

# Core stability of Shapley-Scarf markets with couples: When distance matters

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This paper considers Shapley-Scarf markets where individuals live in couple and where the set of goods is endowed with a geographical structure. This structure aims at capturing the fact that couples prefer living together. Individual preferences over allocations are based on the satisfaction derived from the assigned job and the distance to partner. Several notions of core stability are introduced, each relating to the type of agreements prevailing among partners. We investigate the sensitivity of Core to the preference domain, the location structure, and the initial distribution of goods.