of being married by 5.8 percentage points in urban areas and 6.9 percentage points in rural areas for women aged 20 to 34 from 1989 to 2009.