

Recently Lorna J. Wendt turned down a \$10 million divorce settlement from her husband of thirty-one years, Gary C. Wendt, the CEO of General Electric, whose net worth may be as much as \$100 million. She argued that helping put her husband through Harvard Business School, and then taking on the role of a corporate executive's wife, which involved, in her case, playing hostess at business parties, organizing charity events, relocating on very short notice, and listening patiently to tales of office woes, were investments that entitle her to one half of Mr. Wendt's fortune. While a 50-50 settlement is common practice in divorce cases, American courts generally will not award a wife one half when more than 10 or 15 million dollars are at stake. Instead, the wife is awarded an amount that enables her to live in the style to which she has become accustomed. Martha Fineman, a Columbia University law professor who testified at divorce proceedings for Ms. Wendt, says that a decision against Ms. Wendt "would say that [women's] typical contributions to a marriage are not valued." Mr. Wendt says, "she (Ms. Wendt) was not responsible for my success --this is about who created and preserved the assets."

Is Ms. Wendt entitled to one half of Mr. Wendt's assets? If so, why? If not, why not?

MODERATOR'S ANSWER: The 50-50 settlement requested by Ms. Wendt would not be fair if adopted as a general rule in the case of every divorce. Marriages are too diverse in terms of factors such as duration, roles and responsibilities assumed by the marriage partners, and the understandings of the partners in regard to their roles and responsibilities, for a single rule to cover every case. For this reason, however, any other general rule would also be unfair --for example, one that limited the settlement in the case of a spouse, such as Ms. Wendt, who concentrated upon domestic responsibilities throughout her marriage, to an income sufficient to maintain her or his current lifestyle. In Ms. Wendt's it would seem fair to make such an income a lower bound of the settlement and then allow her to try to establish through introducing specific evidence that her contributions to the marriage entitle her to a greater amount.

Case from the February 26, 1998 Intercollegiate Ethics Bowl. Copyright Robert Ladenson, Center for the Study of Ethics at the Illinois Institute of Technology, 1998.