

# The Economics of Sex

Frances Woolley  
September, 2012

Are these penguins male or female?



What about these ones?



## Gender v. Sex

- Gender: socially constructed roles – what is associated with ‘masculine’ and ‘feminine’
  - Women have longer hair than men: socially constructed, not universally true
- Sex: two meanings
  - Biological difference: e.g. Men are taller than women
  - That other meaning of sex...

## Why “the economics of sex”?

Growing body of literature on:

- The things we do for sex
- The sexual marketplace
  - Dating markets
  - Marriage markets
- Consequences of economic trends for sexual relations

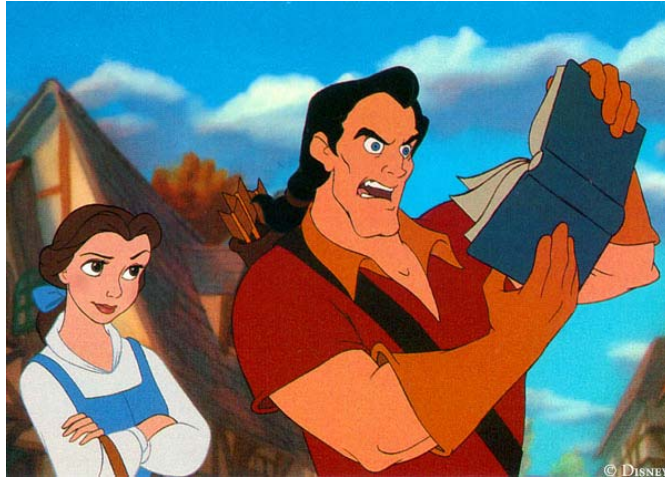
Further reading: Marina Adeshade’s blog  
<http://bigthink.com/blogs/dollars-and-sex>

## The things we do for sex

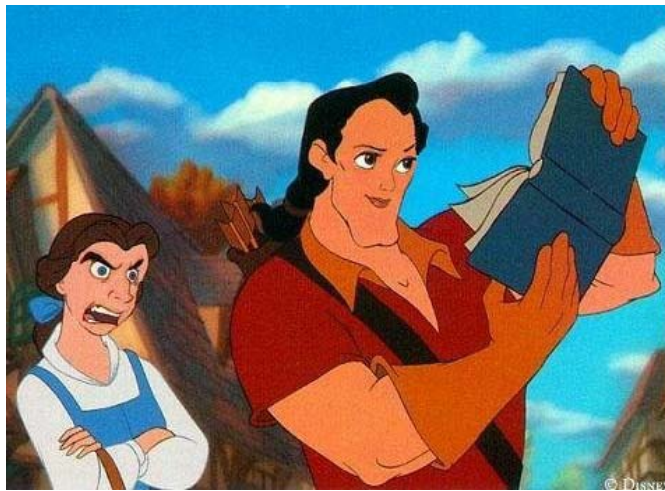
*Consider these two ads. Which got more responses?*

- *SWF, 31, good looking, slender **nurse**. Enjoys x-country skiing and films. Financially stable. Would like to meet a man for a lasting relationship.*
  - 77 responses
- *SWF, slim, attractive, **electrician**, 30, financially stable, likes movies and rollerblading, seeks man for lasting relationship.*
  - 39 responses
- What’s going on?

Belle and Gaston – pretty?  
Handsome?



And now?



## Badgett and Folbre (2003) *Industrial Relations*

- Study asks students to rate vignettes from personal ads, e.g. SWF nurse, SWF electrician
- Least desirable vignettes were of:
  - Men in lower-status feminized occupations, e.g. dental hygienist, child care worker
  - Female in lower-status masculine occupation, e.g. electrician, auto-mechanic
- *(Some) people who don't conform to conventional gender norms seen as less attractive*
- In almost every economy, men and women do different jobs – there is occupational segregation
- Could it be caused by the economics of sex?

## Dating markets

- Gunter J. Hitsch, Ali Hortaçsu and Dan Ariely, AER (2010) “Matching and sorting in online dating”
- Data: for 3 ½ months in 2003 observed
  - 3,004 men and 2,783 women
  - Using on-line dating service
  - In Boston and San Diego
  - Eliminated married, casual users
  - Observed all interactions
- *Question: What determines the odds of one user sending another an email?*

## Many results, including...

“Regarding education, we find **that both men and women want to meet a partner with a similar education level**. While women have an overall strong preference for an educated partner, but also have a relatively small tendency to avoid men who are more educated than themselves, **men generally shy away from [more] educated women**”

## Canada, 2009-10 Source: [www.caut.ca](http://www.caut.ca)

- Ratio of women to men in
  - Undergrad degree programs 1.33 : 1
  - Masters programs 1.17 : 1
  - PhD programs 0.89:1
  - Community colleges 1.17 : 1
- Will what is valued in the dating market change?
- Will attitudes towards university change?

## What happens in marriage markets when partners are scarce?

- China, in around 1980, enacted a one-child policy: each family could have only one child
  - 1980s, early 90s: abandonment of female children
  - 1990s onwards:
    - Cheap ultra sound + readily available abortion = widespread termination of female fetuses
- Result: large gender imbalance

## Wei and Zhang, NBER (2009)

Dramatic, continuing rise in male-female ratio in China. Marriage prospects of young men further dampened by competition from older men seeking 2<sup>nd</sup> wives/mistresses.

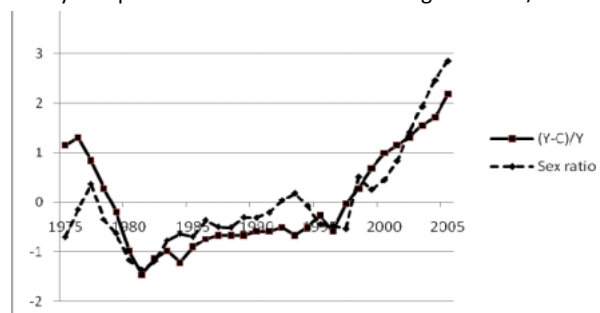


Figure 1: Sex Ratios and Saving Rates

Note: The sex ratio is defined as the ratio at birth 20 years earlier; see the footnote to Table 12 for data source. The saving rate is defined as the ratio of (GDP-private and government consumptions) to total GDP, which is available from China Statistical Yearbook 2007. Both variables have been rescaled by subtracting the mean and dividing by the standard deviation.

## How can a young man compete in the marriage market?



## Is the marriage market driving China's high saving rate?

- Families with sons save more
- *Amount* by which families with sons save more depends upon local sex ratio
  - Where potential brides are very scarce, families with sons save more
  - Where sex ratio is lower, families with sons save less
  - Authors' conclusion: 60% of increase in savings rate between 1990 and 2007 can be explained by sex imbalance



## Other possible consequences of sex ratio imbalance

- Military aggression? [Hudson and den Boer](#) (2002) “One overlooked wellspring of insecurity... is exaggerated gender inequality”
- Violent crime: [Edlund, Li, Yi, Zhang](#) (2007) “the rise in excess males may account for up to one-seventh of the overall rise in crime”
- Prostitution, migration: [Ebenstein and Jennings](#) (2008) (see also documentary “Girl Model”)  
*Son preference found in Canada too:*
- [Almond, Edlund and Milligan](#) (2009)

## Economic trends feed back into marriage market...

- Becker (1981, 1991) “A Treatise on the Family”  
[George Bernard Shaw](#): “the maternal instinct leads a woman to prefer a tenth share in a first rate man to the exclusive possession of a third rate one.”  
Implication: An increase in economic inequality should lead to a rise in polygamy...

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## Polyamory: Exploring the ins and outs of multiple partners

**JEFF FRASER**  
Special to The Globe and Mail (includes correction)  
Published Friday, Sep. 21 2012, 6:59 PM EDT  
Last updated Tuesday, Sep. 25 2012, 3:04 AM EDT

481 comments

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When the new Canadian census figures were released this week, there was a lot of talk about the rise in single-person households, as well as same-sex pairings and unmarried couples with children. But another variety of domestic arrangement continues to fly below the radar of demographics: those that involve more than two adult romantic partners.

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## Loving Thy Neighbor

I have sex with the couple next door. Should I tell my kids about it?

By **Emily Yoffe** | Posted Thursday, June 23, 2011, at 8:11 AM ET



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**Dear Prudie,**  
I am a widower in my mid-50s with three grown children and many grandchildren. My wife died 10 years ago, and three years ago I moved into a new house. I hit it off very quickly with my next door neighbors "Jack" and "Diane," a married couple in their late 30s with a now-7-year-old son. Our relationship soon became sexual and we are a three-member "couple." Their son, whom I love dearly, has his own bedroom at my house and calls me "Uncle." The problem is my youngest son recently lost his job, is in terrible financial straits, and has asked if he, his wife, and two young children can move in with me! I haven't told any of my children about my unconventional relationship. My wife and I had a happy marriage, and

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## Who said economists are dull? Finance students are the most promiscuous on campus

- Poll shows economics undergraduates have had nearly five sexual partners each at university
- More 'glamorous' subjects like art and media studies come near bottom of 'sex' table
- Survey also shows that study is rated as far more important by students than sex

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## Conclusions

- Economics is not about money
- Economics is about
  - Choice
  - Exchange
- Who to have sex with is one of the most important choices we face
- All sex is transactional: someone is getting something out of it.