

Svarer, Michael

**Working Paper**

**Crime and partnerships**

IZA Discussion Papers, No. 3543

**Provided in Cooperation with:**

IZA – Institute of Labor Economics

*Suggested Citation:* Svarer, Michael (2008) : Crime and partnerships, IZA Discussion Papers, No. 3543, Institute for the Study of Labor (IZA), Bonn, <https://nbn-resolving.de/urn:nbn:de:101:1-20080619171>

This Version is available at:

<https://hdl.handle.net/10419/35127>

**Standard-Nutzungsbedingungen:**

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

**Terms of use:**

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*

IZA DP No. 3543

## Crime and Partnerships

Michael Svarer

June 2008

# Crime and Partnerships

**Michael Svarer**

*University of Aarhus,  
CAM and IZA*

Discussion Paper No. 3543  
June 2008

IZA

P.O. Box 7240  
53072 Bonn  
Germany

Phone: +49-228-3894-0  
Fax: +49-228-3894-180  
E-mail: [iza@iza.org](mailto:iza@iza.org)

Any opinions expressed here are those of the author(s) and not those of IZA. Research published in this series may include views on policy, but the institute itself takes no institutional policy positions.

The Institute for the Study of Labor (IZA) in Bonn is a local and virtual international research center and a place of communication between science, politics and business. IZA is an independent nonprofit organization supported by Deutsche Post World Net. The center is associated with the University of Bonn and offers a stimulating research environment through its international network, workshops and conferences, data service, project support, research visits and doctoral program. IZA engages in (i) original and internationally competitive research in all fields of labor economics, (ii) development of policy concepts, and (iii) dissemination of research results and concepts to the interested public.

IZA Discussion Papers often represent preliminary work and are circulated to encourage discussion. Citation of such a paper should account for its provisional character. A revised version may be available directly from the author.

## ABSTRACT

### Crime and Partnerships<sup>\*</sup>

This paper tests whether being convicted of a crime affects marriage market outcomes. While it is relatively well documented that crime hurts in terms of reduced future income, there has been little systematic analysis on the association between crime and marriage market outcomes. This paper exploits a detailed Danish register-based data set to fill this gap in the literature. The main findings are that male convicts do not face lower transition rates into partnerships as such, but they face a lower chance of forming partnerships with females from more well-off families. In addition males who are convicted face a significantly higher dissolution risk than their law abiding counterparts.

JEL Classification: J12

Keywords: crime, marriage, divorce

Corresponding author:

Michael Svarer  
School of Economics and Management  
University of Aarhus  
DK - 8000 Aarhus C  
Denmark  
E-mail: [Michael@Svarer.dk](mailto:Michael@Svarer.dk)

---

<sup>\*</sup> I am grateful to the Rockwool Research Foundation for financing this project. I thank Duy Thanh Huynh and Peter Fallesen for making the data available; Ulla Nørskov Nielsen for very competent research assistance; seminar participants at Tilburg University, Centre for Applied Microeconometrics, Copenhagen, Microeconometrics Lunch, University of Aarhus, and the SOLE meeting 2008 in New York and in particular Anna Pii Damm, Susuma Imai, Lars Pico Geerdsen, Torben Tranæs, and Rune Vejlin for very useful comments. I am also grateful to Birgitte Højklint for reading the manuscript.

There's a lot of strange men in cell block ten  
But the strangest of them all  
Was a friend of mine who spent his time staring at the wall  
Staring at the wall

In his hand was a note that his gal had wrote  
And it proves that crime don't pay  
She was the very same gal that he robbed and stole for  
For naming her wedding day  
For naming her wedding day.

Johnny Cash - the Wall

## 1 Introduction

The economic consequences of crime in terms of reduced employment possibilities and lower market wages have been shown to be quite substantial (see e.g. Waldfogel (1994), Freeman (1999), Western et al. (2001), and Holzer (2007) for the effects of incarceration and Grogger (1995) for similar albeit smaller effects for arrestees)). A less investigated, but perhaps equally important, consequence of engaging in criminal activities is the potential spill-over to marriage market outcomes. The purpose of the present paper is to take a closer look at this issue.

There are numerous payoffs to forming and maintaining a partnership, and some of these returns are economic by nature. As listed in e.g. Weiss (1997) gains from marriage include specialization gains, the possibility of sharing public goods, of coordinating investment activities, and of sharing risk. To enjoy these benefits, a necessary condition is that there is someone who is willing to marry you. This paper investigates whether the possible stigma effect of being convicted for a criminal offence affects an individual's chances in the marriage market.

This paper uses a sample of Danish males (since males by far are the most active in terms of committing crime) to investigate whether being convicted of a crime affects marriage market outcomes like finding a partner, quality of partner, and dissolution risk. An obvious empirical challenge is to identify the causal effect of conviction on marriage market outcomes. It is likely that individual characteristics, both observable in the data

and unobservable, affect the process related to crime and to marriage markets outcomes at the same time. To address the potential endogeneity of crime, I follow a strategy that has been used in (e.g.) the – somewhat related – literature that assesses the effects on the exit rate from unemployment of sanctioning unemployed individuals that do not comply with eligibility criteria for unemployment insurance (van den Berg et al. (2004), Abbring et al. (2005), Lalive et al. (2005), and Svarer (2007)). The method simultaneously estimates the process that describes criminal activity and the process of marriage market activities. Under some well-defined assumptions (which I will return to later), the model causally identifies the effect of crime on the transition rate into and out of partnerships (Abbring & van den Berg, 2003). Another empirical cause of concern is the possibility of reverse causality. Difficulties in finding a partner or maintaining a relationship might affect the propensity to commit crime and hence to get convicted. To address this issue, I supplement the timing-of-event methodology with an instrumental variable approach basically using pre marriage market criminal activity as instrument for being convicted in the analysis of partnership formation and pre relationship criminal activity as instrument for being convicted in the partnership dissolution analysis.

The interdependency between marriage market status and crime has been studied intensively in the sociological literature. However, the main emphasis has been on the effect of marriage on the propensity to commit crime. The conclusion from this literature is that marriage causally reduces crime (see Sampson et al. (2006)). Studies that look at the other side of the coin – the effect of crime on marriage market outcomes – are much fewer in number.

Sampson & Laub (1993) look at the relationship between juvenile delinquency and adult outcomes using US data. They find that delinquency when young is associated with weaker attachment to a spouse and higher divorce propensity in adult years. Levitt & Lochner (2001), also based on US data, find no difference in marriage or divorce patterns by age 30 for youth criminals compared to non-criminals. Lopoo & Western (2005) investigate the effect of incarceration on the formation and stability of marital unions, and using US data they find that the probability of finding a partner or divorcing the current partner is higher during incarceration, but not significantly so afterwards. Neither of these studies address the issue of endogeneity, and in that sense this paper is the first (as far as the author is aware) that investigates the causal effect of crime on marriage market outcomes.

The study uses a large Danish register-based data set to investigate how the incident of being convicted of a criminal offence affects the probability to form partnerships, the

quality of partners, and the partnership dissolution risk. The data is unique in the sense that detailed information on the timing of events is accurately registered. For all criminal offences that are solved, the data contain the date of conviction. Information about criminal activities is merged to a 10% sample of the Danish population between 15 and 66 years old. The latter sample includes information on partnership start and dissolution and various socioeconomic variables for all individuals, their partners, and the parents of both individuals in a given couple. The sample is observed from 1990-2003.

The main findings are that being convicted does not affect the transition rate into partnerships as such, but males who have been convicted face a lower chance of forming partnerships with females from more well-off families, suggesting that crime does carry a penalty in terms of forming partnerships. In relation to partnership dissolution, it is found that males who are being convicted face a significantly higher dissolution risk than their law abiding counterparts.

The structure of the paper proceeds as follows. In Section 2, I first discuss what to expect in terms of the association between crime and marriage market outcome. Section 3 presents the data and the sample selections for the subsequent analysis are thoroughly described. Section 4 describes the empirical strategy and in particular under what assumptions causality inference is obtained. In Section 5 the results are presented, and finally in Section 6 I conclude.

## **2 The association between crime and marriage market outcomes<sup>1</sup>**

In the classical Becker (1968) framework, individuals commit crime when the expected gain from doing so exceeds the expected cost of punishment. The marriage market literature finds that males' attractiveness is positively associated with income and labour market attachment (see e.g. Gautier et al. (2005) and Svarer (2007)), which suggests that one possible reason for committing crime is to increase individual income and thereby becoming more attractive as romantic partner. It has, however, been shown that there exists a real cost of being caught and subsequently punished for a crime related to subsequent labour market success (see e.g. Kling (2006)), it is not obvious whether this is also the case when it comes to the marriage market. It follows, however, naturally that males

---

<sup>1</sup>I focus entirely on male criminality in this paper. Hence the following only view the gains and costs from delinquency from the male perspective.

who have been convicted might face lower chances of attracting a partner and perhaps especially a high quality partner. Likewise, males who are found guilty of a felony and who are already in a partnership, face the risk that their partners reassess the value of the partnership and realise that it has decreased and leave the partnership. The empirical divorce literature almost consistently finds that males who experience a major drop in income have increased dissolution risks (e.g. Weiss & Willis (1997) and Svarer (2005)). On the other hand, income prospects might not be the only trait that females evaluate when they decide on who to admire romantically.

Turning an eye to the sociological literature and in particular drawing on social learning theory, it might be the case that delinquency and risk-taking behaviour in general might be seen as evidence of qualities such as nerve and bravery, which, as pointed out in Rebellon & Manasse (2004) might attract potential romantic partners. In a similar line of argumentation, Darwin's theory of sexual selection suggests that risk-taking behaviour signals high status and as a consequence increases sexual access, not only among nonhuman primates, but also among *Homo sapiens*. Based on data from the National Survey of Youths collected in the 1970s in the US, Rebellon & Manasse (2004) test whether delinquency is associated with the amount of romantic involvement. Having access to a panel data set with two waves, they test whether individuals who are criminal in the first wave have more romantic activity in the second wave compared to their law abiding counterparts when they condition on various personal characteristics and romantic activity in wave 1. The findings suggest that males with more delinquencies have more romantic activity in wave 2. This leads them to conclude that bad boys do get the girls. This finding is supported by e.g. Palmer & Tilley (1995), who conclude that a non-negligible reason for joining gangs in the US is to have increased sexual access to females. Although, being a criminal type might increase the chances of short term romantic encounters it does not follow that it also increases the chances of finding a long-term partner. The latter event is the focus of the current investigation.

Additional support for the association between crime and sexual involvement is granted by Kanazawa & Still (2000). Here it is argued that the age-crime curve (see next Section) in an evolutionary psychological theory perspective can be explained by the observation that "...intense intrasexual competition for mates among young men has produced a psychological mechanism which compels them to commit interpersonal violent crimes and property crimes in their attempt to gain reproductive access to women.." Kanazawa & Still (2000, p. 444).

Recently, Edlund et al. (2007) argue that there exists a non-random association be-



tween the skewed sex ratio for the 16-25 years old in China, as a result of the one-child policy, and the development in the crime rate, which has almost doubled from 1992-2004. According to Edlund et al. (2007) the increased competition among males for female attention has caused an increase in criminal behaviour.

In sum, criminal men might be able to raise more income to support a family by conducting crime. The act of being caught, however, signals that their future income potential is reduced, and consequently they are less attractive as marriage partners viewed from an economic perspective. However, evolutionary theory suggests that traits (mostly unobservable in data sets) which are *positively* correlated with criminal activities might also be *positively* correlated with attractiveness in the marriage market. Hence, the expected effect of convictions on partnership formation is ambiguous. The literature that has found that criminal men have more romantic involvement does not offer information on who they are romantically involved with. It could be the case that different women put different weight on the different attributes of criminals. Building on the large literature on assortative mating that finds that for most traits (like age, education, income, IQ, social status) a positive pattern emerges (see e.g. Epstein & Guttman (1984)), it could be conjectured that females from families with higher social status are likely to put more weight on the provider potential in males, and hence they would be more likely to punish criminal activity. Whether this is the case will be determined in the subsequent empirical analysis.

For couples, the situation is somewhat different. Here the risk-taking male has attracted the female, and now he has to provide for her and the family. As observed in the literature (e.g. Sambson et al. (2006)), males reduce their level of criminal activity once they are in a relationship, which might suggest that the gains to crime have diminished. Males who get convicted and who might spend some time in prison could lose their attractiveness as partners, and it is expected that the dissolution risk increases.

The remainder of the paper contributes with an empirical investigation of the association between crime and marriage market outcomes.

### 3 Data

The data used in this study arise from two different registers. Information on criminal activities come from the Crime Register, which is administered by the justice authorities. Information on demographic and socioeconomic characteristics of the general population comes from the integrated database for labour market research (IDA) maintained by

Statistics Denmark. In the following, a 10% sample of the Danish population between 15 and 66 years old is subtracted from IDA. The sample is observed from 1990-2003. Information on criminal activities for the subsample is obtained by merging the data with the Crime Register. In the following, I refer to crime when a conviction have taken place. I know the exact date for a given conviction, the type of felony for which the conviction is given, and the sentence type. I only focus on criminal activities conducted by males. Males commit more than 80% of (solved) crimes in Denmark (source: Statistics Denmark, 2005), and since I intend to model crime behaviour, female criminal activity will be too low to give precise results. The two registers are merged by a person identifier. In Denmark all inhabitants are endowed with a personal security number. Hence, it is relatively easy to combine information from different registers since all information is registered by the personal identifier.

In the remaining part of the data section, I first give a short overview of criminal activity in Denmark. Second, I discuss sample selection and choice of explanatory variables in relation to the two sets of analyses that are carried out in this paper. I first consider how crime affects the transition rate into partnerships and the quality of partners. Subsequently, I investigate how crime affects the dissolution risk of partnerships.

### 3.1 Criminal activity in Denmark - some numbers

To get an impression of the amount of crime in Denmark compared to other countries, I use data from the Seventh United Nations Survey on Crime Trends and the Operations of Criminal Justice Systems<sup>2</sup>. The most recent US figures are from 1999 and I therefore base the comparison on 1999 numbers. Below, I report the total number of recorded crimes in the US, England & Wales and Denmark. In addition, I report some numbers by type of crime.

	Rate per 100,000 inhabitants, 1999		
	Denmark	US	England & Wales
Grand total of recorded crime	9,291.31	8,571.19	10,061.11
Total recorded intentional homicide, completed	0.98	4.55	1.45
Total recorded burglaries	1,896.90	755.29	1,721.33
Total recorded drug offences	15.60	231.29	560.11
Total recorded thefts	3,443.18	2,502.66	3,357.60

<sup>2</sup>See [http://www.unodc.org/unodc/en/crime\\_cicp\\_survey\\_seventh.html](http://www.unodc.org/unodc/en/crime_cicp_survey_seventh.html)

The figures presented above suggest that the crime rate is not lower in Denmark compared to countries like England & Wales and the US. The crime pattern varies somewhat. The US has a remarkably higher homicide rate and more drug offences than the two other countries, whereas burglaries and thefts are more pronounced in the European examples.

In Figure 1, I present the age specific crime rate for 2003. The figure shows the fraction in each age group that has been convicted of a crime in 2003.

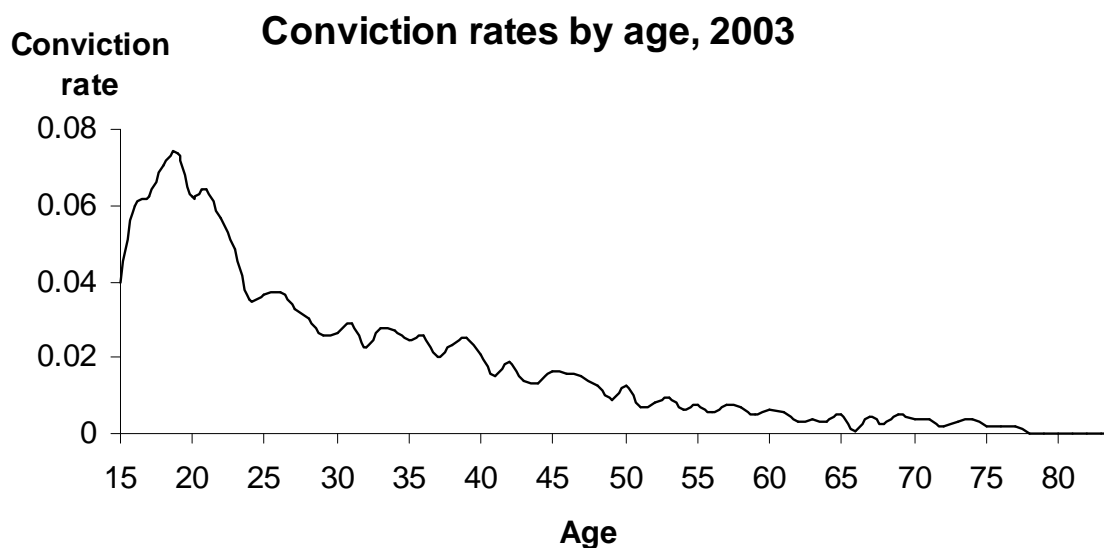


Figure 1

Figure 1 confirms that a non-negligible number of individuals are found guilty of criminal felonies. The age pattern suggests that the propensity to commit crime dies out when individuals grow older and peaks around the age of 18 (see e.g. Levitt & Lochner (2001) and Freeman (1999) for similar age patterns for the US). In fact, Hirschi & Gottfredson (1983) claim that this relationship is similar in all social and cultural conditions. As mentioned in the earlier section, Kanazawa & Still (2000) provided a marriage market explanation for the robustness of the shape across countries, namely that males undertake risky and criminal activities to gain access to females. In relation to the purpose of the current study, it is interesting that most crime is undertaken by individuals when they are young, which is the time when they are becoming active in the marriage market.

## 3.2 Data for partnership formation analysis

Data for partnership formation is collected by sampling all males as they enter the marriage market. I assume that this occurs at age 18, and I consequently flow sample all males when they turn 18. I then follow them through time until they either form a partnership or the sampling period ends. The sampling framework has the advantage that I do not have to model left censored partnership observation since the incident of partnership is non-existing before individuals turn 18.

A partnership can take the form of legal marriage or cohabitation. The latter partnership form is widely used in Denmark, and of those who marry, more than 80% premaritally cohabit (see e.g. Svarer (2004)). Since data on marriage market behaviour come from register data, I have no information on partnerships that do not entail shared housing (i.e. dating is not observed). I therefore measure the time until a male gets formally married or shares a housing unit with a female<sup>3</sup>. Dates of both occasions are given on a daily basis in the registers.

In the subsequent empirical analysis, I investigate whether being convicted affects the transition rate into partnership<sup>4</sup>. I only look at the effect of the first conviction. That is, I do not investigate the marginal effect of subsequent convictions for the same individual. This approach is similar to the literature on the effect of UI benefit payment sanctions on the exit rate from unemployment (see van den Berg et al. (2004), Abbring et al. (2005), Lalive et al. (2005), and Svarer (2007)), and has the advantage that the empirical model becomes more tractable. The strategy is, however, not completely innocuous since, as will become clear later, many males who have been convicted ones get convicted again.

---

<sup>3</sup>Notice that this implies that individuals who are sharing housing without having a real partnership are registered as cohabitators. In circumstances where the age difference is larger than 15 years or the two individuals are biologically related, they are not registered as cohabitators. I have no further information to disentangle these observations from true partnerships. On the other hand, they are presumably few in number and the alternative is to ignore cohabitations. I am reluctant to follow this strategy since cohabitation is by far the most frequent partnership type, especially among the younger cohorts in Denmark.

<sup>4</sup>I use convictions as indicators for crime. Alternatively, I could have investigated how charges and conviction affect marriage market behaviour. There are a number of arguments for focusing on convictions only. First, conviction might be more visible to the market than charges (that might be dropped) and therefore more likely to cause a change in marriage market possibilities. Second, the empirical investigation is kept more tractable when only convictions are endogenized. Anyway, results from an empirical model where both charges and convictions are modelled (a long the lines of Lalive et al. (2005)) provide the same main conclusions as the current analysis.

Preferably, the empirical model should allow for multiple convictions. The econometric literature is, however, not particularly well-developed to address the endogeneity issues that arise in these situations and as a short-cut I follow the route of many predecessors and consider the first conviction (event) only. Related to the results that follow this decision might not be to detrimental to the main results of the study that compares marriage market outcomes of convicted to non-convicted. The drawbacks of the empirical model is more serious when I look at the effects of different crime types and sentences. By restricting focus to the first conviction I risk to measure the effect of the least serious crime and the mildest sentence. I will return to these issues when I interpret my results in Section 5.

To account for confounding characteristics of the individuals, I include a number of explanatory variables. In addition, I also analyse whether a criminal conviction affects the quality of the marriage partner. Unfortunately, the data do not contain information on beauty, weight, IQ or other characteristics that could be used to assess the attractiveness of females. I therefore follow the strategy in Gautier et al. (2005) and use income and educational measures for attractiveness. Since individuals in the sample typically match when they are quite young, and therefore before they have completed an education and entered the labour market, I use information on the fathers of the females as a proxy for quality of females<sup>5</sup>. I use the following information to proxy quality (all measured at the year of partnership start): a dummy for whether the wealth of the father is in the top 50% of the wealth distribution, a dummy for whether the disposable income of the father is in the top 50% of the income distribution, and a dummy for whether the father has completed a medium or long-term further education. The former two are time-varying.

I also investigate whether different types of criminal activities and sentences have different effects on partnership formation. Specifically, I look at the following crime classifications: violence, property and others (which include sexual offences and drug crimes) and the following four types of sentences: mandatory prison sentence, suspended prison sentence, fine, and community service plus other sentences<sup>6</sup>. I do not include traffic crimes in the analysis. Descriptive statistics for these variables are presented alongside

---

<sup>5</sup>Chadwick & Solon (2002) present evidence that the intergenerational transmission of income status between fathers and daughters is quite substantial.

<sup>6</sup>In some cases more sentences are issued simultaneously. I.e. a male can get a suspended sentence and a fine. In the following I record type of sentence according to how severe they are. A mandatory prison sentence is assumed to be the toughest followed by suspended prison sentence, fines and community service plus other sentences. That is, in the example mentioned above the male will be recorded with a suspended prison sentence.

the explanatory variables in Table 1.

### 3.2.1 Explanatory variables

In the subsequent analysis, the following variables are included; **age**, **children**, an indicator variable taking the value 1 if the individual has children, **student**, an indicator for currently attending school, **work**, indicator if the individual is currently working (the reference category for school or work is unemployed), **gross income** is the sum of personal income, capital income, housing benefit, child support, and tax free retirement subsidies and is inflated to 2003 price level using the official wage deflator published by Statistic Denmark, **unemployment rate**, gives the annual average unemployment rate. **Wealth father**, an indicator variable that equals 1 if the father of the male has a level of wealth in the top 50% of the wealth distribution, and **educated father**, which is an indicator variable that takes the value 1 if the father has completed a medium or long term further education. Again, the latter two variables are included to reflect the marriage quality of the male who has not yet been able to signal his earnings potential in the labour market.

All variables are time-varying and up-dated on an annual basis. The explanatory variables are included both in a model for partnership formation and in a model that estimates the time until an individual is convicted. In the latter model I also include an indicator variable **convicted before 18** that takes the value 1 if the person has received a conviction prior to his 18th birthday and **educated mother**, which is an indicator variable that takes the value 1 if the mother has completed a medium or long term further education. Table 1 gives descriptive statistics for the data set used. In total, I observe 32170 young men from the age of 18 until they either form a partnership or the observation period ends. I disregard observations for which there are missing information on the included variables in the analysis, which primarily is due to missing information on parents characteristics.

Table 1 about here

Table 1 shows that around 10% of the males get convicted during the observation period, which again indicates that criminal activity is not a rare event among Danish youths. To supplement this around 4% of the sample were convicted before they turned 18. Most crimes are property crime followed by violent crimes. The convictions typically result in a fine or community service<sup>7</sup>. Very few of the young men in the sample get a

---

<sup>7</sup>Note that since I only look at first conviction, the sentences tend to be milder than if I also considered

mandatory prison sentence. Around 49% of the individuals form a partnership during the period and the mean age at which this happens is 22.

### 3.3 Data for partnership dissolution analysis

Data for the partnership dissolution analysis is obtained by flow sampling all relationships that start in the sampling period. The main objective of this analysis is to investigate whether being convicted affects the length of a given relationship. Information on convictions are similar to the data set used in the partnership formation analysis.

The included explanatory variables are; **age**, for both partners, **children**, an indicator variable taking the value 1 if the couple has children, **working**, indicator for whether either of the spouses work, **man older/woman older**, indicator for whether the age difference is larger than 4 years (in both directions), **gross income**, for both individuals in the couple the sum of personal income, capital income, housing benefit, child support, and tax free retirement subsidies is included, and numbers are inflated to 2003 price level using the official wage deflator published by Statistic Denmark, **married**, an indicator for whether the couple is formally married or cohabiting, **low education**, indicator for whether the highest completed educational level of either person is lower than vocational training, **high education**, indicator for whether the highest completed education of either person is medium- or long-term further education (the reference category consists of individuals with vocational or short-term further education), **married**, an indicator variable distinguishing between cohabitating and formally married couples.

In the crime equation, I include the same list of variables as in the partnership formation analysis plus an indicator variable, **conviction prior to partnership start**, that takes the value 1 if the event has occurred.

Descriptive statistics for the data used in the partnership dissolution analysis are presented in Table 2.

Table 2 about here

Men who have a partner commit less crime than single men. Compared to Table 1, the fraction of males who have been convicted is now around 3% measured at the moment of dissolution or when the sample period ends. Clearly, this sample is also older, which might explain most of the difference. However, as pointed out by e.g. Sampson et al. (2006), partnerships seem to protect males from committing crime. Again, most

---

repeat offenders.

convictions are for property crimes, and the sentence is often fine or community service plus other sentences. Around 36% of the partnerships that begin in the sampling period ends in dissolution. The mean length of partnerships is around 4 years. The average length of formal marriages in Denmark is around 7 years (Svarer, 2005). The inclusion of cohabiting unions, which are typically shorter, reduces the average length of partnerships.

## 4 Empirical strategy

In order to investigate the effect of being convicted on the exit rate to and from partnership, I use duration models. Since the occurrence of a conviction is potentially endogenous to the partnership process, the goal is to disentangle the selection effect from the causal effect. Since I have no good sources of exogenous variation in crime rates I exploit the richness of the data in terms of detailed information on the timing of convictions and on marriage markets events. Following Abbring and van den Berg (2003), I apply the so-called timing-of-event model<sup>8</sup>. That is, I estimate the process into and out of partnership simultaneously with the process of being convicted, allowing the processes to be interdependent through the unobservable heterogeneity terms. Below, I present the finer details of the timing-of-event model. In the partnership formation analysis, I look at a competing risks specification where I distinguish between single males who join partnership with females of different qualities. Specifically, I group females into two marriage market segments depending on the characteristics of their fathers. In the partnership dissolution analysis, I look at a single risk specification. Below, I present the basic model illustrated as a situation of partnership dissolution. After this I discuss the amendments for the partnership formation analysis.

### 4.1 Timing-of-events method<sup>9</sup>

The timing-of-events method enables me to identify the causal effect of convictions on the exit rate from partnerships. The estimation strategy requires simultaneous modelling of the conviction rate and the partnership hazard. Let  $T_{p(partnership)}$  and  $T_{c(conviction)}$  denote the duration of a partnership and the duration until a male gets convicted. Both duration

---

<sup>8</sup>Notice, that this identification strategy has been applied in a related situation where the goal is to estimate the causal effect of unemployment benefit sanctions on the exit rate from unemployment (see van den Berg et al. (2004), Abbring et al. (2005), Lalive et al. (2005), and Svarer (2007)).

<sup>9</sup>The basic model presented in this section corresponds to the model used by Lalive et al. (2005).



variables are continuous nonnegative random variables. I allow them to interact through correlation of unobservables and through a possible treatment effect of getting convicted on the partnership hazard. I assume that all individual differences in the joint distribution of the processes can be characterized by observed explanatory variables,  $x$ , and unobserved variables,  $v$ . The occurrence of a conviction and the exit rate out of partnerships are characterized by the moments at which they occur, and I am interested in the effect of the realization of  $T_c$  on the distribution of  $T_p$ . The distributions of the random variables are expressed in terms of their hazard rates  $h_c(t|x_{c,t}, v_c)$  and  $h_p(t|t_{convicted}, x_{p,t}, v_p)$ . Conditional on  $x_p$  and  $v_p$ , I can therefore ascertain that the realization of  $T_c$  affects the shape of the hazard of  $T_p$  from  $t_c$  onwards in a deterministic way. This independence assumption implies that the causal effect is captured by the effect of  $t_c$  on  $h_p(t|t_{convicted}, x_{p,t}, v_p)$  for  $t > t_c$ . This rules out that  $t_c$  affects  $h_p(t|t_{convicted}, x_{p,t}, v_p)$  for  $t \leq t_c$ , i.e. anticipation of the conviction has no effect on the partnership dissolution hazard. This assumption could potentially be a bit strong in the context of convictions, since trials normally are announced some time in advance, e.g. when the crime is detected and a charge is filed. However, the *exact* outcome of the trial is unknown, since the accused might be found not guilty or the charges might be dropped. Abbring & van den Berg (2003) show that the assumption only requires that the exact date is not known - the agents are allowed to know the distribution of the timing. Furthermore, as noted by Abbring & van den Berg (2003), the time span between the moment at which the anticipation occurs and the moment of the actual sentence is short relative to the duration of relationships. This implies that the potential bias in the effect of convictions on the relationship hazard presumably is rather small. In addition it is not obvious in the present context what kind of information that is available to the other marriage market participants. It might be natural to assume that it is easier to hide the filing of a charge than the conviction itself. Hence, the reactions to a conviction in terms of marriage market outcomes are likely to happen after the moment the conviction is given.

Given the independence and no anticipation assumptions, the causal effect of a conviction on the partnership dissolution hazard rate is identified by a mixed proportional hazard model. That is, it is a product of a function of time spent in the given state (the baseline hazard), a function of observed time-varying characteristics,  $x_t$ , and a function of unobserved characteristics,  $v$

$$h(t|x_t, v) = \lambda(t) \cdot \varphi(x_t, v),$$

where  $\lambda(t)$  specified as  $\exp(\lambda_m(t))$  is the baseline hazard and  $\varphi(x_t, v)$  is the scaling

function specified as  $\exp(\beta'x_t + v)$ . More specifically the system of equations is:

$$h_c(t|x_{c,t}, v_c) = \exp(\beta'_c x_{c,t} + \lambda_c(t) + v_c) \quad (1)$$

$$h_p(t|t_{conviction}, x_{p,t}, v_p) = \exp(\beta'_p x_{p,t} + \delta_1 D(t_{conviction}) + \lambda_p(t) + v_p), \quad (2)$$

where  $x_c, x_p$  are vectors of possible time-varying covariates,  $D(t_{conviction}) \equiv I(t_{conviction} < t)$  is a time-varying indicator variable and  $v_c$  and  $v_p$  are unobserved heterogeneity terms.

Intuitively, the timing-of-events method uses variation in partnership duration and in duration until a conviction (conditional on observed characteristics) to identify the unobserved heterogeneity distribution. The selection effect is captured by the correlation between  $v_p$  and  $v_c$ , while the causal effect of the conviction on partnership duration is captured by the effect of the conviction conditional on the observables and  $v_p$  and  $v_c$ .

The empirical model is non-parametrically identified without the use of instrumental variables on the basis of the mixed proportional hazard assumption (Abbring and van den Berg, 2003) and also on the basis of time-varying explanatory variables (e.g. Brinch, 2007). It is possible to strengthen identification through various sources. One is the use of repeated spells (see e.g. van den Berg, 2001). In the present context this is however not particularly attractive. First, in the partnership formation analysis I focus on the time until first partnership and allowing for repeated spells requires that conditional on observable characteristics, the unobserved heterogeneity terms of an individual do not change over time (see e.g. Roed & Westlie, 2007). This is problematic if partnership formation and partnership duration are affected by duration dependence and this is not appropriately addressed in the econometric model. Given the duration of typical partnerships my data is not rich enough to allow for careful treatment of repeated spells of singlehood and partnerships. Second, in the partnership formation analysis the unobserved heterogeneity term is related to the partnership and not to the particular person. It does not seem appropriate to assume a time-invariant unobserved heterogeneity term across different partnerships for a given person.

## 4.2 Parametrization

The baseline hazards,  $\lambda_p(t), \lambda_c(t)$ , are specified as a piecewise constant hazard, where I divide the time line into a number of intervals. For all hazards, I divide the time line into  $M = 3$  intervals measured in days (0-1200, 1200-3600, 3600-), and I let  $\lambda_i(t) = (\lambda_{i1}, \dots, \lambda_{i3})$ ,  $i = \text{partnership, conviction}$  denote the estimated parameters in these intervals.

I use a flexible and widely applied specification of the distribution of the unobservables; it is that each unobserved heterogeneity term follows a discrete distribution with only two mass-points. One of the mass-points in each marginal distribution is normalized to zero so  $V_p \in \{v_p^1 = 0, v_p^2\}$  and  $V_c \in \{v_c^1 = 0, v_c^2\}$ . This normalization is required as a consequence of the piecewise constant baseline specification. The correlation between  $V_p$ , and  $V_c$  is important because this is the way in which this procedure allows selection on unobservables without a resulting bias in the estimates. The associated probabilities for all the possible combinations from the discrete distributions are defined as

$$\begin{aligned} P_1 &= \Pr(V_p = v_p^1, V_c = v_c^1) \\ P_2 &= \Pr(V_p = v_p^2, V_c = v_c^1) \\ P_3 &= \Pr(V_p = v_p^1, V_c = v_c^2) \\ P_4 &= \Pr(V_p = v_p^2, V_c = v_c^2) \end{aligned}$$

where  $0 \leq P_j \leq 1$ ,  $j = 1, 2, 3, 4$  and  $\sum_{j=1}^4 P_j = 1$ . For more details on this class of mixture distributions in duration models, see e.g. van den Berg (2001).

The parameters are found by maximizing the corresponding log-likelihood function.

#### 4.2.1 Extension for partnership formation analysis

In the partnership formation analysis, I also distinguish between the quality of partners as measured by their fathers' wealth, income and level of education. In order to accommodate this, I specify a competing risks version of the model presented above. I include an additional random variable,  $J = \{1, 2\}$ , which denotes the exit state from singlehood. Compared to the basic model this extension introduces an additional hazard function into partnership. The cause-specific hazard function for entry into partnerships takes the following form:

$$h_{p,j}(t|t_{conviction}, x_{p,j,t}, v_{p,j}) = \exp(\beta'_{p,j} x_{p,j,t} + \delta_{1,j} D(t_{conviction}) + \lambda_{p,j}(t) + v_{p,j}), \quad (3)$$

where  $h_p = \sum_{j=1}^2 h_{p,j}$ . This specification introduces a new unobserved heterogeneity term, which in line with the preceding specification, is assumed to have two points of support. Hence, there are now eight possible combinations of the three unobserved heterogeneity distributions.

## 5 Results

In this section, I first present the results for the partnership formation analysis and then for the partnership dissolution analysis. For both analyses, I report how men who have been convicted of a crime are affected in the market for partnerships compared to men who have not been convicted. For various reasons, this comparison may be noisy. First, among those who are not convicted are potentially many criminals. In particular, these criminals might be the more talented criminals who are successful in their occupation and do not get caught and sentenced by the authorities. Second, the information about criminal behaviour might (or might not) be more visible to potential marriage partners than what is observed in the registers. I keep these complications in mind in the following.

### 5.1 Partnership formation analysis

As a starting point, I present in Table 3 the results from a single risk partnership formation model. That is, where I do not distinguish between the quality of the potential partner, but only consider the transition from singlehood to partnership. This analysis reveals that being convicted does not affect the exit rate from singlehood into partnerships as such. This suggests that there is no obvious marriage market penalty for convicted men in the Danish marriage market.

Table 3 about here

The other explanatory variables in the partnership hazard show that males who are older, have a higher income and are not unemployed are more likely to form partnerships. These results are in accordance with other studies on partnership formation (see e.g. Aassve et al. (2002) and Xie et al. (2003)). The unobserved heterogeneity terms (not shown) reveal a negative association between the unobserved heterogeneity terms in the partnership formation hazard and in the conviction hazard<sup>10</sup>. That is, those who based on unobservables, are less likely to form partnerships are more likely be convicted of a crime. This pattern works, in some sense, against the intuition provided in Section 2. Here I argued that a reason why men commit crime might be to attract women – either by increasing their income and wealth or by signalling bravery and nerve. On the other hand,

---

<sup>10</sup>In fact, the unobserved heterogeneity terms are perfect negatively correlated. In order to empirically identify the mass points and related probabilities I had to restrict the correlation to be either 1, -1 or 0. It turned out that -1 gave the best fit in terms of likelihood value.

the males that are identified as criminal in the current analysis are those that get caught. This tentatively suggests that based on unobservable characteristics there is a group of men that are neither successful as criminals or as marriage market participants. Supporting evidence for this interpretation can be found in Mocan & Tekin (2006). Based on US data they find that being very attractive reduces a young adult's (ages 18-26) propensity for criminal activity and being unattractive increases it for a number of crimes.

In the conviction hazard, I find that males who are younger, unemployed and who come from poorer households have higher conviction rates. These findings are in accordance with the literature that looks at determinants of crime (see e.g. Levitt & Lochner (2001) and Imai et al. (2006)). In addition, there is a remarkable high rate of recidivism. The conviction hazard for those who were already convicted prior to their 18th birth day is more than 500% higher than for those who turned 18 with a clean record.

To proceed, I present in Table 4 the results for a competing risks partnership formation analysis where I distinguish between female partners by the wealth level of their fathers<sup>11</sup>. The first columns give the estimates for males who match with females who have a father with wealth belonging to the top 50% of the wealth distribution (measured in the year of partnership formation). Being convicted reduces the hazard rate into partnership with women from more wealthy families with 29% ( $\exp(-0.35)-1=-29\%$ )<sup>12</sup>. In terms of forming partnerships with females from low wealth backgrounds, the incident of being convicted does not significantly affect the partnership formation rate. In sum, Tables 3 and 4 show that being convicted of a crime does not affect the rate at which young males form partnerships, but it reduces the rate at which they form partnerships with females from more successful backgrounds even after we condition on a number of other characteristics of the males.

Table 4 about here

The earlier literature on the association between crime and partnership formation (e.g. Sampson & Laub (1993), Levitt & Lochner (2001), and Lopoo & Western (2005)) did not find strong effects on being convicted on subsequent partnership formation chances. The

---

<sup>11</sup>To save space, I do not present the results for the analysis where I use level of education or income as quality proxies - the qualitative findings are similar to the results presented here.

<sup>12</sup>If I calculate the expected duration for a male with mean characteristics, the reduction in the hazard rate into partnerships with females from more wealthy families can be translated into approximately 1 additional year of singlehood. This number is clearly sensitive to the chosen characteristics, but it gives an indication of the magnitude of the effect.

single risk results in the current analysis corroborates these earlier findings. The results presented in Table 4 therefore highlights the relevance of distinguishing between different types of partners as the results show that being convicted is associated with a reduced partnership formation rate with women from more well-off backgrounds.

In Tables 5 and 6 (see appendix), I have investigated whether the effects of conviction on partnerships formation rates are affected by the type of committed crime and the sentence. It should be noted that the empirical model does not allow for causal interpretation of the crime or sentence specific effects since I do not model crime specific conviction rates in the current specification of the model. It is relatively easy to extend the econometric model to do this, but the low occurrence of some types of crime and sentences would lead to rather imprecise statistical estimates. Instead, I hold on to the model presented in the previous section and interpret the findings accordingly.

Relating to type of crime, I find no association between violent crime and partnership rates, whereas property and other crime are negatively correlated with the formation of partnerships with females from more well off families. In relation to type of sentence, the results, somewhat surprisingly, do not suggest a significant penalty of mandatory or suspended prison sentences. Most likely, this finding is due to the relative low incidence of these sentences in the sample. Again, these relationships are not the main focus of the current investigation and a richer data set and a more elaborate econometric model is required to make further progress in this directions. Something which is left for future work.

## 5.2 Partnership dissolution analysis

In Table 7, I present the results from the dissolution hazard model.

Table 7 about here

Being convicted significantly increases the dissolution risk by around 76%. In terms of the length of the partnerships a conviction reduces the expected duration for a couple with mean characteristics with around 2 years. There is accordingly a rather substantial marriage market penalty for being convicted of a crime. In the sense that being convicted for a crime signals reduced future income and hence provider potential the result corroborates other findings in the partnership dissolution literature that show that reduced income (e.g. Weiss & Willis (1997) and Svarer (2005)), higher levels of unemployment (e.g. Ahituv & Lerman (2005)) and increased sickness (e.g. Murray (2000)) for men

increases the risk of partnership dissolution. Combining this finding with the results from the previous section indicates that although entry into partnerships is not reduced by a criminal record exit is. There could be several reasonable explanations for this apparent time inconsistency. On the more anecdotal level some women might get attracted by the traits of criminal men and believe that ones they are protected by the partnership their destructive behaviour stop. In many cases this might be true (see e.g. Sampson et al. (2006)), but in relationships were criminal activities continue the women might realize that the deviation between expected and realised utility of the partnership is too large to keep the value of continuation above the value of the outside options. Another explanation might be that, as the partnership formation analysis revealed, criminal men are more likely to form partnership with female from less well-off and less educated families than with females from more well-off families. These women are more likely to be low educated themselves and the increased dissolution risks might go through the formation of couples between low educated men and low educated women. Although, the partnership dissolution analysis try to capture this by including levels of education and income of both partners there might still be characteristics of the partners that are unobserved in the analysis both which are determinants of the partnership formation process and which positively affects the dissolution risk.

In terms of the unobserved heterogeneity terms I again find a negative correlation<sup>13</sup>. That is, those who based on unobservable characteristics are more likely to end their partnership are less likely to get convicted. Based on the findings in the partnership formation analysis this is somewhat unexpected. This implies that compared to a model where being convicted is treated as an exogenous event the effect of conviction on dissolution risk presented in Tables 7-9 increases. In models where being convicted is treated as an exogenous variable there is, however, also a positive association between conviction and dissolution risk.

The findings for the remaining (control) variables in the dissolution hazards are in close accordance with previous analyses of dissolution risks (see e.g. Svarer & Verner (2008)).

In Tables 8 and 9 (see appendix), I distinguish between different types of crimes and sentences. Again, these findings can not be given a causal interpretation conditional on the econometric model. Still, all types of crime are associated with increased dissolution risks, and whereas the same is true for type of sentences, there is – perhaps not surprisingly – a

---

<sup>13</sup>Again, I had to restrict the correlation to be either 1, -1 or 0 to obtain empirical identification. It turned out that -1 gave the best fit in terms of likelihood value.

remarkable higher dissolution risk if the sentence leads to mandatory prison. In Lopoo & Western (2005) it is found that men who are incarcerated face a higher divorce risk while they are in prison, but not afterwards. The present study also suggests that incarceration is associated with a significantly higher dissolution risk, but so are other sentences too. The results shown in Table 7 that being convicted raises the dissolution hazard is therefore not driven solely by men who receive a mandatory prison sentence.

### 5.3 Discussion and sensitivity analysis

In the preceding sections I have presented the results from an analysis where I have relied on empirical identification from a timing-of-event duration model that basically use a functional form assumption: the proportional hazard formulation, as main ingredient to sort between selection and causal effect of being convicted for a crime on subsequent success in the marriage market. The advantage of this identification strategy is partly that it has been applied successfully in the literature that has evaluated how "convictions" for unemployed in terms of reductions in unemployment insurance benefits, if they do not comply eligibility criteria, have affected their exit rate from unemployment (see e.g. van den Berg et al. (2004), Abbring et al. (2005), and Lalive et al. (2005)). In addition, that the timing-of-event model has been shown to be quite robust to various misspecifications (Gaure et al. (2007)). However, as the analysis have shown I needed to impose restrictions on the correlation between the unobserved heterogeneity terms to obtain empirical identification, which of course questions the power of the estimates. It therefore seems appropriate to ask (1) what would the results have been if I have not addressed endogeneity of convictions, (2) are the findings sensitive to different specifications of the timing-of-event model, and (3) are there superior identification strategies that can be used given the available data.

To address the first question, I have estimated models where I disregard the conviction hazard and hence treat the conviction dummy as an exogenous indicator variable. The findings from this model are in close accordance with the results presented in Table 3, 4, and 7. That is, I find that convictions are not associated with a reduce partnership formation rate as such, but that the rate at which convicted males form partnerships with females from more well-off families is significantly reduced. In terms of dissolution risk, I also find that convicted men are more likely to experience a split-up. So although, the introduction of the conviction hazard improves the fit of the model and changes the size of the coefficient somewhat it does not alter the main conclusion. This suggest that



either allowing convictions to be endogenously related to the marriage market processes is not particularly important or, perhaps more likely, that the empirical model does not do a very good job in terms of determining convictions. Recently, Dills et al. (2008) summarize the last 40 years of economic literature on determinants of crime, and conclude that economists know little about the empirically relevant determinants of crime. Whether this conclusion is correct or not the current analysis could be interpreted along these lines. That is, the process that describes conviction is not very well determined which implies that caution should be taken when giving the findings in this study a causal interpretation.

Related to the second question, I have experimented with different empirical specifications based on the timing-of-event model. So far it has not changed the overall conclusions. I have in particular looked at the following variations of the presented models: (1) a model where I follow all males from age 15 and therefore do not include an indicator for pre-marriage market convictions, (2) like the current analysis without information on previous convictions and education of mother, (3) a model where I include information on charges. That is, first I model the time until a charge is filed and in addition I model the time from charge until (possible) conviction.

As discussed in detail in Dills et al. (2008), economists have experimented with several strategies to determine crime including arrest and incarceration rates, police levels, abortion laws etc. While all of these have attractive explanations supporting their usefulness as crime instruments they also share a common deficit in terms of predicting crime rates across time and regions. The identification strategy pursued in this article is new to the crime literature and is chosen based on features of the current data set, which is rich on conviction and marriage market dynamics, but not on exogenous variation in conviction rates. Future research in this area might benefit from a combination of longitudinal data on crime and partnership dynamics and more suitable candidates to instrument crime.

## 6 Concluding remarks

This paper tests whether being convicted of a crime affects marriage market outcomes. The empirical strategy exploits a data set that is very rich in the longitudinal dimension and has very precise information on conviction dates and marriage market events. Based on a system of mixed proportional hazard models the paper finds that convicted men do suffer in the marriage market. First, they can expect to marry females from less well-off families, and second they can expect to hold on to their spouses for a shorter period of time. It is clearly difficult to compare the costs of crime in the marriage market to the

costs measured in the labour market in terms of reduced wages and lower employment. The finding of this paper, however, suggests that looking at the consequences of being convicted of a crime should also make room for how the marriage market is affected.

## References

- [1] AASSVE, A., S. BURGESS, A. CHESHER AND C. PROPPER (2002). “Transitions from Home to Marriage of Young Americans”, *Journal of Applied Econometrics*, 17, 1-23.
- [2] ABBRING, J. AND G. VAN DEN BERG (2003). “The Non-Parametric Identification of Treatment Effects in Duration Models”, *Econometrica*, 71, 1491-1517.
- [3] ABBRING, J., G. VAN DEN BERG, AND J. VAN OURS (2005). “The Effect of Unemployment Insurance Sanctions on the Transition Rate from Unemployment to Employment”, *Economic Journal*, 115, 602–630.
- [4] AHITUV, A. AND R. I. LERMAN (2005). “Job Turnover, Wage Rates, and Marital Stability: How Are They Related?” *IZA Discussion paper* 1470.
- [5] BECKER, G.S. (1968). “Crime and Punishment: An Economic Approach”, *Journal of Political Economy*, 76, 169-217.
- [6] BRINCH, C. N. (2007). “Nonparametric Identification of the Mixed Hazards Model with Time-Varying covariates”, *Econometric Theory*, Vol. 23, 349-354.
- [7] CHADWICK, L. AND G. SOLON (2002). “Intergenerational Income Mobility among Daughters,” *American Economic Review*, 92, p. 335-344.
- [8] DILLS, A. K., J. A. MIRON AND G. SUMMERS (2008). “What do Economists Know About Crime?”, *NBER Working Paper* 13759.
- [9] EDLUND, L., LI, H., YI, J. OG ZHANG, J. (2007). “More Men, More Crime: Evidence from China’s One-Child Policy”, *IZA Discussion paper* 3214.
- [10] EPSTEIN E. AND R. GUTTMAN (1984). “Mate Selection in Men: Evidence, Theory, and Outcome”, *Social Biology*, 31, 243-78.
- [11] FREEMAN, R. (1999). “The Economics of Crime”, **Handbook of Labor Economics**, Vol 3, 3529-3571, Elsevier Science B.V.

- [12] GAURE, S., K. RØED AND T. ZHANG (2007). “Time and Causality: A Monte Carlo Assessment of the Timing-of-Events Approach”, *Journal of Econometrics*, 141, 1159-1195.
- [13] GAUTIER, P.A., M. SVARER AND TEULINGS C.N. (2005). “Marriage and the City”, Working Paper 2005-01, Department of Economics, University of Aarhus.
- [14] GROGGER, J. (1995). “The Effect of Arrests on the Employment and Earnings of Young Men”, *Quarterly Journal of Economics*, 110(1), 51-71.
- [15] HIRSCHI, T. AND M. GOTTFREDSON (1983). “Age and the Explanation of Crime”, *American Journal of Sociology*, 89, 552-584.
- [16] HOLZER, H. (2007). “Collateral Costs: The Effects of Incarceration on the Employment and Earnings of Young Workers”, *IZA Discussion Paper* 3118.
- [17] HUYNH, D.T., S. IMAI AND T. TRANÆS (2005). “Registered Criminal Activities and Labor Market Performance; A Danish Micro-data Panel, 1980-1999”, Draft Rockwool Research Unit.
- [18] IMAI, S., H. KATAYAMA AND K. KRISHNA (2006). “Crime and Young Men: The Role of Arrest, Criminal Experience and Heterogeneity”, *NBER Working Paper* 12221.
- [19] KANAZAWA, S. AND M.C. STILL (2000). “Why Men Commit Crimes (and Why They Desist)”, *Sociological Theory*, 18(3), 434-447.
- [20] KLING, J. (2006). “Incarceration Length, Employment and Earnings”, *American Economic Review*, 96:3, 863-876.
- [21] LALIVE, R., J. VAN OURS AND J. ZWEIMÜLLER (2005). “The Effect of Benefit Sanctions on the Duration of Unemployment”, *Journal of the European Economic Association*, 3(6):1-32.
- [22] LEVITT, S. AND L. LOCHNER (2001). “The Determinants of Juvenile Crime”, in J. Gruber (ed.), *Risky Behavior Among Youths: An Economic Analysis*, University of Chicago Press: Chicago.
- [23] LOPOO, L.M. AND B. WESTERN (2005). “Incarceration and the Formation and Stability of Marital Unions”, *Journal of Marriage and the Family*, 67, 721-734.

- [24] MOCAN, N. AND E. TEKIN (2006). “Ugly Criminals”, *NBER Working Paper* 12019.
- [25] MURRAY, J. E. (2000). “Marital Protection and Marital Selection: Evidence from a Historical-Prospective Sample of American Men” *Demography*, 37(4), 511-521.
- [26] PALMER, C.T. AND C.F. TILLEY (1995). “Sexual Access to Females as a Motivation for Joining Gangs: An Evolutionary Approach”, *Journal of Sex Research*, 32(3), 213-217.
- [27] REBELLON, C.J. AND M. MANASSE (2004). “Do "Bad Boys" Really Get the Girls? Delinquency as a Cause and Consequence of Dating Behaviour Among Adolescents”, *Justice Quarterly*, 21(2), 355-389.
- [28] RØED, K. AND L. WESLIE (2007). “Unemployment Insurance in Welfare States: Soft Constraints and Mild Sanctions”, *IZA Discussion Paper* 2877.
- [29] SAMPSON, R.J. AND J.H. LAUB (1993). *Crime in the Making: Pathways and Turning Points Through Life*, Harvard University Press.
- [30] SAMPSON, R.J., J.H. LAUB AND C. WIMER (2006). “Does Marriage Reduce Crime? A Counterfactual Approach to Within-Individual Causal Effects”, *Criminology*, 44(3), 465-508.
- [31] SVARER, M. (2004). “Is Your Love in Vain? Another Look at Premarital Cohabitation and Divorce”, *Journal of Human Resources*, 39(2), 523-536.
- [32] SVARER, M. (2005). “Two Tests of Divorce Behaviour on Danish Marriage Market Data”, *Nationaløkonomisk Tidsskrift (Danish Economic Journal)*, 143(3), 416-432.
- [33] SVARER, M. (2007). “Working late: Do Workplace Sex Ratios Affect Partnership Formation and Dissolution?”, *Journal of Human Resources*, 42(3), 583-595.
- [34] SVARER, M. (2007). “The Effect of Sanctions on the Job Finding Rate: Evidence from Denmark”, *IZA Discussion Paper* 3015.
- [35] SVARER, M. AND M. VERNER (2008). “Do Children Stabilize Danish Marriages?”, *Journal of Population Economics*, 21, 395-417.
- [36] The Seventh United Nations Survey on Crime Trends and the Operations of Criminal Justice Systems (1998 - 2000) ([http://www.unodc.org/unodc/en/crime\\_cicp\\_survey\\_seventh.html](http://www.unodc.org/unodc/en/crime_cicp_survey_seventh.html)).

- [37] VAN DEN BERG, G. (2001). "Duration Models: Specification, Identification, and Multiple Durations", in J.J. Heckman and E. Leamer, eds., *Handbook of Econometrics*, Vol. V, North Holland, Amsterdam.
- [38] VAN DEN BERG, G., B. VAN DER KLAUW AND J. VAN OURS (2004). "Punitive Sanctions and the Transition Rate from Welfare to Work", *Journal of Labor Economics*, 22, 211-241.
- [39] WALDFOGEL, J. (1994). "The Effect of Criminal Conviction on Income and The Trust "Reposed in Workmen"", *Journal of Human Resources*, 29(1), 62-81.
- [40] WEISS, Y. (1997). "The Formation and Dissolution of Families: Why Marry? Who Marries Whom? And What Happens Upon Divorce", **Handbook of Population and Family Economics**, Elsevier Science B.V.
- [41] WESTERN, B., J. KLING AND D. WEIMAN (2001). "The Labour Market Consequences of Incarceration", *Crime and Delinquency*, 47(3), 410-427.
- [42] XIE, Y, J.R. RAYMO, K. GOYETTE AND A. THORNTON (2003). "Economic Potential and Entry into Marriage and Cohabitation", *Demography*, 40(2), 351-367.

## 7 Appendix - tables

Table 1: Descriptive statistics for partnership formation sample

Variables:	Mean	Std.dev
<b>Criminal activities</b>		
Conviction	0.0987	
-violent	0.0193	
-property	0.0528	
-other	0.0266	
<b>Sentence</b>		
Suspended sentence	0.0165	0.1275
Mandatory sentence	0.0068	0.0822
Fine	0.0435	0.2039
Other	0.0319	0.1756
<b>Individual characteristics</b>		
Unemployment degree (fraction of year)	0.0468	0.1387
Fraction that start partnerships	0.4912	
Mean age at partnership start	22.0877	3.0762
Gross income (in 2003 DKK)	168781	120331
Student	0.4367	
Working	0.4484	
Criminal before age 18	0.0385	
<b>Males' characteristics</b>		
Wealth father (in 2003 DKK)	415392	2088574
Father is highly educated	0.3083	
Number of individuals	32170	

Table 2: Descriptive Statistics for partnership dissolution sample

Variables:	Mean	Std.dev
<b>Criminal activities</b>		
Conviction	0.030	
-violent	0.007	
-property	0.016	
-other	0.007	
<b>Sentence</b>		
Suspended sentence	0.005	
Mandatory sentence	0.004	
Fine	0.010	
Other	0.011	
<b>Individual characteristics</b>		
Age, male	24.943	5.260
Age, female	23.570	5.514
Children	0.640	
Working, male	0.756	
Working, female	0.767	
Male older (>4 years)	0.197	
Female older (>4 years)	0.060	
Gross income, male (in 2003 DKK)	290009	222685
Gross income, female (in 2003 DKK)	197704	103862
Formally married	0.314	
Low education, male	0.389	
High education, male	0.124	
Low education, female	0.487	
High education, female	0.155	
<b>Males' characteristics</b>		
Unemployment rate (fraction of a year)	0.050	0.150
Wealth father (in 2003 DKK)	546245	2254364
Father is highly educated	0.192	
Convicted prior to relationship start	0.212	
<b>Relationship information</b>		
Mean length of partnership (in years)	3.983	3.268
Fraction of partnerships that dissolve	0.364	0.481
Number of relationships	39370	

Table 3 : Results from partnership formation analysis by hazard rates, criminal activity modelled

	Partnership		Conviction	
	Coeff	Std err	Coeff	Std err
<b>Criminal activities</b>				
Conviction	-0.0426	0.0715		
<b>Individual characteristics</b>				
Unemployment degree (fraction of year)	<b>0.3625</b>	0.0822	<b>1.458</b>	0.1184
Age	<b>1.9722</b>	0.1097	<b>-0.9455</b>	0.2038
Gross income (in 2003 DKK)	<b>2.1769</b>	0.0657	-0.7433	0.3482
Student	<b>0.1705</b>	0.0421	<b>-0.6952</b>	0.0639
Working	<b>0.2684</b>	0.0415	<b>-0.3024</b>	0.0687
Criminal before age 18			<b>1.8943</b>	0.0572
<b>Parents' characteristics</b>				
Wealth father	<b>-0.1893</b>	0.0488	<b>-0.5964</b>	0.163
Father is highly educated	<b>-0.133</b>	0.0324	<b>-0.4157</b>	0.0647
Mother is highly educated			<b>-0.2387</b>	0.045
Number of individuals	32170			

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented  
 Bold figures denote significance at 5% level

Table 4 : Results from competing risks partnership formation analysis by hazard rates, criminal activity modelled

Partner's father has	Partnership high wealth level		Partnership low wealth level		Conviction	
	Coeff	Std err	Coeff	Std err	Coeff	Std err
<b>Criminal activities</b>						
Conviction	<b>-0.3462</b>	0.0894	0.0922	0.0830		
<b>Individual characteristics</b>						
Unemployment degree (fraction of year)	<b>0.2803</b>	0.1209	<b>0.5398</b>	0.1348	<b>1.5374</b>	0.1178
Age	<b>2.6902</b>	0.1356	<b>1.8691</b>	0.1583	<b>-1.1500</b>	0.1993
Gross income (in 2003 DKK)	<b>2.8651</b>	0.1510	<b>3.2618</b>	0.1993	-0.5288	0.3279
Student	<b>0.2995</b>	0.0580	-0.0092	0.0640	<b>-0.7630</b>	0.0591
Working	<b>0.3073</b>	0.0581	0.1164	0.0643	<b>-0.3700</b>	0.0645
Criminal before age 18					<b>1.9293</b>	0.0528
<b>Parents' characteristics</b>						
Wealth father	<b>-0.3560</b>	0.0797	<b>-0.5284</b>	0.1109	<b>-0.2950</b>	0.1240
Father is highly educated	<b>-0.0903</b>	0.0391	<b>-0.2912</b>	0.0469	<b>-0.3475</b>	0.0601
Mother is highly educated					<b>-0.2765</b>	0.0424
Number of individuals	32170					

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented  
 Bold figures denote significance at 5% level



Table 5: Results from competing risks partnership formation analysis by hazard rates, criminal activity modelled

Partner's father has	Partnership high wealth level		Partnership low wealth level		Conviction	
	Coeff	Std err	Coeff	Std err	Coeff	Std err
<b>Criminal activities</b>						
Violence	-0.1120	0.1259	0.1316	0.1078		
Property	<b>-0.3623</b>	0.0828	-0.0040	0.0741		
Other	<b>-0.5180</b>	0.1288	0.0153	0.1038		
<b>Individual characteristics</b>						
Unemployment degree (fraction of year)	<b>0.2932</b>	0.1157	<b>0.4952</b>	0.1086	<b>1.4521</b>	0.1189
Age	<b>1.5076</b>	0.1106	<b>1.1492</b>	0.1093	<b>-0.8684</b>	0.2017
Gross income (in 2003 DKK)	<b>2.6508</b>	0.1910	<b>2.8051</b>	0.1960	<b>-0.7028</b>	0.3484
Student	<b>0.3991</b>	0.0605	0.0895	0.0550	<b>-0.6893</b>	0.0639
Working	<b>0.3644</b>	0.0610	<b>0.1932</b>	0.0554	<b>-0.2952</b>	0.0689
Criminal before age 18					<b>1.9001</b>	0.0573
<b>Parents' characteristics</b>						
Wealth father	<b>-0.1761</b>	0.0847	<b>-0.2527</b>	0.0588	<b>-0.6336</b>	0.1489
Father is highly educated	-0.0289	0.0388	<b>-0.1481</b>	0.0391	<b>-0.4196</b>	0.0647
Mother is highly educated					<b>-0.2354</b>	0.0450
Number of individuals	32170					

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented

Bold figures denote significance at 5% level

Table 6 : Results from competing risks partnership formation analysis by hazard rates, criminal activity modelled

Partner's father has	Partnership high wealth level		Partnership low wealth level		Conviction	
	Coeff	Std err	Coeff	Std err	Coeff	Std err
<b>Sentence</b>						
Suspended sentence	-0.1741	0.1416	-0.0889	0.1288		
Mandatory sentence	0.1592	0.2023	0.2604	0.1924		
Fine	<b>-0.3970</b>	0.0976	0.0506	0.0852		
Other	<b>-0.3962</b>	0.1321	0.0878	0.1044		
<b>Individual characteristics</b>						
Unemployment degree (fraction of year)	<b>0.2651</b>	0.1159	<b>0.5009</b>	0.1085	<b>1.4370</b>	0.1188
Age	<b>1.5854</b>	0.1122	<b>1.2065</b>	0.1097	<b>-1.1212</b>	0.2020
Gross income (in 2003 DKK)	<b>2.6440</b>	0.1911	<b>2.6876</b>	0.1937	-0.5796	0.3481
Student	<b>0.3842</b>	0.0605	0.0888	0.0550	<b>-0.7178</b>	0.0640
Working	<b>0.3503</b>	0.0611	<b>0.2025</b>	0.0554	<b>-0.3227</b>	0.0690
Criminal before age 18					<b>1.8901</b>	0.0574
<b>Parents' characteristics</b>						
Wealth father	<b>-0.2242</b>	0.0838	<b>-0.2249</b>	0.0586	<b>-0.6098</b>	0.1568
Father is highly educated	-0.0270	0.0390	<b>-0.1512</b>	0.0392	<b>-0.4302</b>	0.0648
Mother is highly educated					<b>-0.2309</b>	0.0451
Number of individuals	32170					

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented

Bold figures denote significance at 5% level

Table 7: Results for partnership dissolution analysis

	Dissolution		Conviction	
	Coeff.	Std.dev	Coeff.	Std.dev
<b>Criminal activities</b>				
Conviction	<b>0.570</b>	0.077		
Children	<b>-0.078</b>	0.013		
Age, male	<b>-0.130</b>	0.035		
Age, female	-0.015	0.033		
Gross income, male	<b>-0.779</b>	0.076		
Gross income, female	-0.110	0.127		
Working, male	<b>-0.152</b>	0.021		
Working, female	<b>-0.144</b>	0.021		
Formally married	<b>-1.798</b>	0.038		
Male older	<b>0.206</b>	0.028		
Female older	<b>0.378</b>	0.042		
Low education, male	<b>0.188</b>	0.019		
High education, male	<b>-0.074</b>	0.037		
Low education, female	<b>0.233</b>	0.021		
High education, female	<b>-0.171</b>	0.037		
Formally married			-0.084	0.096
Children			<b>0.146</b>	0.046
Unemployment rate			<b>1.126</b>	0.146
Age			<b>-0.363</b>	0.077
Gross income			<b>-3.136</b>	0.266
Working			-0.144	0.079
Low education			<b>0.665</b>	0.088
High education			<b>-0.655</b>	0.259
Wealth father			-0.488	5.563
Father is highly educated			<b>-0.682</b>	0.126
Criminal before age 18			<b>2.772</b>	0.101
Number of couples	39370			

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented

Bold figures denote significance at 5% level

Table 8: Results for partnership dissolution analysis

	Dissolution		Conviction	
	Coeff.	Std.dev	Coeff.	Std.dev
<b>Criminal activities</b>				
Violence	<b>0.540</b>	0.082		
Property	<b>0.486</b>	0.060		
Other	<b>0.603</b>	0.078		
Children	<b>-0.080</b>	0.013		
Age, male	<b>-0.141</b>	0.035		
Age, female	-0.006	0.033		
Gross income, male	<b>-0.752</b>	0.076		
Gross income, female	-0.102	0.127		
Working, male	<b>-0.152</b>	0.021		
Working, female	<b>-0.139</b>	0.021		
Formally married	<b>-1.797</b>	0.038		
Male older	<b>0.208</b>	0.028		
Female older	<b>0.361</b>	0.042		
Low education, male	<b>0.186</b>	0.019		
High education, male	-0.071	0.037		
Low education, female	<b>0.234</b>	0.021		
High education, female	<b>-0.170</b>	0.037		
Formally married			-0.042	0.096
Children			<b>0.145</b>	0.046
Unemployment rate			<b>1.188</b>	0.145
Age			<b>-0.413</b>	0.077
Gross income			<b>-3.212</b>	0.253
Working			-0.124	0.079
Low education			<b>0.646</b>	0.087
High education			<b>-0.690</b>	0.260
Wealth father			-0.417	5.514
Father is highly educated			<b>-0.661</b>	0.127
Criminal before age 18			<b>2.770</b>	0.101
Number of couples		39370		

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented

Bold figures denote significance at 5% level

Table 9: Results for partnership dissolution analysis

	Dissolution		Conviction	
	Coeff.	Std.dev	Coeff.	Std.dev
<b>Sentence</b>				
Suspended sentence	<b>0.555</b>	0.118		
Mandatory sentence	<b>0.913</b>	0.126		
Fine	<b>0.475</b>	0.101		
Other	<b>0.527</b>	0.097		
Children	<b>-0.078</b>	0.013		
Age, male	<b>-0.128</b>	0.035		
Age, female	-0.016	0.033		
Gross income, male	<b>-0.780</b>	0.076		
Gross income, female	-0.115	0.127		
Working, male	<b>-0.151</b>	0.021		
Working, female	<b>-0.143</b>	0.021		
Formally married	<b>-1.799</b>	0.038		
Male older	<b>0.206</b>	0.028		
Female older	<b>0.380</b>	0.042		
Low education, male	<b>0.188</b>	0.019		
High education, male	<b>-0.073</b>	0.037		
Low education, female	<b>0.233</b>	0.021		
High education, female	<b>-0.171</b>	0.037		
Formally married			-0.036	0.096
Children			<b>0.153</b>	0.046
Unemployment rate			<b>1.216</b>	0.146
Age			<b>-0.414</b>	0.077
Gross income			<b>-3.255</b>	0.249
Working			-0.131	0.079
Low education			<b>0.646</b>	0.088
High education			<b>-0.691</b>	0.260
Wealth father			-0.399	5.531
Father is highly educated			<b>-0.678</b>	0.127
Criminal before age 18			<b>2.774</b>	0.101
Number of couples		39370		

Note: To save space, estimates for baseline hazards and unobserved heterogeneity terms are not presented

Bold figures denote significance at 5% level