

“Why are Power Couples Increasingly Concentrated in Large Metropolitan Areas?”
Janice Compton and Robert A. Pollak

Using census data from 1970, 1980 and 1990, Costa and Kahn (Quarterly Journal of Economics, 2000) document a dramatic increase in the proportion of “power couples” -- couples in which both spouses are college graduates -- residing in the largest metropolitan areas. Costa and Kahn attribute this increasing concentration to the ability of large MSAs to solve the co-location problem of power couples pursuing careers. They suggest that the principle mechanism underlying these changes in observed location patterns was the migration of power couples to large MSAs.

In this paper, we address three questions: First, did the concentration of power couples in large MSAs continue to increase beyond the period observed by Costa and Kahn? Second, what are the dynamic processes underlying the location patterns of power couples and, among these, how important is migration of power couples? Third, does the co-location problem induce power couples to migrate to large MSAs at a rate faster than other couples or singles?

To address the first question, we extend the Costa and Kahn analysis to include the 2000 census data, which was unavailable when Costa and Kahn published their paper. We find that between 1990 and 2000 the proportion of power couples living in large MSAs decreased while the proportion of low-power couples - couples in which neither spouse is a college graduate - increased. Thus, the trend documented by Costa and Kahn did not continue beyond the period they observed.

We next examine the dynamic patterns of migration, marriage, divorce and educational attainment by city size using the 1970-1996 waves of the Panel Study of Income Dynamics (PSID). We find no substantial difference in the migration patterns of power couples and part-power couples -- couples in which one but not both spouses are college graduates -- or power singles. This suggests that the migration of power couples is unlikely to explain the observed changes in location patterns. Moreover, power couple migration rates show little variation across decades. Differences in the migration patterns of power singles, in assortative mating patterns, and in college enrollment rates are more important than power couple migration in explaining the rise and fall in the concentration of power couples in large MSAs.

Finally, using the PSID, we investigate factors associated with couple migration. We find that the effect of education on a couple's migration behavior comes not from their joint educational profile but only from the husband's education. More specifically, we find that the migration behavior of couples in which only the husband is a college graduate is indistinguishable from that of power couples, while the migration behavior of couples in which only the wife is a college graduate is indistinguishable from that of low-power couples. Thus, the co-location problem does not appear to induce power couples to migrate to large MSAs at a faster rate than other couples or singles.