

THE MODEL

- If the marriage remains intact,
 - the utility of the husband’s family depends in a positive way on
 - * its income
 - * human capital characteristics of the husband
 - * human capital characteristics of the wife
 - * husband’s private level of satisfaction
 - the utility of the wife’s family depends in a positive way on
 - * its income
 - * human capital characteristics of the husband
 - * human capital characteristics of the wife

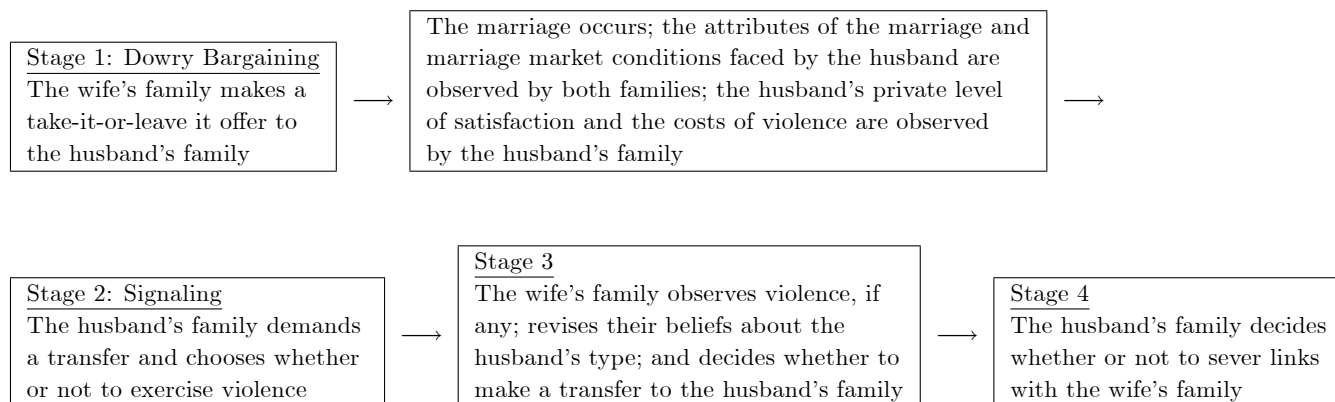
- If the marriage does not remain intact,
 - the utility of the husband’s family depends in a positive way on
 - * its income
 - * human capital characteristics of the husband
 - * marriage market conditions faced by the husband
 - the utility of the wife’s family depends in a positive way on
 - * its income
 - * human capital characteristics of the wife

- If the husband engages in domestic violence toward his wife, there are costs to both the husband’s and wife’s families.
 - The cost to the husband’s family depends on his private level of satisfaction, i.e., as it increases, the cost increases, other things equal.
 - The cost to the wife’s family is assumed to be less than the separation cost to her family.

- Husbands are of two types: dissatisfied (who are assumed to be dissatisfied without a transfer payment and who incur a lower cost of violence) and satisfied (who are assumed to be satisfied even without an additional transfer payment and who incur a high cost of violence).

- The beliefs of the wife’s family about the type of husband depend on the attributes of the marriage and whether violence occurs or not.

The Timing of the “Game”



EXPECTED OUTCOMES

- Dissatisfied husbands whose cost of violence is low enough will commit violence and the wife’s family will make a transfer; these marriages remain intact.
- Dissatisfied husbands whose cost of violence is high enough and satisfied husbands will not commit violence, and no transfer is made; marriages involving these dissatisfied husbands will dissolve and marriages involving the satisfied husbands will remain intact.

SOME OF THE PREDICTIONS OF THE MODEL

Prediction 1* An increase in the income of the wife’s family increases the probability of violence.

Prediction 2* An increase in the observed “marriage attributes” (e.g., number of male children) reduces the probability of violence.

Prediction 3 An increase in the income of the wife’s family reduces the dowry.

Prediction 4* Better “marriage market conditions” for the husband (e.g., ratio of marriageable women to marriageable men) increases the dowry.

POLICY IMPLICATIONS

Enlarging women’s opportunities outside of marriage (mainly labor market ones) would provide them with a “credible threat” that they will leave their husbands, thereby perhaps “bribing” him to stop the abuse. Investing in women’s human capital and also enlarging their labor market opportunities (for example, through “micro-lending strategies focused on women”) would be helpful.