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Abstract

In this paper, we explore the implications of home ownership as a status good for housing prices. More concretely, if a family's housing wealth relative to others is an important sorting variable for relative attractiveness in the marriage market, then competition for marriage partners might motivate people to pursue a bigger and more expensive house/apartment. To test the hypothesis, we explore regional variations in the sex ratio for the pre-marital age cohort across China (as a proxy for differential strength for concerns for status). We find that the evidence is consistent with the status competition hypothesis.

Key words: housing price, price-rental ratio, positional good, excess men, missing women

JEL codes: G12, F4, O1, O53

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