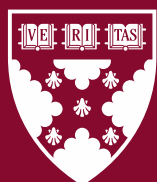


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# Priceless: How to Create, Trade, and Protect What Matters Most

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## Priceless

### How to Create, Trade, and Protect What Matters Most

Debora L. Spar

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In 2022, Sanjeev and Sadhana Prasad sued their son for love. Arguing that they were “not getting love and affection” from where they wanted it most, the retired couple went to court in the northern Indian state of Uttarakhand, demanding one of two forms of payment from their 35-year-old son and his wife: either a grandchild within the next year or 50 million rupees (around \$675,000). Talking to reporters outside the court, Sanjeev was explicit in describing both his logic and his pain. “I have spent my life’s earnings on my son’s education,” he insisted. “We got him married in the hope we would have the pleasure of becoming grandparents... [but] despite having everything we have nothing.” In their court filing, the Prasads accused their son and daughter-in-law of neglecting their “duty to give the pleasure of having either a grandson or a granddaughter.”<sup>1</sup>

Legally, the case went nowhere.<sup>2</sup>

Emotionally, it touched a chord with legions of other angry parents and resentful kids, who never had considered actually charging for their family’s sins.

And economically, it revealed a powerful truth behind an everyday truism. There really are some things that money can’t buy. A lot of things, in fact, many of which are precisely those that we treasure most.

It’s an odd statement to make, perhaps, at a moment when capitalism appears to have conquered the planet — when everything, from childcare to healthcare, our votes and opinions — seems to be offered readily for sale. Women who once baked bread and canned vegetables for their families run to the market on their way to the office instead; men whose fathers chopped wood and harvested grain now purchase these services and preserve their own labor for other more lucrative pursuits. Collectively, we sell just about everything, building webs of commerce that stretch across languages and currencies

to deliver whatever we want, whenever we want from the comfort of our sofas and at the click of a mouse. Overwhelmingly and undeniably, we live in a material world.

And yet, as the Prasads' sad story suggests, there are still some things – some critical, sacred, priceless things – that can't be bought or sold at all.

We can't buy love, for example, no matter the price.

We can't acquire another sibling or a better parent, if we don't like the ones we have.

We can't negotiate the terms of exchange with a beloved spouse or ensure their fidelity.

We can't make our children love us or live up to the expectations we so gleefully put upon them.

We can't find faith where it doesn't exist, or wrest apologies from those who have wronged us.

In fact, there is an entire, vast ecosystem of things we humans tend to want; things we produce, consume and trade entirely outside the confines of a traditional market.

At first glance, this sacred market looks like it should, or at least *could*, operate along the lines that prevail elsewhere. There is clearly a demand for goods like love and children, after all, and a matching, willing supply. There are exchanges that occur all the time across this sacred economy – between spouses and lovers and parents and children – and bargains that are both struck and betrayed. Indeed, many economists who have ventured into this realm have argued that intimate exchanges can be modeled and understood in exactly the same way as other, more prosaic trades. Or as Gary Becker, who won the Nobel Prize in Economics for his work along these lines once argued, “the economic approach provides a valuable unified framework for understanding all human behavior.”<sup>3</sup>

The problem, however, as the Prasads discovered, is that it just doesn't work. Part of the mismatch is sentimental – applying market concepts in this intimate realm makes most people intuitively uncomfortable. But part of it, and the bigger part, is that many market concepts don't translate easily or obviously to this more sacred economy. They don't help us understand how to produce or acquire the things we truly yearn for; they don't tell us how to protect and share the things we treasure most. What happens to priceless goods like romance or affection, for example, when we can't actually buy or sell them? How do we manage to exchange them instead? How, in a world ruled by markets, do we value things that have no price?

Approaching these questions through the lens of the market helps us to see them more clearly. But to fully answer them, we need something else instead, something that borrows from the market's logic and then tweaks it to fit more precisely and usefully into this sacred realm.

### *Exploring the Sacred Economy*

To describe what the sacred economy is and how it operates, let me begin with an analogy.

In 1986, a Peruvian economist named Hernando De Soto published a book called *The Other Path* (*El Otero Sendero*, in the original Spanish.) In it, he argued that much of his homeland's economy was composed of activity that never registered in any kind of formal accounting. It was an "invisible economy," he contended, full of traders who sold their wares on the streets and from tiny, illegal storefronts. It was street vendors and unlicensed taxis and small community lenders – business that clearly took place in front of everyone's eyes and yet somehow wasn't counted as "business." This invisible economy, De Soto suggested, was larger and more robust than its formal counterpart. It operated according to its own system of "extralegal norms," rules, codes, and practices that were fully comprehensible once you knew where to look.<sup>4</sup>

The sacred economy has many of these same dimensions. Like De Soto's invisible economy, it is composed of billions of daily transactions, taking place between individuals from every corner of the planet. It includes some of the most profound exchanges of our lives (the vows of marriage, for example, or the life-long commitment of parenthood) and some of the most mundane (tussling over who-does-what in household chores). It has its own patterns, its own rules, and tools, even, that can be deployed to understand these exchanges and make them work better.

What binds these transactions together and differentiates them from other exchanges is the intimate nature of what is being produced, exchanged, and preserved. Specifically, I am defining sacred goods as *things of value for one human being that can only be provided by another*. Love, for example. Children. Fidelity. Honor. Even the humble apology. All these things are precious, highly valued goods. And none can be created solely by the person who seeks to acquire them. Instead, they must be procured from another human being who offers them in exchange.

By way of simple comparison, consider the much wider array of traditional, nonsacred goods — everyday, pervasive goods like food, housing, transportation, and clothing. All can either be made by an

individual for themselves (handsewn clothing, homegrown vegetables) or produced by commercial machinery. Similarly, most of the services we enjoy today can either be produced by the person who enjoys them or delivered by an external organization. Travel agencies, for example, provide planning that people might otherwise do themselves. Public school districts and private colleges provide or sell education.

Sacred goods, by contrast, inherently involve a distinctly human exchange. They cannot be created by a person for themselves or sourced from an impersonal organization. Think, for example, of a child – the most basic, primal example of a sacred good. No human being can create a child alone or manufacture one through a commercial process. Similarly, no one can provide romantic love for themselves, or purchase it through an external channel. Instead, two people must come together (even if they are employing technologies like IVF along the way) to produce a child. Two people must agree, consciously or not, to love *each other*. There is no other way to produce the desired outcome. Similarly, apologies only have meaning in the context of a human exchange. One person was wronged; the other compensates in some way for the loss or pain. No one can apologize to themselves or seek redress through anyone or anything other than the one who injured them. Again, the exchange must be reciprocal, and it must be personal.

None of this is new. On the contrary, the sacred economy arguably predates our modern market economy by centuries, or even millennia. Our ancestors, after all, were getting married, having children, and dividing household chores way before they figured out how to bring grain to market or build a railway network. They were actively trading things – like spouses and revenge – that we gloss over now with sentiment instead. In many cases, they even built institutions that served to enforce these transactions and embed them in powerful societal structures. The family is one such structure; religion is another.

One of the extraordinary things about these exchanges, though, is that we don't generally see them *as* exchanges. It feels too cold to do so. Too impersonal. Treating our most fraught and intimate relationships as transactions strikes many people, intuitively, as wrong. It debases them, perhaps, and risks muddling the sacred with the profane.

But seeing this vast and intricate ecosystem as a network of exchanges doesn't mean trivializing our relationships or treating them as commodities. On the contrary, it sheds crucial light on how these relationships work, and how they might even be improved. In particular, taking an economist's prism

into this world enables us to understand three key aspects of this sacred realm: 1) how to bring supply and demand together in a world without prices; 2) how participants in even the most intimate of exchanges can signify to their partner – be it a lover, a parent, a child or a friend – what they value about the relationship, and what it means to them; and 3) most crucially, how individuals can actually create and protect more of what they treasure most.

### *The Magic of Markets*

At a minimum, there is one basic reason why markets might make sense in the realm of sacred goods: they work. More specifically, as economists and executives are fond of reminding us, markets are the modern miracle that have generated massive gains in output over the past several centuries, generating growth, wealth, and innovation in their wake. To be sure, markets bring many ill effects as well – climate change, most dramatically – but let's stick, for the moment, with growth, where the logic and historical data are undeniable. When markets expand, would-be buyers emerge to purchase surplus goods from their neighbors, allowing these neighbors (or even far-flung traders) to purchase their surplus goods in turn. In Adam Smith's iconic description – written at a time when modern markets were first exploding across his home country of Scotland and beyond – a farmer in Scotland who once produced both wool and wine for his own consumption could concentrate on wool instead, selling his excess to a counterpart in Burgundy in exchange for wine. Both producers were consequently better off and the total amount of both wine and wool increased.<sup>5</sup> In the process, once-rare goods became more commonplace, and individuals across the market's reach had access to more plentiful and varied products.

Wouldn't it be nice if we could do that for love? Or friendship? Or children – for all the sacred goods that seem to be in proverbially short supply.

Similarly, Smith's logic describes how once-anonymous buyers and sellers can find each other in the organized chaos of a modern market. The wine maker and wool spinner have no relationship before the market brings them together; instead, it is their exchange of goods that defines that relationship and makes them both better off in the process. This is precisely what happens in large swaths of the sacred economy as well – strangers find each other and fall in love; parents create children who then join them forever in an exchange of love, trust, and commitment. Clearly, these sacred transactions don't occur in commercial markets, but the market analogy again offers an intriguing perspective – wouldn't it be nice

if we could find another mechanism for matching well-suited strangers when happenstance alone doesn't work? Or for creating children (or grandchildren) for those who so desperately want them? Instead, in the realm of the sacred economy, too few babies are simply too few babies. Too few apologies means thousands of relationships damaged by resentment or remorse. And when millions of young people fail to find companions in life, they are simply left to flounder alone.

Markets also do a remarkable job of sharing information and assessing value – both of which occur through the convenient channel of prices. In any market, for nearly any kind of good or service, prices serve as the signal and preserver of value. As individuals, we may not like the fact that a jug of milk costs, say, \$4 at the grocery store, but that price will be roughly the same (with some local variation, of course) at every grocery store in the neighborhood or even across the world. That price (accounting for inflation) will stay roughly the same over time, and for every would-be milk consumer. For as long as that price prevails, \$4 is the agreed upon value, the worth, of a jug of milk. Information about that value is widely shared and readily available. And if a would-be seller varies too dramatically from that known value, consumers will be quick to notice the increase and deem it illegitimate or unfair.

By contrast, our emotional exchanges are stymied, time and again, by a fundamental lack of information about what constitutes value and fairness. Indeed, *"it's not fair"* must be one of the most frequently repeated phrases in any spoken language. Because how many times have even the most devoted partners found themselves at odds about the value of a particular keepsake or intimate behavior? How frequently do siblings squabble over the appropriate division of their parents' love, time, and affection? How can any parent know that a particular clay project or papier-mâché vase had the deepest sentimental value to their child? And how can any of these goods be replaced once they're gone? They can't. Which means that the clarity that drives exchanges in commercial markets is less obvious and decidedly more fraught in the emotional realm.

Finally, the market lens highlights the quiet but crucial role of enforcement. In a market system, and particularly in the kind of fully developed capitalist system that prevails in most economies today, exchanges are facilitated by an extensive network of enforcement mechanisms: by laws, rules, and individuals who ensure that ownership is preserved when it is passed from one party to another. When Person A buys a car from Dealership B, for example, numerous processes quickly unfold to enable and enforce the exchange that A and B have agreed to: contracts, signatures, insurance documents, and the like. There are laws that then enforce these mechanisms, and courts and police officers available in case of disagreement or disruption. Most of us pay no heed to these mechanisms in the case of our daily



transactions – you rarely need a lawyer to enforce your morning latte purchase – but knowing they exist gives us the confidence to put our money on the table and buy and sell as we desire. Indeed, as economic historian Douglass North has stressed, economies without reliable and effective means of enforcing contracts generally fail to prosper and grow. Or as he put it: “...the inability of societies to develop effective, low-cost enforcement of contracts is the most important source of both historical stagnation and contemporary underdevelopment.”<sup>6</sup>

In the sacred economy, however, such enforcement mechanisms are both rare and relatively ineffective. If a child doesn't become the doctor or engineer that his parents so desperately wanted him to be, they can't sue him for breach of contract. A child can't sue a parent, similarly, for failing to provide sufficient love or support; a spouse can't summon the law to demand more affection from their partner. Marriage, to be sure, is a legal contract, but the only pieces of the contract that are feasibly enforceable are its monetary components. You can sue a spouse for child support, in other words, but not for loving kindness. And parents hoping to induce any kind of behavior from their adult children have no recourse (I admit sheepishly) but guilt.

To summarize then: conceiving of sacred exchanges in market terms allows us to gain a sharper sense of why our most intimate transactions get stuck from time to time, and what obstacles are most commonly foiling them. Specifically, sacred exchanges suffer frequently from *scarcity* – there just isn't enough love to go around. They suffer from a *lack of transparency* – there is no impersonal mechanism to assign value and assess fairness. They suffer from the inability of either party to *enforce* the arrangements they believe they've entered into. And they lack the market's power to efficiently *match demand and supply*.

#### .... *And the Mismatch*

It is tempting, therefore, to want to bring these market concepts more fully to bear on the realm of the sacred economy. Indeed, this is precisely what a long line of economists from the so-called Chicago School have been doing for several decades, using the economists' lens to explain more intimate decisions such as how individuals should choose a partner,<sup>7</sup> how couples divide their household labor,<sup>8</sup> and how parents should decide the optimal amount of guilt to impose upon their offspring.<sup>9</sup>

The problem, however, is that much of this reasoning simply goes too far, straining the credulity of the entire project. It presumes that individuals make their most intimate decisions rationally and with full

information, coolly calculating the costs and benefits of every move. It presumes we have options to deploy — whom to marry, when to have children — rather than a series of sudden, often unexpected decisions to make. Most of us, I suspect, don't choose our spouses after calmly weighing the relevant attractions of a portfolio of alternatives. Most of us don't conceive our children with a life-long contract of investment in mind or assess the specific debts that each child incurs along the way. You simply can't put math around these calculations.

And therein lies the conundrum. On the one hand, borrowing from economics offers an enticing way of clarifying and maybe even improving our most important personal relationships. On the other hand, the analogies fall apart pretty quickly, not only because they offend our moral sensibilities, but because they just don't work. You really *can't* put a price on love. You can't increase the production of infants by raising their price.<sup>10</sup> You can't substitute one loving relationship with another.

So, what to do instead? We could abandon this project entirely, leaving the sacred and commercial realms to exist in their own spheres. This is the devout preference of philosophers such as Michael Sandel, who warns prophetically that “[p]utting a price on the good things in life can corrupt them.”<sup>11</sup> Or we could follow the Chicago line, accepting the imperfections of the market analogy and plowing ahead nevertheless.

I suggest a third way, a middle way, instead, one that borrows economic concepts but doesn't adopt them wholeheartedly. This approach relies more heavily on concepts taken from economics' sister discipline, accounting, instead. It is motivated by practical rather than theoretical concerns, and seeks to answer what I define as the three most pressing questions of the sacred economy:

- How can we exchange the things we care about when prices don't apply?
- How can we signal and assess value in these more intimate spaces?
- And how, in the absence of contracts or other formal enforcement mechanisms, can we produce and protect the things we value most?

### *Sacred Goods: Tools for an Intangible Economy*

*Matching Supply and Demand.* Let's start with the basics. In any commercial market, supply and demand meet at the point of price. It is price that signals value and acts as a prod to both would-be

producers and potential consumers. Not enough tomatoes being produced? Raise the price and more will come. Too few electricians? Raise wages, and more people will be motivated to enter the field.

For goods like love or children or apologies, however, where prices don't apply, this matching process is far more complicated but not impossible to conceive.

The key is to realize what prices *are* – not some fixed measure of worth, but a signal about capacities and preferences; about availability and wants; possibilities and desires. Seen this way, good old-fashioned communication is a powerful substitute for price, especially when the information being communicated is honest, specific, and directed to those recipients most likely to be receptive. Think, for instance, of the lonely-heart messages that once graced the back pages of most local newspapers. Or their contemporary heirs, Bumble, Tinder, and Hinge. These are clear markets without price, unapologetically designed to join pools of willing buyers and sellers (in this exchange, each individual is actually both) who might not otherwise meet. Gay and lesbian bars once served a similar purpose for people who otherwise had to cloak their desires; adoption and foster care agencies, more poignantly, share information about children in need of loving homes with would-be parents eager to provide them. Is there an element of unease in describing these exchanges so baldly? Yes. But priceless information is being communicated about needs and desires and hopes. And finding ways to bring the two sides of the human equation together – through either formal or informal information-based exchanges – can create precious, priceless relationships for them both.

*Assigning and Assessing Value.* In the examples above, the power of the market lies in the market itself: both parties already know the value of their eventual exchange, they just lack the information they need to find the right partner.

In other cases, information about the exchange is more ambiguous, not only to the recipient, but even to the messenger themselves. Consider the classic case of a lovers' quarrel, or a parent trying to contend with a suddenly rebellious child. Part of the way through these frustrations, as any therapist would no doubt advise, is communication. We don't need markets to enlighten us there. But what the market analogy suggests is the importance in these cases of communicating a specific kind of information – specifically, information about value. Not financial value, of course, but value in the sense of relative worth. Maybe one partner cared more about a misstep or missed birthday than the other did – and crucially, more than the other had realized. Maybe the parent was confused by the child's silent and shifting range of desires.

Many people, of course, struggle to communicate their true wishes to those they love most. We act coyly instead. We try to make them guess. But the market analogy here reveals a shock of insight: we don't make buyers guess our preferences when we are selling shoes or stocks; we don't hide the value of what we try to sell. So why forsake this clarity in much more meaningful relationships?

A similar insight comes from the foundational tenets of accounting. All commercial trading regimes, from ancient sales of wheat and barley to today's bitcoin empires, rely upon accounting systems to track their credits and debits: the payments one party has made and the debts he is owed in return. Double entry bookkeeping – the accountants' masterful system for simultaneously logging the debits and credits of each transaction – has been described by some economic historians as a revolution akin to those of Galileo and Newton, insofar as it enabled entirely new fields of commerce to emerge and prosper.<sup>12</sup>

This record-keeping also sits, less successfully, at the heart of the sacred economy. Because we all keep score. We track gifts bestowed and love expended; sacrifices made, and debts incurred. We don't track these things quantitatively; most of us probably don't even track them consciously. But we track them, nevertheless: love for reciprocated love. Fidelity for faithfulness. I made dinner three nights in a row, why can't you even take out the garbage? Not to trivialize, but these are the exchanges that undergird many of our most personal, familial relationships. And frequently they founder because the parties to the exchange aren't using the same system of accounts. After all, how *do* you balance the trivialities of household labor? Or weigh the massive emotional labor of life's most critical events? You can't. The math again doesn't work.<sup>13</sup> And yet, when one person's subjective score card differs too dramatically from their counterpart's, even the most loving of relationships is likely to come under stress. Just think of two commonly voiced complaints: *it's not fair* and *I didn't know you cared*. They are essentially complaints about accounting; about the subjective but crucial ways in which parties to an exchange assign different values to their underlying bargain.

I am not suggesting that resolving these complaints entails developing monetary or quantitative metrics for them. Again, you can't put a price on love, fidelity, sacrifice, care – on any of the sacred goods that are being exchanged in these relationships. You can, however, understand the extent to which concepts of equity and balance suffuse these relationships, and find alternative ways to both communicate and capture value. Part of this approach entails good old-fashioned communication, revealing one's values and desires to one's most cherished partners rather than making them guess. Part entails recognizing the importance of reciprocity, even in the most intimate situations. And part entails

developing other systems – either personal or societal – for celebrating the sacred value of things that can't be priced.

Weddings, for example, were once actual transactions, with dowries exchanged between families and brides handed off from father to husband. Now, with the financial elements of this exchange replaced by love, the ritual of the wedding serves to subtly depict this new, still hopefully reciprocal exchange: a ring for a ring; a vow for a vow; a joint commitment to love, cherish, and commit. Similarly, military forces around the world use a complex hierarchy of physical symbols to track and signify their members' service. Badges, uniforms, songs and military funerals – they are all symbolic currencies, serving to mark and value what ultimately can never be accounted for: the value of an individual's life.

*Expanding Supply.* Finally, as described earlier, one of the greatest assets of a working market is its capacity to deliver more of what its participants desire. More cars, more vaccines, more online memes – the market doesn't care about the underlying nature of the products in question. It simply functions as a mass sorting and production machine, identifying demand and unearthing potential sources of supply. In the process, output expands, and more consumers can acquire the goods and services they desire.

It is intriguing, therefore, to imagine how market forces might be harnessed to expand the supply of sacred goods as well. Who wouldn't want more love, for example? More partners for those who seek them? More children to care for their elderly parents? Clearly, a pure market approach won't work for these transactions – and even if it could, most people would recoil at the thought of exposing their most intimate desires to the rough and tumble of market forces. But there may be ways to borrow from market concepts to consider other ways of expanding supply.

Let's go back again to price. In traditional markets, price is the critical intermediary between supply and demand; the lever that motivates producers to expand whatever they are or could be selling. For sacred goods, however, where prices don't apply, there is no signal to send to would-be producers; no way of urging or incentivizing them to increase their production.

The trick, then, and the challenge, is to imagine other ways of signaling value instead; other rewards to take the place of price in motivating production. And, actually, there are many.

Many of the world's great religions, for example, have highly developed systems for recognizing and rewarding the kinds of behavior they want to instill. The Catholics grant sainthood for two proven miracles; Judaism lists and celebrates hundreds of individual *mitzvot*, or acts of kindness; Muslims reward martyrs with eternal salvation. No, these aren't markets in the traditional sense. No currency is

being changed or behavior commoditized. But squint and you can see the outlines of a similar mechanism at work: society, or institutions within it, wants to produce more of a desired good: acts of faith, or charity, or valor. Some of these behaviors would likely occur of their own accord. But to generate more of them – to increase the supply, in market terms – something of value is offered in exchange. Something proportionate to the behavior being demanded; something that both mirrors and honors its sacredness.

By contrast, it's interesting to see how many of the world's most powerful governments have recently failed in their attempts to boost declining birth rates. The problem is straightforward: across much of the world, fertility rates are plummeting to unprecedentedly low levels – increasingly, now, below the rate at which a country's population is naturally replenished. The supply of babies, in blunt terms, is far too low. In response, governments have deployed a wide range of policies to coax couples into conception: cash benefits and extensive parental leave (Sweden); free childcare (Japan); tax-free lump sum payments (Australia).<sup>14</sup> Yet none of them are working. Because the "price" being offered in these cases is not only vastly incommensurate with the long-term costs of child rearing (a financial equation), but also, and more importantly, because the "currency" is all wrong. Yes, having a child is a massive financial investment, and a huge financial decision. But it is also a deeply personal decision, and a sacred one. Indeed, as Anastasia Berg and Rachel Wiseman argue in their recent book, *What Are Children For?* "Ultimately, no amount of money or social support can help you answer the question of whether or not you want to be a parent."<sup>15</sup> Instead, women (and men, too) choose to bear children because they consider it a duty to their religion, a debt they owe their parents, a gift to their loving partner, or a joy they wish to experience. In other words, they are making a decision in which sacred values overwhelm financial ones.<sup>16</sup> And any effort to boost supply in this realm must rest with those values instead.

### *Implications and Extensions*

The sacred economy is a vast and intricate expanse. It stretches invisibly across our most intimate and important relations, encompassing who and what we desire most and what we offer in return. It predates the commercial economy and will likely outlive it as well.

Unlike its commercial counterparts, the sacred economy has little room or need for policy intervention. There are no interest rates to set or exchange rates to consider. But by seeing how it operates, we can find a number of ways to improve its outcomes – and our own.

*For Relationships.* One of the central insights of the sacred economy is the extent to which even our most loving and intimate relationships are governed, or at least marked, by intangible systems of emotional accounting. Think of the regular squabbling between siblings, or the accumulated irritation of otherwise happily married spouses, each of whom is convinced they are doing more than their fair share of the household's labor. Think of elderly parents, bitter to be getting less of their children's attention than they believe they deserve. Or of children devastated to have been forgotten in their parents' wills. Money may play into these instances, but it's not the money that's being counted – it's something more.

To be sure, no one wants to sit on the sidelines of their own life, carefully ticking boxes for every credit and debit. But there are many ways to at least note these credits and debits, and – crucially – to understand how partners in a relationship may be keeping a different set of accounts. And in this regard, information and communication are both key. What does each sibling in a family care about most? What does a parent really want or expect from their child? What parts of a marriage are most sacred, most precious, most valuable? Often, and perhaps especially in happy families, we think we know. But emotional accounting can be messy, and occasional audits are a good way to check. Because we don't always know what matters most, even to those we love.

Similarly, we can track, even roughly, the fairness and *perceived* fairness of our most intimate relationships. As mentioned earlier, most human beings seem hard-wired with an innate sense of equity; a desire to be treated fairly and receive what they see as justly theirs. But the definition of justness varies dramatically. Is it fair if a wealthier sibling receives less in a parent's will than their poorer brethren? Is it fair for one spouse to do the bulk of the couple's housework if the other earns the bulk of their income? For one spouse to cheat if the other was unfaithful as well? There are no easy answers to these questions, but they are the kind of emotional balancing acts that can either right a relationship or rip it apart. And using the accounting lens can be helpful – not to put prices on these behaviors, but to assign and communicate value. What really matters to each person in these complex equations? How do they weigh the debts and expectations of their behavior? And what, to them, is priceless?

*For Commerce.* By definition, the sacred economy exists beyond the reach of commercial markets and consists of goods that can't be bought and sold. By understanding what this economy is, however,

and how it operates, firms can also identify some pockets of potential opportunity, ways in which they might sell not sacred goods *per se*, but the goods and services that can facilitate their exchange.

The classic modern example of seeing and seizing such an opportunity are dating apps like Tinder and Match.com, which use the massive connecting power of the Internet to bring together millions of people who might otherwise not have found each other “in real life.” These apps – which now account for roughly 10% of all long-term relationships in the United States<sup>17</sup> – clearly do not *sell* love, sex, or marriage. They don’t put a price on these inherently intangible goods. Instead, they recognize the extent to which contemporary mating markets weren’t working, and created platforms that eased and facilitated these exchanges.

Commercial sperm banks provide a similar service for women or couples unable to conceive on their own. So, more controversially, do surrogacy programs or “donor” egg agencies, which act as intermediaries for goods that can’t or shouldn’t be sold. There are undeniably bad actors in this space, but most providers, like the online dating apps, serve primarily as matching platforms, bringing together those who desperately want a child with those who can help conceive one.

The sacred economy is also replete with professionals who speak its language and know its ways, even if they use fundamentally different terms to describe their services. Divorce lawyers, estate lawyers, therapists, marriage counselors, advice columnists and self-help writers – they all help others to understand and navigate through the complications of this space. And it is not small: in the United States, estate lawyers alone generate nearly \$18 billion a year in revenue;<sup>18</sup> marriage counseling accounts for another \$1 billion.<sup>19</sup> These for-profit providers don’t buy and sell within the sacred economy itself. Instead, they sell the tools that others need to function and flourish in this space – tools of communication, tools of information, and tools, ultimately, of accounting.

Finally, in some cases, entrepreneurs have stepped directly into sacred spaces, aiming to create substitutes or rough approximations for truly priceless goods. Some of these swaps are sweet, like re-positioning dogs as “furbabies” instead. Some, like paid escorts or black-market organs, are distinctly distasteful. And some linger in an ambiguous zone, both morally and commercially. If genetically modified pigs’ organs become suitable for human use, for instance, would we want for-profit firms to price and sell them?<sup>20</sup> Or what if, as many predict, people start to develop true emotional ties to avatars animated by artificial intelligence? Will we be comfortable treating and purchasing these things as “things,” or will we want to yank them out of the market and treat them as beings instead? These are



questions that can only be addressed by recognizing that a sacred economy exists, and that its rules are different from those that prevail in other, more traditionally commercial spaces.

*For Society.* The last set of implications is perhaps most far-reaching and concerns the ways in which societies tend to regard and reward sacred transactions.

As stated repeatedly, these transactions are our most intimate and personal ones. They don't occur in traditional markets or get settled through monetary accounts. Most of the time, therefore, they fall beyond the reach and interest of governments or other societal actors. Yet there are occasions, often crucial ones, where society wants or needs to encourage particular kinds of personal behavior.

The most obvious of these concerns reproduction, the fundamental "product" of any society. Ever since the time of the ancient Greeks, governments have had an active interest in guiding population sizes, worrying, along with changing circumstances, about both over- and under-population. The problem they face, however, is that, unlike taxes or exchange rates, population rates don't readily succumb to policy intervention, since they depend so fundamentally on behavior that remains largely beyond governmental control. At the margins, of course, governments can and do try to shape these behaviors. The Chinese Communist Party, most infamously, enforced a draconian "one child policy" between 1980 and 2016, forbidding couples from having more than one child and punishing offenders with fines, jail sentences, and other punishments.<sup>21</sup> India carried out mass campaigns of forced sterilization in the 1970s.<sup>22</sup>

When it comes to encouraging conception, however, the levers are fewer and harder to exercise. As noted earlier, governments across the Western world are currently trying to boost their country's fertility rates through a wide range of policies, none of which appear to be working. This shouldn't be a surprise. Because if we follow the logic of the sacred economy, any attempt to bring financial incentives into intimate exchanges is liable to fail. Yes, having children is extremely expensive. And yes, reducing the costs of childcare may nudge a few more reluctant parents to consider taking the leap. But decisions about when and whether to have a child are far more complicated, more intimate – more sacred – than can be captured in a \$1300 childcare credit.<sup>23</sup> What works instead is a very different appeal, one based more on faith, or duty, or an adoration of motherhood and the family.<sup>24</sup> Sacred rewards, in other words, for sacred transactions.

A similar dynamic surrounds governmental attempts to muster soldiers for war. Part of the appeal, or the deal, more bluntly, in countries without mandatory conscription is financial: states hire soldiers to

perform a job and pay them accordingly. But part, too, is asking would-be soldiers to risk their lives – a transaction for which there is no appropriate financial compensation. So instead, states regularly frame this appeal in sacred, non-financial terms. They ask recruits to “serve their country,” “sacrifice for the motherland,” or, in the language of one recent Russian campaign “be a real man.”<sup>25</sup> They offer medals, uniforms, parades, and, in the end, military funerals. These are all rituals, deeply symbolic ways of honoring the ultimate transaction – the giving of one’s life. And they aptly capture a sacred exchange between a society and those who serve it.

Theoretically, this kind of sacred accounting could also be applied to goods like the environment, where standard models of pricing and taxation have thus far failed to make much headway against the existential threat of climate change. What we need instead, a sacred lens would suggest, are policies that explicitly treat environmental goods as priceless and non-substitutable, and then protect, preserve, and respect them accordingly.<sup>26</sup>

### *Conclusions*

Even in today’s massively commoditized world, there are many things that money can’t buy – hugely valuable things, like hope and love and babies and sacrifice. These things are truly, literally, priceless and can never be bought and sold through traditional commercial channels. No one can stockpile hope or produce more love.

But for thousands of years, in millions of ways, humans have found ways of exchanging these goods nevertheless, and celebrating their value. Webs of kinship and pacts of trust; religious rituals and patriotic monuments; gifts of devotion and sacrifice—they are all mechanisms of exchange. And they remain highly relevant today, hidden but still pulsing beneath the foundations of capitalism.

Bringing a market lens to these non-market transactions helps to shed light on how they operate, and how they might work better for both individuals and society. When we see the patterns beneath our own familial transactions, for example, we can better understand what we value most and how we might share that information with those we love. When we see what is lacking in society’s sacred spaces, we gain insight into how those spaces or transactions might be improved, either by private firms or governmental actors. The key is to identify information that prices don’t provide, and to find alternative mechanisms to bring demand and supply together.

We all make choices in life. We all make bargains, with gods and demons alike. These intimate exchanges don't fit the model of standard commercial transactions. They are too complicated and idiosyncratic; they are impossible to price, or to produce through the usual workings of supply and demand. But bringing a market lens to these sacred exchanges provides a different kind of insight, and a different set of tools. It enables us to begin to unpack this sacred economy, and to understand these critical exchanges on their own terms, and in all their messy, human, and blissfully irrational glory.

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- <sup>1</sup> Sameer Yasir and Mike Ives, “No Grandchild? Six Years After Son’s Wedding, These Parents Are Suing,” *New York Times*, May 29, 2022; “Parents sue their son and daughter-in-law, demanding a grandchild or \$675,000,” NPR, 14 May 2022, <https://www.npr.org/2022/05/14/1098958972/india-family-lawsuit-children>, accessed August 2024.
- <sup>2</sup> It was dismissed by the court and never proceeded to trial.
- <sup>3</sup> Gary Becker, *The Economic Approach to Human Behavior* (Chicago: University of Chicago Press, 1976).
- <sup>4</sup> See Hernando de Soto, *The Other Path: The Economic Answer to Terrorism* (New York: Basic Books, 1989); and Hernando de Soto, *The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else* (New York: Basic Books, 2000).
- <sup>5</sup> Adam Smith, *The Wealth of Nations* (Petersfield: Harriman House, 2007), pp. 176; 295. Smith doesn’t draw this particular example out quite so neatly, but the references – and basic equation – occur across his argument.
- <sup>6</sup> Douglass C. North, *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990), p. 54.
- <sup>7</sup> Gary S. Becker, “A Theory of Marriage: Part 1,” *Journal of Political Economy* 81, no. 4 (July 1973): 814.
- <sup>8</sup> Gary S. Becker, “The Economic Way of Looking at Life,” Nobel Lecture, 9 December 1992, accessed February 2024, 46-48.
- <sup>9</sup> Gary S. Becker, “The Economic Way of Looking at Life,” Nobel Lecture, 9 December 1992, accessed February 2024, 49-50; and Gary S. Becker, “Preference Formation within Families,” Proceedings of the Meetings of the American Economic Association, January 6, 1993, in *The Economic Approach: Unpublished Writings of Gary S. Becker*, eds. Julio J. Elias, Casey B. Mulligan and Kevin M. Murphy (Chicago: The University of Chicago Press, 2023): 20.
- <sup>10</sup> Many governments around the world are trying to do just that. It isn’t working. See for example Robyn Dixon, Francesca Ebel, and Natalia Abbakumova, “Have babies for Russia: Putin presses women to embrace patriotism over feminism,” *The Washington Post*, 30 July 2024, <https://www.washingtonpost.com/world/2024/07/30/russia-putin-antifeminism-women-children-society/>, accessed August 2024; and Anna North, “You can’t even pay people to have more kids,” *Vox*, 27 November 2023, <https://www.vox.com/23971366/declining-birth-rate-fertility-babies-children>, accessed August 2024.
- <sup>11</sup> Michael Sandel, *What Money Can’t Buy: The Moral Limits of Markets* (New York: Farrar, Straus and Giroux, 2012), p. 9
- <sup>12</sup> See B.S. Yarney, “The Historical Significance of Double-Entry Bookkeeping: Some Non-Sombartian Claims,” *Accounting, Business & Financial History*, 15, no. 1 (1 February 2007):77-88. <https://doi.org/10.1080/09585200500033089>.)
- <sup>13</sup> And with all due respect to the economists who pioneered work in this area, capturing these values under the overarching rubric of utility maximization doesn’t shed much light on them.
- <sup>14</sup> See, respectively, “Sweden – Parental benefits and benefits related to childbirth,” European Commission, <https://ec.europa.eu/social/main.jsp?catId=1130&intPageId=4808&langId=en#:~:text=in%20a%20form,-,Pregnancy%20cash%20benefit,the%20Swedish%20Social%20Insurance%20Agency,> accessed August 2024; (“Parental benefits,” Försäkringskassan, <https://www.forsakringskassan.se/english/parents/when-the-child-is-born/parental-benefit#:~:text=Parental%20benefit%20is%20paid%20out,at%20the%20sickness%20benefit%20level,> accessed August 2024; Kanoko Matsuyama, “Japan’s Push to Boost Birth Rates is Falling Short for Families,” Bloomberg, 6 March 2023, <https://www.bloomberg.com/news/newsletters/2023-03-06/japan-s-push-to-boost-birth-rates-is-falling-short>, accessed August 2024; and (“How much you can get,” Services Australia, Australian Government, <https://www.servicesaustralia.gov.au/how-much-newborn-upfront-payment-and-newborn-supplement-you-can-get?context=22186#:~:text=It's%20not%20taxable,-,Newborn%20Supplement,%242%2C003.82%20for%20the%2013%20weeks,> accessed August 2024.
- <sup>15</sup> Anastasia Berg and Rachel Wiseman, *What Are Children For? On Ambivalence and Choice* (New York: St. Martin’s Press, 2024), PAGE?
- <sup>16</sup> For fascinating evidence along these lines, see Catherine Ruth Pakaluk, *Hannah’s Children: The Women Quietly Defying the Birth Dearth* (Washington, DC: Regnery Gateway, 2024).

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<sup>17</sup> See Emily A. Vogels and Colleen McClain, “Key findings about online dating in the U.S.,” Pew Research Center, 2 February 2023, [https://www.pewresearch.org/short-reads/2023/02/02/key-findings-about-online-dating-in-the-us/#:~:text=One%2Din%2Dten%20partnered%20adults,partnered%20LGB%20adults%20\(24%25\).](https://www.pewresearch.org/short-reads/2023/02/02/key-findings-about-online-dating-in-the-us/#:~:text=One%2Din%2Dten%20partnered%20adults,partnered%20LGB%20adults%20(24%25).), accessed August 2024.)

<sup>18</sup> See Michal Dalal, “Estate Lawyers & Attorneys in the US,” IBISWorld, September 2023, <https://my-ibisworld-com.ezp-prod1.hul.harvard.edu/us/en/industry-specialized/od4807/at-a-glance>, accessed August 2024.

<sup>19</sup> See Jack Curran, “Marriage Counselors in the US,” IBISWorld, January 2024, <https://my-ibisworld-com.ezp-prod1.hul.harvard.edu/us/en/industry-spotlight-specialized/od5368/at-a-glance>, accessed August 2024. For an individual couple, the cost of treatment can run up to or over \$10,000. See Angelina Chapin, “How Much Does It Cost to Save a Relationship?” *The Cut*, February 13, 2024. For individual session costs, see Kimberly Dawn Neumann and Judy Ho, “Marriage Counseling: What Is It and Does It Work?” *Forbes*, <https://www.forbes.com/health/mind/does-marriage-counseling-work/>, accessed August 2024.

<sup>20</sup> This is no longer a far-fetched proposition. See Mass General Brigham Communications, “In a First, Genetically Edited Pig Kidney Is Transplanted Into Human,” Harvard Medical School, 21 March 2024, <https://hms.harvard.edu/news/first-genetically-edited-pig-kidney-transplanted-human#:~:text=Researchers%20have%20been%20exploring%20the,recipients%20have%20made%20recent%20headlines.>, accessed March 2023.

<sup>21</sup> See Judith Shapiro, *Mao’s War Against Nature: Politics and the Environment in Revolutionary China* (New York: Cambridge University Press, 2001).

<sup>22</sup> Soutik Biswas, “India’s dark history of sterilization,” BBC News, 14 November 2014, <https://www.bbc.com/news/world-asia-india-30040790>, accessed August 2024.

<sup>23</sup> This is the maximum amount being offered by the Australian government. See “How much you can get,” Services Australia, Australian Government, <https://www.servicesaustralia.gov.au/how-much-newborn-upfront-payment-and-newborn-supplement-you-can-get?context=22186#:~:text=It's%20not%20taxable,-Newborn%20Supplement,%242%2C003.82%20for%20the%2013%20weeks.>, accessed August 2024.

<sup>24</sup> See for example Sarah R. Hayford and S. Philip Morgan, “Religiosity and Fertility in the United States: The Role of Fertility Intentions,” *Social Forces* 86, no. 3 (2008): 1163-1188. <https://doi.org/10.1353/sof.0.0000>; and Xiao Yu and Jianing Liang, “Social norms and fertility intentions: Evidence from China,” *Frontiers in Psychology* 13 (2022): 947134. <https://doi.org/10.3389/fpsyg.2022.947134>.

<sup>25</sup> Andrew Osborn, “Russia expands war recruitment drive with video ad calling for ‘real’ men,” Reuters, 20 April 2023, <https://www.reuters.com/world/europe/russia-expands-war-recruitment-drive-with-video-ad-calling-real-men-2023-04-20/>, accessed August 2024.

<sup>26</sup> For a powerful argument along these lines, see Dieter Helm, *Legacy: How to Build the Sustainable Economy* (Cambridge: Cambridge University Press, 2024).