Bloomberg

The Economic Case for Same-Sex Marriage

By Betsey Stevenson and Justin Wolfers - May 14, 2012

The national discussion about same- sex marriage is heating up. Just last week, <u>North Carolina</u> voted to prohibit the practice, and, for the first time, President <u>Barack Obama</u> clearly came out in favor of it.

The debate, which has focused on our evolving views on sexuality, also mirrors a deeper generational shift in how we view and experience marriage.

For our grandparents' generation, marriage was about separate roles, separate spheres and specialization. Gary Becker, an economist at the <u>University of Chicago</u>, <u>won the Nobel Prize</u> partly for <u>describing</u> the family as an economic institution -- a bit like a small firm that employs people with different skills to produce both income and a well-run household.

In Becker's view, the joining of husband and wife yields a more productive firm, because it allows one spouse to specialize in earning income from working in the market, while the other specializes in the domestic sphere. The division of labor allows for greater productivity, just as it does in the workplace. The different skills required for these separate roles provide an economic rationale for the advice your grandmother may have offered, that "opposites attract."

Traditional Notion

Naturally, couples who have bought into the traditional notion of marriage -- with women taking care of the home and men financially supporting them -- find the concept of same-sex marriage foreign. Same-sex relationships are less likely to involve traditional roles and separate spheres, as evidenced by the fact that the partners are more likely to both work outside the home.

But heterosexual couples in more recent generations are also less likely to aspire to separate-sphere marriages. Economists describe a "second Industrial Revolution" in which washing machines, dishwashers and microwave ovens have reduced the value to the family "firm" of employing a domestic specialist. Cheap clothes can be imported from <u>China</u>, rather than sewn at home. Healthy meals can be purchased from the freezer at Trader Joe's.

What's more, legal and social changes have broken down many of the barriers keeping women out of the labor market. Explicit discrimination has declined. Women have gained more control over their fertility.

All these <u>developments</u> have increased the opportunity cost of having a spouse stay home, because that spouse now has greater value in the marketplace. As a result, our grandparents' marriages, in which husband and wife have separate roles and spheres, are no longer so popular. Two-earner couples have become the norm, and families spend less time on housework.

One might have expected marriage to disappear as its traditional benefits faded. Instead, it has evolved.

Modern marriage offers different benefits. Today, we search for a soul mate rather than a good homemaker or provider. We are more likely to regard marriage as a forum for shared experiences and passions.

Viewed through an economic frame, modern partnerships are based upon "consumption complementarities" -- the joy of sharing things and experiences -- rather than the production-based gains that motivated traditional marriage. Consistent with this, co- parenting has replaced the separate roles of nurturer and disciplinarian.

We have called this new model of sharing lives "hedonic marriage." These are marriages of equality in which the rule "opposites attract" no longer applies in the same way, because couples with more similar interests and values can derive greater benefits. So likes are now more likely to marry each other.

Changing Nature

The changing nature of heterosexual marriage has made the rite more attractive to same-sex couples. In turn, the gay and lesbian community has chosen to spend political capital advocating for greater access to marriage.

For heterosexuals who have embraced the modern notion of marriage, the idea of same-sex marriage seems natural. These couples aren't any different from them. They love and support each other, raise kids together and are committed to each other. They share values, desires and interests. Not allowing them to marry is as arbitrary as not allowing couples of different races, ethnicities or religions to marry.

It is no coincidence that many of the opponents of same-sex marriage are also opponents of the ongoing shift to marriages of equality. Theirs is a futile battle. The reach of markets will keep expanding, allowing individuals and families to reap greater returns by selling their specialized skills and services outside the home. Technological change will further undermine the benefits of

specialization within the family. <u>Improvements in women's education</u> will continue to raise the opportunity cost of staying at home.

The implication is that ultimately, traditional marriages are doomed. And indeed, countries in which gender and social norms have been the slowest to evolve have seen the biggest declines in fertility and marriage.

The best way to let marriage thrive in the 21st century is to embrace the new model of equality and to welcome all couples, regardless of sexual orientation.

(Betsey Stevenson and <u>Justin Wolfers</u>, both professors at the <u>University of Pennsylvania</u>'s Wharton School, are Bloomberg View columnists. The opinions expressed are their own.)

Read more opinion online from **Bloomberg View**.

Today's highlights: The View editors on <u>French-Turkish relations</u> and the <u>lessons of JPMorgan</u>; William Pesek on <u>online banking</u> in <u>Asia</u>; <u>Jeffrey Goldberg</u> on <u>Obama and Iran</u>; <u>Ramesh Ponnuru</u> on <u>driving while distracted</u>; Tim Judah on <u>Serbia's elections</u>; Edward Conard on what drives the <u>U.S.</u> <u>economy</u>; and Rachelle Bergstein on <u>women's shoes</u> and war.

To contact the writers of this article: Justin Wolfers at jwolfers@wharton.upenn.edu Betsey Stevenson at betseys@wharton.upenn.edu

To contact the editor responsible for this article: Mark Whitehouse at mwhitehouse1@bloomberg.net

®2012 BLOOMBERG L.P. ALL RIGHTS RESERVED.