

MADLINE GRANT looks at the mating game – and concludes it's all about the numbers...

The Economics of Dating



In 1992, Gary Becker received the Nobel Prize for extending economic analysis to spheres of human behaviour previously considered the preserve of sociologists and psychologists.

These included education, racial discrimination, medicine, drug addiction and even traffic flows.

Becker's 'people-centric' approach has been hugely influential, and he remains one of the most cited economists of the last 50 years.

One of Becker's key insights was simply that humans respond to supply, demand and incentives away from traditional arenas like the labour market.

In a seminal paper, he emphasised marriage as a crucial, if neglected issue to which economic analysis should be applied.

'Econ 101' may seem like a clunky and unromantic way to view love, but people have

with helping turn the tide towards romantic love and the nuclear family by living out their domestic idyll in public.

The couple popularised many of the romantic traditions we nowadays take for granted, including engagement rings, the white wedding dress and gift-giving on anniversaries.

Yet the expansion of the family unit developed from economic realities as well as changing sensibilities.

Industrialisation and the boom in material wealth triggered a huge expansion of the middle classes. Millions of additional households could establish themselves as independent economic units for the first time, away from extended families.

The inward-looking, traditional nuclear family with its emphasis on companionship and division of labour into 'separate spheres', was hugely influenced by

to recommend them, were shipped out to colonial India to find mates. Nicknamed the 'Fishing Fleet,' these groups sought to take advantage of the huge surplus of men working there, compared to available 'marriageable' women.

It didn't take long for East India Company officials to see a business opportunity. Rather than paying women to travel out to India, the company realised they could start charging husband-seekers who had been unable to make a good match at home, so desperate were families to offload their unwed daughters.

In China, the legacy and skewed demographics of the One Child Policy have left a highly competitive marriage market, where decision-making power rests with women.

This, combined with the fact that Chinese women are increasingly well-educated and financially independent, means that men must work harder than ever to capture a woman's heart, by signalling their trustworthiness and ability to provide.

Chances of marrying in this female-scarce environment are materially increased by owning your own home. One survey of Chinese mothers found that more than four fifths would object to their daughters marrying a non-homeowner.

In contrast, societies where men are in short supply tend towards permissiveness and lower levels of commitment.

The First World War had a seismic impact on romantic behaviour. More than 700,000 British men were killed during World War One, with as many left seriously wounded or incapacitated. According to the 1921 UK census, there

ROYAL COURTSHIP... IT WASN'T UNTIL THE VICTORIAN ERA THAT LOVE AND COMPANIONSHIP WERE WIDELY ACCEPTED AS PRE-REQUISITES FOR MARRIAGE

employed economic principles in their relationship decision-making for generations.

Economic trends govern even our basic understanding of love. Although Jane Austen wrote about it, and Shakespeare's Romeo and Juliet acted it out, it wasn't until the Victorian era that love and companionship were widely accepted as pre-requisites for marriage.

In Britain, Queen Victoria and Prince Albert are credited

these shifts. Even the concept of 'dating' didn't exist until industrialisation and changing demographic trends expanded freedom, leisure time and disposable income.

Throughout history, scarcity on the dating market has impacted our behaviour in significant, if hidden ways.

Between the 17th and early 20th centuries, thousands of otherwise 'unmarriageable' British women, the illegitimate or those without dowries



were 1,209 single women for every 1,000 men aged 25-29.

Following the war, many blamed jazz music and even the burgeoning automobile for the emergence of the 'Flapper' generation and the growing permissiveness documented in poems like TS Eliot's *The Waste Land*.

Yet a far more likely explanation is simply a good old-fashioned numbers game. Author Jon Birger hypothesises that the wartime death toll created a lopsided dating market which persisted into the 'Roaring 20s'. The remaining men, responding to their inflated value on the marriage market, 'shopped around' and postponed commitment.

Birger believes similar demographic disparities drive contemporary 'hookup culture', particularly on college campuses.

Women in the UK are now 35% more likely than men to attend university. American women outnumber men at most universities, sometimes by ratios of more than 3-1. When men 'control' the dating market through supply and demand, hookup culture quickly becomes the norm, as single males, like their forebears in the 1920s, play the field and delay marriage.

However, just as economic trends shape our fates on the dating market, data and algorithms offer solutions to some of the associated pitfalls.

Recent years have seen a surge in online dating apps, led by number-crunchers and maths majors in Silicon Valley. These allow users to bypass many of the traditional obstacles to meeting new people, thereby expanding their own personal dating market.

According to economic theory, increasing the size of the market in this way should improve dating by making successful matches more likely, which is largely borne out in the evidence.

Survey data suggest that online dating generally leads to 'better matches' and greater reported happiness – presumably because of the wider choice of partners.



In heterosexual apps, women are often in short supply and effectively the 'shared resource'. Female users of apps like Tinder tend to lose patience and interest if bombarded with 'low-quality' messages. Since it usually costs no money to match with someone, the opportunities for such messages are

APP-Y EVER AFTER? SURVEY DATA SUGGESTS ONLINE DATING GENERALLY LEADS TO BETTER MATCHES AND GREATER REPORTED HAPPINESS

Online and app-based dating carry especial benefits for people whose preferences make discovering partners harder due to social or geographical isolation. One big winner has been same-sex dating, which necessarily operates in a smaller pool than heterosexual romance and is illegal or socially unacceptable in many places around the world.

Yet the skewed gender ratio on many apps can also destabilise. Men, in the main, outnumber women on heterosexual apps (two-to-one on Tinder).

This disparity can in turn trigger an economic effect known as the 'Tragedy of the Commons', where individuals try to reap the greatest benefit from a given resource, yet end up hurting the common good of all individuals in their shared setting.

practically endless.

The app Bumble has attempted to correct this by only letting women send messages first, thus shifting the power balance, lowering the possibility of vast amounts of meaningless messages being sent from men (and of women abandoning the app in frustration).

One of the most powerful arguments against the hubris of central planners is the ubiquity of markets. As Gary Becker knew - and the modern-day dating scene attests - even our personal relationships can't be divorced from economics •

Madeline Grant

Madeline is the former Editorial Manager at the Institute of Economic Affairs. She's now on the Comment team at the Daily Telegraph.