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SHOP

LOVE AND ECONOMICS

If there was a Nobel Prize for offensive twerps, Gary Becker would be a shoe-in. While they don't give out such awards, this Economics Professor from the University of Chicago has just picked up the next best thing - the Nobel Prize for Economics for 1992.

Becker's crowning achievement, *A Treatise on the Family*, deals with marriage, the division of labour in the household, children, and divorce. The wealth of insight in this work makes it difficult to decide on what morsels to offer ALR readers. However, the chapter 'Assortative Mating in Marriage Markets' is revealing. For those unsure as to why their recent attempts at mating have been "assortative", the following explanation should be helpful:

An efficient marriage market usually has positive assortative mating, where high-quality men are matched with high-quality women and low quality men with low quality women' so that 'superior women receive a premium that is determined by their additional productivity as wives'. Becker, however, does concede that 'some participants ...choose to be matched with inferior persons because they feel superior persons are too expensive.

Mating and marriage are thus the outcome of utility-maximising decisions by free, equal, self-centred and "rational" individuals in the market place. As long as there are no impediments to the efficient operation of this market (such as government redistributive policies) we will have what economists call a "Pareto optimal" situation whereby 'no person can improve his [sic] marriage without making others worse off'. Obviously there should be a copy of Becker's *Treatise* on every guidance counsellor's desk.

The beauty of this analysis is that it is timeless and universal. It applies equally to relationships in 20th century Brisbane and 12th century Baghdad. And, in an admirable rejection of speciesism, Becker modestly asserts that his economics also explains the family structure of 'grouse, antelopes and mountain

sheep', along with many other of our fellow non-human market participants.

How does one react to this sort of thing? An immediate response is to protest that economics should not intrude into emotional/sexual relationships. But Becker can't be dismissed that easily. Indeed feminists have shown that the family, marriage and the market are inextricably linked. Of course, they have done so with considerably more insight than Becker, who fails to adequately grapple with history, social institutions, cultural constraints, collective practices and power relations. Yet an intellectual response doesn't fully explain the revulsion his writing often induces. It must partly come from the depiction of human beings as overwhelmingly motivated by individual greed, as purely reactive rather than creative and as anti-social at base.

Why then does someone with these thoroughly dodgy ideas end up with the Nobel Prize, supposedly the pinnacle of public recognition and achievement? The sad thing is that Professor Becker is one of the most widely admired and cited economists on the planet (despite strong criticism of his work by a minority in the profession). As befits a leading exponent of the "economics of everything" approach beloved of free market economists, he resides in the prestigious University of Chicago, centre of free market economic thought in North America.

Out of such an environment has emerged the economic explanation of drug use, discrimination, crime, even sleep. Superficially, such a list suggests a commendable versatility. Unfortunately the analysis and the results are largely sterile. This has not stopped the increasing spread of this particular type of neo-

classical economics into other academic disciplines, a contemporary case of economic "imperialism".

One small step to address this situation would be to abolish the Nobel Prize for 'Economic Science'. Sitting alongside physics and chemistry, the other, genuine, Nobel sciences, economics looks very much out of place to all but a few naive positivists who hang around in economics departments. Introduced in 1969, the economics prize has been dominated by the conservative North American establishment. It has too often served as a political vehicle for academics who don't merit such attention. It has never been won by a woman. Becker's *Treatise*, of course, has a clear explanation for this:

biological differences in comparative advantage between the sexes explain...why women have usually spent their time bearing children and engaging in other household activities whereas men have spent their time in market activities.

Perhaps he should have got the Nobel Prize for fiction. ■

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