Marriage and Career: 
The Dynamic Decisions of Young Men

By

Eric Gould
Department of Economics, Hebrew University of Jerusalem
mseric@mscc.huji.ac.il

Abstract
This paper estimates the returns to career decisions in the marriage market and the returns to marital choices in the labor market. Theoretically, investments in the labor market could affect the chances of receiving a marriage offer, the type of offer, and the probability of getting divorced. Also, marital status could affect one’s outcomes in the labor market, most notably the “marriage premium” in wages. To untangle this simultaneous decision-making process, I develop a dynamic programming model of the joint career and marital decisions of young men between the ages of 16 and 39. The results show that labor market decisions are strongly influenced by their returns in the marriage market. If there were no returns to career choices in the marriage market, men would tend to work less, study less, and choose blue-collar jobs over white-collar jobs. These results suggest that the existing literature underestimates the true returns to human capital investments by ignoring their returns in the marriage market. In addition, the results show that the “marriage premium” is much lower than traditional OLS estimates, and is virtually non-existent for higher wage men. This result suggests that while marriage may make low wage men more serious about their careers, marriage has little effect on high wage men who are already highly motivated.