

Economists don't believe in soulmates



Economist Betsey Stevenson isn't your typical wedding guest. While most ceremony attendees are thinking love and romance, she's listening for the contract in the vows. She explains why searching for a partner is like searching for a job.

TEXT OF STORY

Tess Vigeland: It's a safe bet more than a few of you will be feasting on a wedding buffet this weekend. 'Tis the season for newlywed bliss. There'll be some small talk with strangers. "Oh are you with the groom's side or the bride's?" But if you happen to run into commentator Betsey Stevenson, she's got a different conversation going on in her head. Which she shares in today's edition of Econ Fun-oh-one. Our look at what the pointy-heads do for fun.

BETSEY STEVENSON: Most people think that if you let an economist into your personal life they'll tell you how to re-balance your portfolio. While that might be true, economists see markets at play everywhere. Even in your romantic life.

Indeed, I'm one of the worst guests that you can invite to your wedding. Why? Because while most of your guests are listening for your love story, I'm listening for your contract. While others see a romantic courtship leading to the altar, I see people who are satisfied enough to stop searching for someone else.

Economists simply can't believe in one soulmate. There are too many people in the world and the odds of finding that one person in five billion are, well, you can do the math.

So if economists don't believe in soulmates, why do we think people get married?

Searching for a spouse is very similar to searching for a job. There is not one perfect job for each of us, but there are clearly better and worse jobs. So we hunt, for a spouse and a job. When do we stop? When the offer in the hand is better than the likely offer in the bush.

At a wedding I see a relationship that is good enough to settle down and start investing in.

If you get a reasonable rate of return, investment in your relationship will make it truly better than any other relationship you could have. And that's why I listen to people's vows: to understand what they want out of their marriage or in economist-speak, what they are contracting over.

How important are fidelity, loyalty, generosity, kindness? As an economist I think that a good marriage, like a good employment relationship, has shared vision, common interests, complementary abilities, and gains from specialization.

If you want to hold on to romantic illusion, don't invite me to your ceremony. But if you do, please don't sit me next to your cousin in banking; we likely have less in common than you think.

VIGELAND: Betsey Stevenson teaches economics at the Wharton School at the University of Pennsylvania.