

Marriage is an Institution ...

Marriage is something we're all familiar with ...

... but we often have a hard time defining it.

We realize, deep down inside us that:

Marriage is more than a private contract.

Marriage is not just a creation of the state.

Marriage is universal in time and space.

Successful societies have “traditional” marriages, and societies with something different don’t survive.

Marriage is fundamentally tied to fertility, but not exclusively.

Marriage connects children with their biological mothers and fathers.

That marriage is a “good” idea.

But beyond this we struggle.

I want to argue Marriage is an **Institution**.

Institutions, according to Douglass North are:

Humanly devised constraints that shape human interaction

Marriage is a complex institution because there are many constraints, devised by many different groups.

Consider the various constraints of Marriage.

Starting with the individual couple:

Monitor each other, share in benefits and costs,
agree over things that are unobservable to others.
Marriage does have an element of contract to it.

The wedding vows:

“husband and wife,” forsake all others, for better
or for worse, till death do us part, no one put
asunder.

Religious traditions:

Marriage as sacred, “one flesh”.

Faith communities:

Membership, discipline, social ostracism, peer pressure.

Family members:

Spouse selection, family relations and dynamics, wealth transfers, advice and guidance.

Culture and peers.

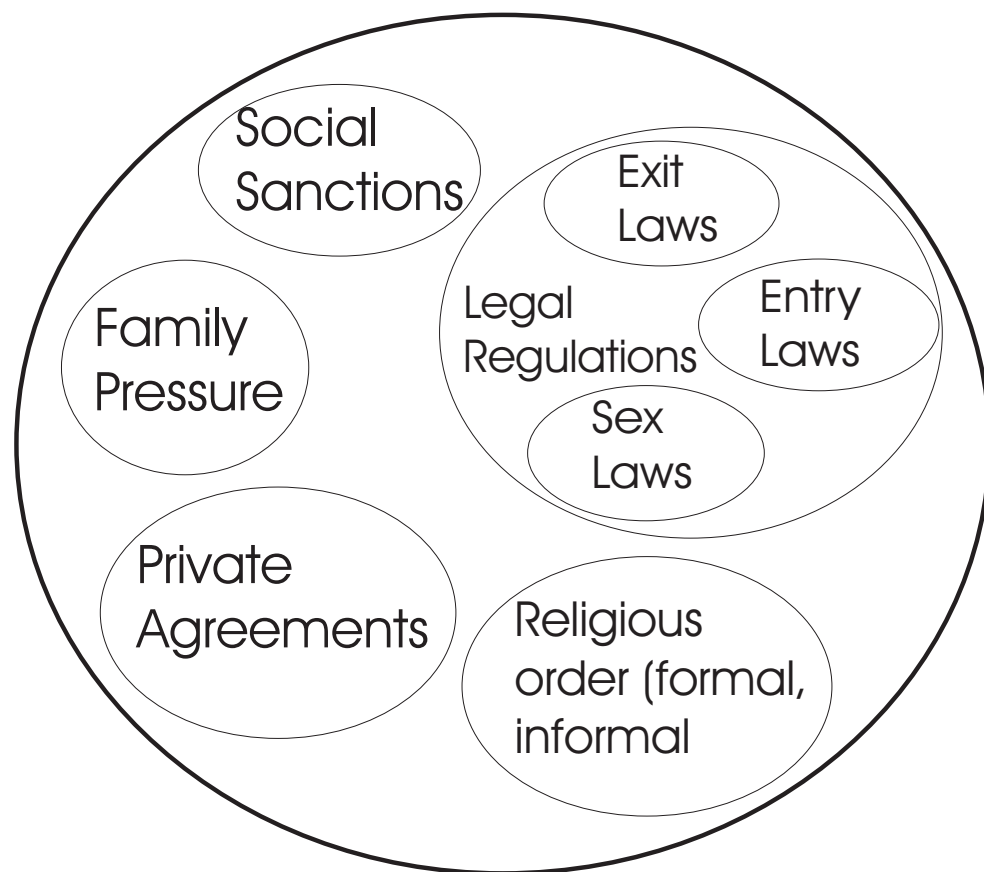
Recent Sikh public meetings.

The law:

- Entry conditions (age, blood lines, one man/one woman).
- Exit conditions (grounds for divorce, no-fault grounds).
- Custody laws (joint, shared, sole, etc.)
- Property laws (title, equitable, community).
- Support laws (guidelines, best interests, etc.)
- sex laws (rape, sodomy, adultery, incest, prostitution, bestiality, necrophilia, voyeurism, etc)

We can think of marriage as an institution like this:

The Marriage Institution

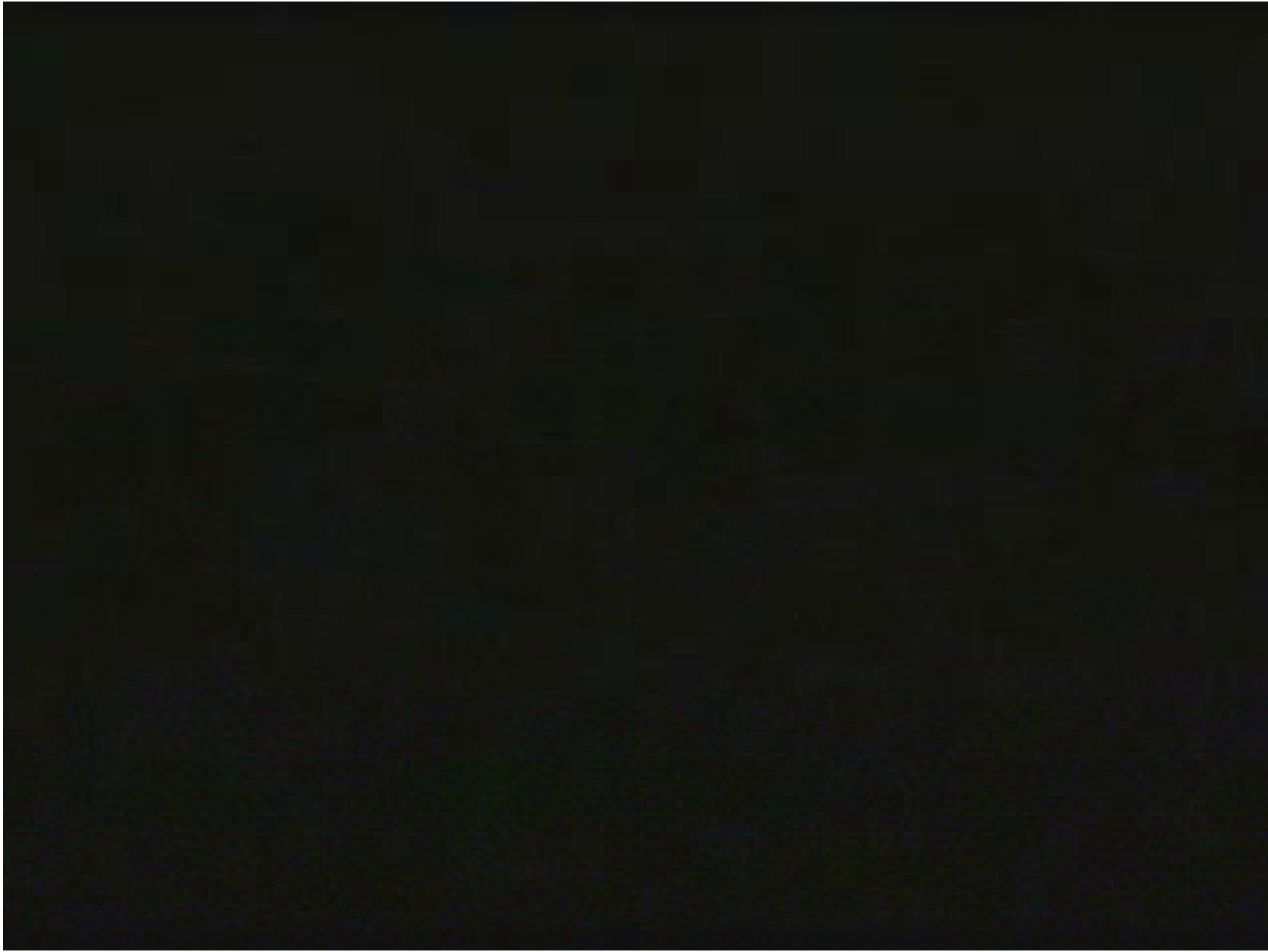


But what is such an institution for?

We need institutions to constrain ourselves because there are social benefits that are not always in our private interests.

Lloyd Cohen's "Unnatural Marriage"

Imagine describing marriage to a 19 year old male who had never heard of it before.



If people were naturally inclined to do the right thing, then we wouldn't need all of the institutional aspects of marriage.

This view of institutions is the core of what is often called
the **NEW INSTITUTIONAL ECONOMICS**



Two of its founders,
Ronald Coase and
Doug North
both won separate Nobel
prizes for their work

NIE in a nutshell.

There are two ways to gain:



We can cooperate and trade ...
(“like” the person on the left)

... or cheat and pick pockets.
(like the person on the right)

The former is good and productive,
the latter is bad and dissipating.

Coase basically showed that “the rules of the game” are designed to make the best of trade, while mitigating the pick pockets or

Maximize Wealth net of the costs of “Opportunism.”

So in the context of marriage, all of the institutional details we observe are chosen to make marriage more valuable, and prevent opportunistic problems.

Marriage has things about it that make privately enforced, or self enforced rules, not work. Therefore, we see the more complex third party, informal/formal matrix of rules.

This is not the popular view of marriage.

Most view marriage as a formalization of a loving relationship

Most have what I call a “good intentions” theory of marriage.

THE PASSIONATE SHEPHERD TO HIS LOVE.

Come live with me, and be my love;
And we will all the pleasures prove
That hills and valleys, dales and fields,
Woods, or steepy mountain yields.

And we will sit upon the rocks,
Seeing the shepherds feed their flocks
By shallow rivers, to whose falls
Melodious birds sing madrigals.

And I will make thee beds of roses
And a thousand fragrant posies;
A cap of flowers, and a kirtle
Embroidered all with leaves of myrtle;

A gown made of the finest wool
Which from our pretty lambs we pull;
Fair-lined slippers for the cold,
With buckles of the purest gold;

A belt of straw and ivy-buds,
With coral clasps and amber-studs:
And if these pleasures may thee move,
Come live with me, and be my love.

The shepherd-swains shall dance and sing
For thy delight each May-morning:
If these delights thy mind may move,
Then live with me and be my love.

THE NYMPH'S REPLY TO THE SHEPHERD

If all the world and love were young,
And truth in every shepherd's tongue,
These pretty pleasures might me move
To live with thee and be thy love.

Time drives the flocks from field to fold,
When rivers rage and rocks grow cold;
And Philomel becometh dumb;
The rest complains of cares to come.

The flowers do fade, and wanton fields
To wayward winter reckoning yields:
A honey tongue, a heart of gall,
Is fancy's spring, but sorrow's fall.

The gowns, thy shoes, thy beds of roses,
Thy cap, thy kirtle, and thy posies
Soon break, soon wither, soon forgotten,—
In folly ripe, in reason rotten.

Thy belt of straw and ivy buds,
Thy coral clasps and amber studs,
All these in me no means can move
To come to thee and be thy love.

But could youth last and love still breed,
Had joys no date nor age no need,
Then these delights my mind might move
To live with thee and be thy love.

Canada's Child Support Guidelines.

Prior to 1997, child support determined at the discretion of judge.

Replaced by a set of tables: "the Guidelines."

-Only based on

- (i) the number of children in the custodial home;
- (ii) non-custodial parent's income.

Guidelines pay more than the cost of children.

The incidental spousal support creates an incentive to divorce for some people.

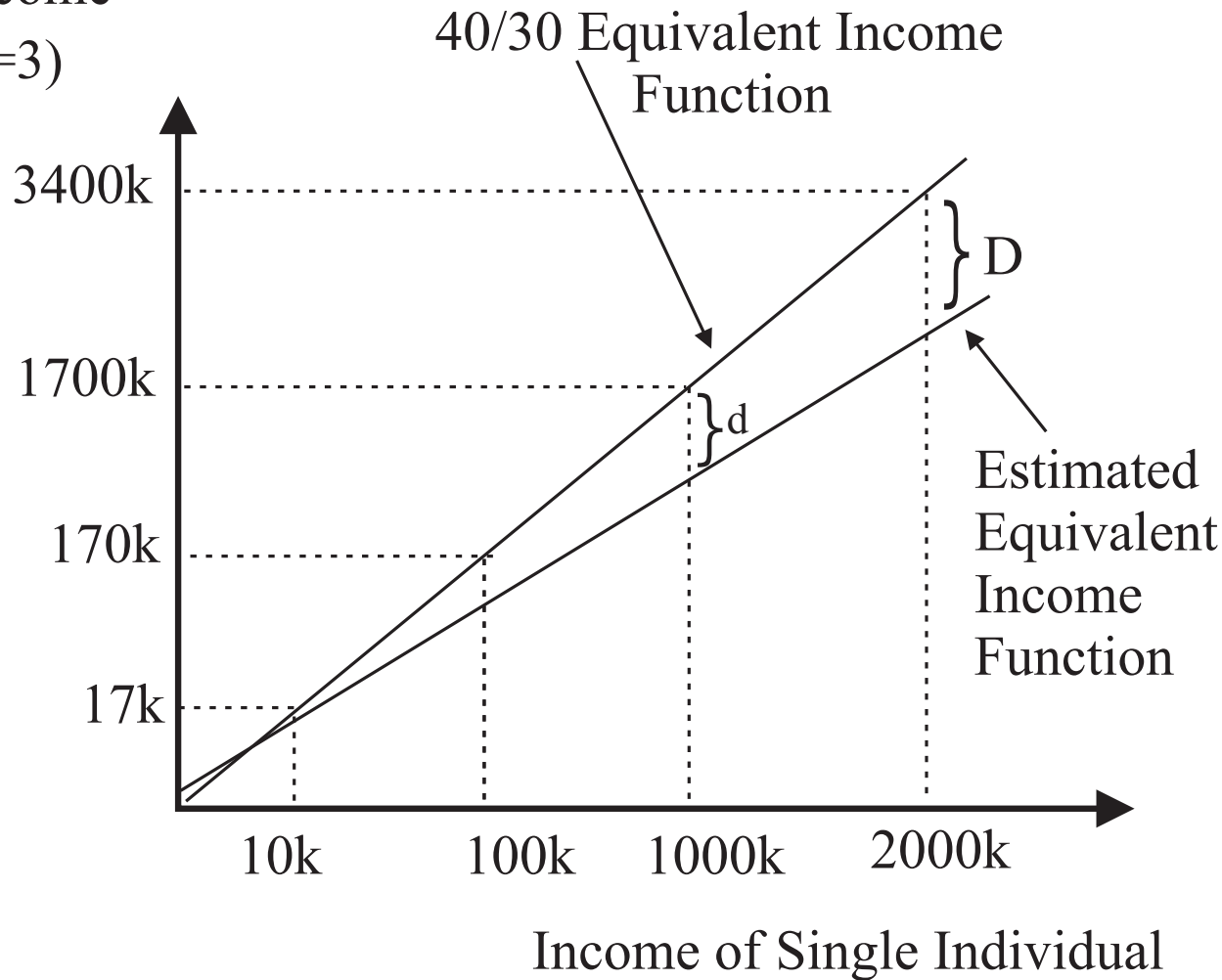
Four Issues in Guideline Creation

- a. They over-estimating The Costs of Children
- b. Non-custodial parenting expenses not considered.
- c. The Value of Children is ignored
- d. The “black-hole” allowance for extraordinary expenses.

The Costs of children.

40/30 rule:
 $1.4 + .3(n-2)$

Equivalent
Income
(n=3)



The Revised Fixed Percentage Rule.

$$\frac{\text{Income of NonCustodial Parent}}{\text{Expenses of NC Parent}} = \frac{\text{Income of Custodial Parent}}{\text{Expenses of Cust. Parent}}$$

$$\frac{\text{Income of NC Parent}}{1} = \frac{\text{Income of Custodial Parent}}{1.4 + .3(n-2)}$$

The Value of Children.

-the assumption is that children generate no utility.

-means you have the wrong numerator above.

The “Black Hole” Provision.

-amounts to a subsidy of Custodial parent’s consumption.

Results:

“good intentions” view: ... nothing should have happened.

What actually happened was

Divorce rates for families with one income, and where the income Earner had more than 60k go up. At 100k they increase by 10%

No change in divorce rates for families with no kids.

If Marriage is an institution then:

- Every element is there to constrain some type of behavior.
- removing the constraint means you'll get more behavior that is privately wanted, but socially undesirable.
- Recent Stats Can report.

If Marriage has been around for a few thousand years, it has probably been doing something right.