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Supply, Demand and Marriage

By ROBERT H. FRANK

IN some cultures, romance isn't nearly as important as cash when it comes to choosing a marriage partner. And even when money plays no explicit role in selecting a mate, courtship customs are governed by the venerable economic model of supply and demand.

Under the dowry system in India, for example, parents of older brides would typically pay more to prospective grooms. Men with better jobs would receive larger payments, too.

In short, there really is a marriage market in many countries around the world, and economic principles apply to it. In markets with a preponderance of women seeking partners, the terms of trade shift in favor of men. If more men are seeking partners, the reverse is true. Two cases in point are the baby-boom generation in the United States and the current youth cohort in China.

In the United States, the end of World War II and the return of millions of troops set off the baby boom. In the second half of the 1940s, the population swelled by almost 14 percent, versus growth of less than half of 1 percent during the first half of the decade. By the mid-1960s, many of those babies were reaching the traditional marriage age.

At the time, it was American custom for women to marry men several years older than themselves. In a typical wedding in 1969, for example, the bride might have been born in 1947 and the groom in 1943. Because of that custom, women at the leading edge of the baby boom confronted a significant shortfall of potential marriage partners.

Economics teaches us that when there is excess demand for a good, its price rises. According to this model, excess demand for grooms should have caused the terms of courtship to shift in favor of men.

Before the 1960s, cultural norms encouraged celibacy before marriage. The breakdown of those norms has been widely attributed to the introduction of oral contraception, which gave women an unintrusive way to protect themselves against an unwanted pregnancy. The pill no doubt played a role — perhaps a very big one — but skeptics object that effective alternative forms of contraception had long since been available.

The supply-and-demand model bolsters the skeptics' concerns. Biologists describe a fundamental asymmetry in the sexual strategies favored by males and females in vertebrate species. Males, whose sex cells are cheap to produce, tend to favor more transient sexual relationships, whereas females, for whom pregnancy and birth are far more costly, tend to favor greater commitment. The sexual revolution, which bent cultural norms toward male preferences, may thus be partly explained by the excess demand for grooms in the 1960s.

An imbalance in the opposite direction characterizes the contemporary marriage market in China. The Chinese government's one-child policy, combined with a cultural preference for sons and technologies that permit selective abortion, have helped to create a large sex-ratio imbalance among young Chinese. For every 100 women in that group, there are now more than 120 men.

According to market models, the terms of trade in the

Chinese marriage market should have shifted sharply in favor of women. And evidence suggests that young Chinese women and their families have in fact become much more selective in recent years.

They appear, for example, to focus more critically on the earnings potential of prospective mates. Because house size is often assumed to be a reliable signal of wealth, a family can enhance its son's marriage prospects by spending a larger fraction of its income on housing. (Other families can follow the same strategy, of course, but when all families do so, the resulting homes are still reliable indicators of relative wealth.) Such a shift appears to have occurred.

For example, when Shang-Jin Wei, an economist at Columbia University, and Xiaobo Zhang of the International Food Policy Research Institute examined the size distribution of Chinese homes, they found that families with sons built houses that were significantly larger than those built by families with daughters, even after controlling for family income and other factors. They also generally found that the higher a city's male-to-female ratio, the bigger the average house size of families that have sons.

Mr. Wei reports that many families with sons have begun to add a phantom third story to their homes, one that looks normal from the outside but whose interior space remains completely unfinished.

"Marriage brokers are familiar with the tactic," he reports, "yet many refuse to schedule meetings with a family's son unless the family house has three stories."

Risk-taking among men is another marker of the terms of trade in marriage markets. Biologists have long argued that men's relative willingness to engage in risk is an evolutionary legacy of polygynous mating systems, those in which males with the most resources took more than one mate. That means males with the least resources were left with none — the worst thing that could happen in Darwinian terms.

Fast-forward to humans today, and we can see why men may view financial risk-taking as a compelling strategy. Let's say a man who is single has a chance to invest his last $10,000 in a very risky business venture. If it succeeds, he gets $1 million and is much more successful socially in finding mates.

So even if the odds of success are small, it would be rational — in Darwinian terms — for him to make the investment, because he would fail for sure if he doesn't.

How is this showing up in China? Mr. Wei and Mr. Zhang find evidence that men are more likely to make risky financial investments in cities with higher male-to-female ratios. Their specific finding was that significantly more local businesses are started in such cities. This doesn't appear attributable to other factors, since cities' sex ratios seem to have no effect on the number of businesses started by foreigners.

The choice of a marriage partner is one of the most important decisions in life. It’s clearly very different from choosing a car. Yet in many ways, it appears to obey a strikingly similar market logic.

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