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Marital Investment under Uncertainty: Couples HIV Testing and Marital Stability

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Beginning with the seminal article in 1971 by Lucas and Prescott, economists have examined investments under uncertainty in a variety of contexts. Becker et al. (1977) applied this concept to marriage suggesting that increased uncertainty in marriage (i.e., the likelihood of separation or divorce) reduces the incentive for spouses to invest in marriage-specific capital. Several studies have found that reducing the barriers to marital dissolution, through no-fault divorce laws for example, is associated with lower investments in marriage-specific goods (Landes, 1978; Johnson and Skinner, 1986; Peters, 1986; Lommerud, 1988; Lundberg and Rose, 1999; Stevenson, 2007).¹ Similar studies have found that with greater uncertainty about paternity,

men are less willing to invest in their alleged offspring and more likely to divorce their wives (Alexander, 1974; Anderson et al., 2005). In this paper we examine the relationship between uncertainty and marriage stability in rural Malawi. In particular, we examine how uncertainty about a spouses' HIV status, and thus the risk of HIV exposure, affects the likelihood of divorce.

Perhaps nowhere more than in sub-Saharan Africa, where adult HIV rates reach as high as 25 percent, do individuals face such risk and uncertainty within marriage. Coital frequencies and therefore potential exposures to HIV, among those who are married are greater than among those who are not (Johnson et al., 2009). Additionally, the desire for couples to have children requires unprotected vaginal sex. Within long-term committed relationships, it may be more difficult to adopt preventative behaviors. For example, suggesting abstinence or condom use to a spouse could easily be interpreted as a signal of one's own infidelity or mistrust (Chimbiri, 2007). Relying on a spouse's fidelity may also be risky; individuals in committed relationships in Africa often

¹ Other papers in economics have examined the impact of outside options on marriage and contracts affecting marital outcomes (Rust, 2000; Rust and Madhkar, 2000; Smith and Lloyd, 1995).

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