

Corrigendum to Marry Your Like: Assortative Mating and Income Inequality

By JEREMY GREENWOOD, NEZIH GUNER, GEORGI KOCHARKOV AND CEZAR SANTOS*

This corrigendum rectifies two incorrect numbers reported in Greenwood, Guner, Kocharkov and Santos (2014). In particular, Table 2 of that paper should be replaced with the one provided here. The two numbers that need to be corrected in this table are: the counterfactuals for *Random Matching* for 2005 and *Standardized Table* for 2005.¹ When random matching is imposed in 2005, the Gini coefficient decreases from 0.430 to 0.420, which implies a small impact of sorting per se in the cross-sectional distribution of income. Standardizing the 2005 data amounts to forcing men and women to sort in marriage as they did in 1960. That is, change only the sorting patterns within marriage and nothing else. Doing so decreases the 2005 Gini from 0.430 to 0.429. This suggests that while sorting plays a noticeable role in the cross section it is not an important factor in explaining the hike in inequality. The results for these two counterfactuals are consistent with those reported by Eika, Mogstad and Zafar (2014) and Hryshko, Juhn and McCue (2015) who use different methodologies and alternative data sets.

Changing marriage and divorce patterns are still important contributors to the increase in income inequality despite the small effect coming from the rise in assortative mating. In particular, the decline in marriage and the rise in divorce caused the number of single households to soar between 1960 and 2005. This reshuffling in the distribution of households in the economy

had a significant impact on income inequality. This can be seen in the last two lines of Table 2, which are new to this corrigendum. Starting from the 1960 data, increase the number of single households to its 2005 level. This substantially heightens inequality: the Gini coefficient rises from 0.342 to 0.382. The converse experiment that starts with the 2005 data and lowers the fraction of singles to its 1960 level conveys a similar message (last line in Table 2). This result is consistent with those provided in Greenwood, Guner, Kocharkov and Santos (2015), where a structural model is used to decompose these effects. The authors apologize to readers for these mistakes.

REFERENCES

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* **Correction filed on June 18, 2015;** Greenwood: University of Pennsylvania, Department of Economics, 3718 Locust Walk, Philadelphia, PA 19104-6297, USA; Guner: MOVE, Facultat d'Economia, Edifici B – Campus de Bellaterra, 08193 Bellaterra, Cerdanyola del Vallès, Spain (email: nezih.guner@movebarcelona.eu); Kocharkov: University of Konstanz, Department of Economics, Universitätsstr. 10, 78457 Konstanz, Germany (email: georgi@georgikocharkov.com); Santos: FGV/EPGE, Praia de Botafogo, 190/1100, Rio de Janeiro-Brazil (email: cezar.santos@fgv.br). Additionally, Nezhil Guner thanks the European Research Council (ERC Grant 263600).

¹This implies that the shifts in the Lorenz curves shown in Figure 3 are also wrong.

TABLE 2—GINI COEFFICIENTS, DATA AND EXPERIMENTS

Basis for Gini Coefficient	1960	2005
Data	0.342	0.430
Random Matching	0.334	0.420
Random + 2005 MFLP	0.319	
Random + 1960 MFLP		0.437
Standardized Table	0.344	0.429
Standardized Table + 2005 MFLP	0.326	
Standardized Table + 1960 MFLP		0.444
More Singles (2005 level)	0.382	
Less Singles (1960 level)		0.393