

Addressing the increasing unmarried rate from a perspective of behavioral economics **Fumio OHTAKE (Graduate School of Economics, Kyoto University)**

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Professor *Fumio Ohtake* from the University of Kyoto gave a presentation called “Addressing the increasing unmarried rate from a perspective of behavioral economics” on September 10th 2024 at the joint Kyoto-Vienna seminar in the law faculty of the Kyoto University.

The central focus of the presentation is on how income expectations play a critical role in the declining marriage rates. Over the past few decades, the proportion of unmarried individuals has significantly increased across all age groups, with this trend being particularly pronounced among men and women in their thirties and forties. A key driver behind this phenomenon is that many individuals, especially women, are seeking partners who have a higher income than themselves. This expectation creates a mismatch in the marriage market, as fewer men meet the income criteria that women desire. *Ohtake* and *Tani*'s research highlights that this income-based selection process is more prevalent among women with higher incomes, who tend to expect even wealthier partners. Interestingly, even women who are already financially secure continue to seek partners who earn more than them. This reinforces a dynamic where women are more selective in their partner choice based on economic status, further limiting the pool of potential matches.

Professor *Ohtake* delves into the gender identity norms that underlie these income expectations. Despite significant social changes, the central norm he singles out is that the husband should ideally earn more than the wife. The study found that while a considerable number of women now earn more than men, a large proportion, maybe contrary to the expectation of some, simultaneously also thinks that their partner should have a higher income. Specifically, the authors note that 78% of unmarried women are looking for a partner with a higher income, though only about half of these women, when asked in a survey, explicitly agree with the traditional gender identity norm. This creates an apparent contradiction, where women's preferences in the marriage market are shaped by traditional gender roles, despite their increased participation in the workforce and their greater earning potential. These gender identity norms continue to influence the expectations around marriage, where financial stability and income levels remain central considerations.

One of the key points of this presentation is the concept of potentially misperceived social norms, which play a significant role in the continuation of these traditional beliefs. The phenomenon of “pluralistic ignorance”, where individuals privately reject certain social norms but believe that others still adhere to them, is supposed to be part of the misperception. Drawing parallels with studies conducted in other cultural or civilizational contexts, such as Saudi Arabia, Professor *Ohtake* shows how Japanese men and women may privately disagree with the traditional gender role of the male financial provider but act as though others still support

it. This misperception leads individuals to continue conforming to norms they personally reject because they falsely believe that these norms are still widely accepted by society. For example, many men overestimate the extent to which women prefer a partner with higher income, which discourages them from seeking relationships if they feel they do not meet the expected financial standards. This creates a self-reinforcing cycle where misperceptions about social norms contribute to the persistence of behaviors that uphold those norms, even when they are no longer reflective of individual beliefs.

The presentation also addresses broader changes in the Japanese economy and labor market, which have further complicated the marriage market. Over the past few decades, the gender income gap has narrowed as women have increasingly participated in the workforce. This shift has fundamentally altered the income distribution between men and women, with a growing proportion of women earning more than their male counterparts. However, despite these changes in income distribution, the expectations in the marriage market remain relatively static. Many women still look for partners who earn more than they do, while men feel pressure to meet these expectations, creating a disconnect between the economic realities and social expectations.

To better understand the dynamics at play, Professor Ohtake conducted several behavioral experiments aimed at testing and correcting social misperceptions. In one of the experiments, participants were provided with information designed to correct their beliefs about others' views on income expectations and gender roles in marriage. For instance, some participants were informed that a minority of the population believed in the traditional gender norm that the husband should earn more than the wife. The results of the experiment were revealing. It was found that providing accurate information about others' opinions could reduce the minimum income expectations that unmarried women had for their potential partners. Additionally, the study showed that men who were informed about the true income distribution were more likely to actively seek a partner, indicating that correcting misperceptions could encourage more participation in the marriage market. This suggests that behavioral interventions, particularly those aimed at correcting social misperceptions, could have a meaningful impact on addressing the rising unmarried rate.

While the interventions seemed somewhat effectual, the presentation also highlights that these behavioral corrections are definitely not sufficient on their own to fully resolve the issue. For instance, although providing accurate information reduced the income expectations of some unmarried women, it was not enough to significantly lower the overall minimum income level they expected from their partners. Nevertheless, the findings suggest that addressing misperceptions, particularly those related to gender roles and income, could help ease some of the mental barriers to marriage. Men in particular, may benefit from realizing that women's expectations are not as rigid as they might have previously believed, which could lead to more proactive efforts in seeking a partner.

Professor *Ohtake* concludes by emphasizing the importance of providing correct information on the actual income expectations to ease the process of partner-finding. The increased participation of women in the workplace and the subsequently changed income distribution

have undoubtedly also altered the dynamics of the marriage market, but these changes have also led to new problems. While many women are now more financially independent, the persistence of traditional expectations about income and marriage may be co-causal for the rising unmarried rate. By addressing the misperceptions that perpetuate these traditional norms, there is potential to foster a more multivalent marriage market, one that also reflects the recent developments of gender and income distribution. Behavioral economics offers valuable tools for understanding and addressing these issues, and the experiments conducted by *Ohtake* and *Tani* provide a foundation for future efforts to promote marriage and reduce the unmarried rate in Japan. Through continued research and targeted state interventions, it may be possible to shift the expectations around marriage.

The following discussion of the presentation mainly revolved around the findings for solutions. While Professor *Ohtake* couldn't offer final solutions as a behavioral economist, he urged the Japanese government to start providing the information used in the experiment to increase the partner-finding activity within the Japanese society, without intervening too much into private matters.