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## **The Economics of Marriage and Belief Systems**

An economic approach to marriage often turns people off. They perceive the economic approach as contradicting the lofty ideals of love in which they believe. In our society two belief systems which promote the ideal of love in marriage are romanticism and religion. These approaches are now contrasted with an economic approach to marriage. It is shown that these three approaches do not necessarily contradict each other.

### **Economics and Romanticism**

To some extent, romanticism contradicts the economic approach. Romantics typically rely on feelings in making decisions, not on the rational comparison of costs and benefits. The romantic mentality stresses individual uniqueness and stands in contrast to the economic approach in which markets play a central role. The existence of a market is based on the assumption of limits to individual uniqueness.

An economic approach does not deny individual differences. Each person, each situation, can be unique in a certain sense. An economic approach takes account of the limits to such uniqueness and recognizes the existence of substitutes. In that sense, a market perspective is justified even in a sensitive area such as marriage.

The romantic belief in the existence of a unique life companion is commonly found among both secularized Westerners and people adhering to religious belief systems. The belief that marriages are made in heaven, and

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that people are destined to meet their very special soul mate, does not

preclude an economic approach to marriage. We live in a world of uncertainty. Even those people who wait for signs from heaven indicating that they have met their Romeo or Juliet may have a hard time interpreting such signs. Meanwhile, they may want to do their best with the limited means at their disposal, and engage in an efficient search for the ideal partner in life. It is this kind of reasoning that lies behind the continued reliance on marriage brokers or newspaper ads in many parts of the world, including in some communities integrated within Western society, such as strictly observant Jewish communities or immigrants from India to the U.S. The following section shows a number of ways in which the economic analysis of marriage is compatible with a religious perspective, using the example of some Jewish laws and practices concerning marriage.

### **Economics and Judaism**

The subject of marriage takes on great importance in traditional religions, including Judaism. In contrast, most scholars and intellectuals--who tend to be loose about observing religious precepts in their own life--consider the study of marriage of marginal importance. This lack of prominence of marriage as a topic of scientific research stands out in comparison to other research topics such as politics and finance. Perhaps indicative of general lack of academic interest in marriage, interest in the economics of marriage has been very limited. Far from contradicting a religious perspective to marriage, this novel research perspective is linked in a number of ways to the perspective of Jewish law.

According to an economic perspective on marriage, individuals, and perhaps their parents or other guardians, participate in marriage markets. The economic model views people as willing to provide a particular form of labor to a spouse and as having a demand for such labor from a spouse (to be presented in Part Two). These views are compatible with traditional Jewish law regarding marriage and divorce, which is based on obligations spouses have towards each other. What is called labor in such economic models include a wide variety of activities benefitting a spouse, such as contributions to household work and children's education. Such spousal tasks often coincide with what Jewish law views as obligations of husband and

wife, obligations (mitzvot) which deal with much more than ritual observances. Jewish law views it as an obligation of both husband and wife to be nice to each other. Husbands are obliged to provide for their wife's sustenance and material well-being, and wives are obliged to be primary care-takers of the home (Meiselman 1978). Many commandments deal with sexual life, including the commandment of *ona*, which commands a husband to satisfy his wife's sexual desire (it can be viewed as a service demanded by the wife and supplied by the husband).<sup>1</sup>

In every human society laws influence the equilibrium conditions in marriage markets. Many of these laws define potential justifications for divorce. Religious laws, such as laws prohibiting polygamy or marriages outside the faith, also influence marriage markets.<sup>2</sup> A large number of rules which Jewish law has established concerning the obligations of husband and wife, such as the commandment of *ona*, can be viewed as expressions of wives' working conditions in the marriage and as means to regulate spousal labor (work within the marriage) and/or the compensation for such labor.

The usefulness of an economic approach to marriage is now illustrated with a number of examples related to the Jewish religion.

### ***Dowries Among Jews***

When marriage markets are encouraged to function it is likely that payments will be made at the time of marriage. As explained in more detail in Chapter 3, marriage markets are viewed here as markets for spousal labor. For simplicity, consider a market for women's spousal labor, in which women are willing to work in marriage-related tasks, and husbands are willing to compensate their wives for their labor. Dowries are likely to be established when (1) equilibrium conditions in the market for women's spousal labor are such that--had market conditions prevailed--women would be paid low compensations for spousal labor, i.e. work in marriage, and (2) a society sets a minimum level of compensation for women's spousal labor after marriage.<sup>3</sup> These two conditions imply that women are being compensated above their equilibrium compensation levels, which is expected to cause an excess supply of women wanting to marry. Dowries help eliminate such excess supply. The minimum

level of compensation for wives may be set by laws, such as Jewish laws specifying how a wife needs to be treated.

Dowries are often paid at the time tradition-oriented Jews get married. Dowry payments prior to marriage are most likely to be found where market conditions for brides are particularly bad. This is the case for brides wanting to marry grooms who are especially talented scholars of Jewish law. Most religious Jewish communities only have a small number of such outstanding scholars. However, the number of women and their families wanting to marry these grooms is large, for in accordance with traditional Jewish values, a woman's ultimate goal is to send her husband and children to study Jewish law. As a result, the supply of spousal labor by women wanting to marry these scholars is large in comparison to the demand for spousal labor by this limited number of scholars, which leads to an excess supply of women's spousal labor if compensation levels for such labor are not permitted to go down. Dowries then spring up as a means of dealing with such excess supply. Accordingly, in today's wealthy religious Jewish communities such dowries are often paid. In some cases, they can reach more than half a million dollars. Restating this in terms of the theory presented in Chapter 4, the presence of dowries in certain religious Jewish communities reflects a marriage squeeze for women in the market for marriage to Talmudic scholars.

Another possible reflection of the unfavorable market conditions faced by women who want to marry a scholar in Jewish law is the need for such women to work. Women in strictly observant Jewish communities often work to acquire the privilege of being married to a scholar, even though they usually have large families and would otherwise prefer to stay out of the labor force. Participation of married women in the labor force is more common in traditional Jewish communities with a low standard of living because it is hard to accumulate large dowries. It is often the case in Israel, where the high price of housing increases the need for earnings (even where a dowry was paid), and scholars are often supported by their wife's earnings from outside labor. It was also common in Eastern European Jewish communities for a wife or a father-in-law to support a scholar after marriage. If the supply of scholarly grooms rises in relation to the supply of brides due, for instance, to selective migration of unmarried scholars without a similar increase in the number of brides, there will

be an improvement in the marriage conditions of local (for instance, Israeli) brides, i.e. a marriage squeeze for women will be less acute. This may not be reflected much in the level of compensation women get for their spousal labor after marriage (which in turn affects the quality of the marital relationship and is fixed by religious law). Instead, it may be reflected in a lower need for the bride to bring a dowry or to support the family. If there exists such selective migration of scholars to Israel, this would imply that scholars would receive lower dowries in Israel than in their country of origin. Indeed, it appears that the families of Belgian scholars of Jewish law are expected to contribute substantially larger amounts of money towards their son's marriage if he marries an Israeli bride than if he marries a European or American bride.<sup>4</sup>

### ***Marriage Brokers***

It follows from an economic perspective on marriage that reliance on brokers should not be avoided. Brokers can facilitate transactions in many areas, including family formation. That marriage brokers are less popular in the West, including that part of Jewish Israeli society influenced more by modern Western values than by Jewish tradition, reflects the common emphasis on "marriage out of love." Contemporary Western society understates the importance of rational and business-like considerations when dealing with marriage. Both the traditional Jewish approach to marriage and the economic approach to marriage object to the excessive importance of feelings as criteria for basic decision-making regarding marriage.

It is interesting to notice that Jews observant of Jewish law are not the only modern people who rely on marriage brokers. In the Far East modern nations also look down at Western romanticism as a criterion for decision-making in the area of marriage. In this respect Japan which learned so much from the West, is an interesting example. After World War II Americans tried to weaken the strongholds of traditional power in Japan by passing a new constitution reducing the influence of extended family units. Accordingly, it was stated that a couple should not marry because of family considerations, but out of "love." Most Japanese still do not take this part of the constitution seriously. Parents often help in the

search for an appropriate bride or groom (Hendry 1985). Marriage brokers are widely used. Employers also often help in the search process. Many large companies have their own computerized matchmaking service intended to help single employees. (See Chapters 12 and 13).

### ***Marriage Contracts***

Another area where Jewish law and the economics of marriage are compatible is the area of marriage contracts. In view of the facts that women perform most services in a marriage and that marriage markets are typically competitive, women may want to obtain legal guarantees from their husbands.<sup>5</sup>

According to Jewish law, husbands are obligated to give their wives a marriage contract at the time of marriage.<sup>6</sup> Such a marriage contract also serves as a sort of insurance policy benefitting the wife (Liebermann 1983). If we consider the use of marriage contracts as an indicator of a rational rather than emotional approach, it seems that the rational approach has recently been gaining momentum in the United States. In part as the result of the high divorce rate, more and more couples who are getting married are writing marriage contracts or prenuptial agreements (Weitzman 1983).

### **Conclusions**

This chapter addressed two common misconceptions regarding the application of economics to the study of marriage. Accepting the validity of an economic approach does not imply a view of people as robots solely concerned with the calculation of personal benefits. Marriage market analysis is relevant to the extent that people are not totally unique and there is a degree to which they can be substituted for each other. Nor does an economic approach necessarily deny the relevance of religious beliefs to marriage. In fact, it was shown that an economic approach to marriage overlaps with Jewish laws regarding marriage on a number of issues. It is clearly the case that the gap between these two approaches is smaller than that between the values presently popular in the West and traditional Jewish values.

It is apparent from this chapter that an economic analysis of

marriage is also very relevant to laws regarding marriage and divorce in any judicial system. Some American law scholars interested in marriage and divorce are now benefitting from this type of economic analysis (see, for instance, Ellman 1989). Likewise, religious organizations dealing with marriage and divorce law may learn something from the economic approach to marriage.

There does not seem to be anything intrinsic about the subject of marriage that precludes the application of economic analysis. A critical look at the belief systems influencing our perceptions about marriage lead to the conclusion that economics is as relevant to the study of marriage as it is to other areas commonly recognized as legitimate applications of economics. **Notes**

1. Jewish law does not impose a parallel commandment on wives (Meiselman 1978).
2. Polygamy was prohibited in Christianity ever since Christianity was born. Most Jews accepted such prohibition following Rabbi Gershon's edict in the 11th Century. For Jews from Arab countries, the prohibition only dates from their recent forced migration to Israel and other countries prohibiting polygamy.
3. See Becker (1981) and Chapter 4 in this volume.
4. According to information I obtained informally.
5. A theoretical analysis on this subject can be found Becker (1981). The subject of marriage contracts is also addressed in Chapters 4 and 9.
6. In Hebrew such contract is called a "Ketuba."