

Household Decisions and Female Empowerment

Alessandra Voena

The University of Chicago, NBER, CEPR and BREAD

May 25, 2017

J-PAL Research Day

Women's empowerment

Collective decision-making

$$\max_{c, Q} u_m(c_m, Q) + \mu(p, y, z)u_f(c_f, Q)$$

s.t.

$$x = p(c_m + c_f) + Q \leq y_m + y_f$$

Female empowerment in the household:

- How closely do hh decisions incorporate the well-being of women? (How large is μ ?)
- How do we measure female empowerment?

Consumption allocation within the household

Using strong theoretical assumptions

- Dunbar, Lewbel and Pendakur (AER 2012), Malawi:

$$\frac{c_f}{x-Q} = 30\%, \quad \frac{c_m}{x-Q} = 49\% \quad \text{and} \quad \frac{c_{kid}}{x-Q} = 10\%$$

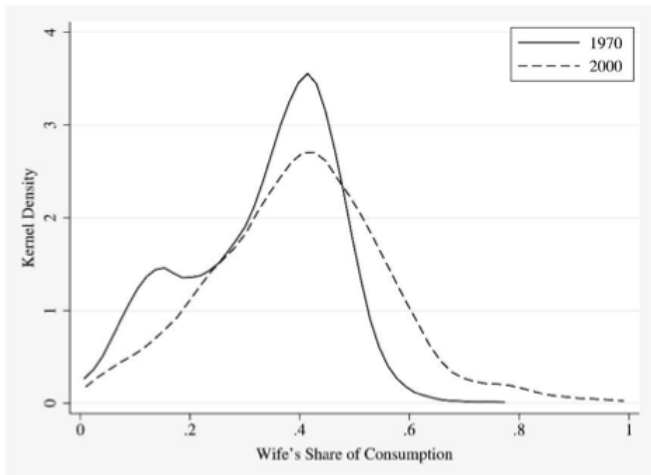
- Cherchye, DeRock and Vermeulen (AER 2012), Holland 2008:

$$\frac{c_f + c_m}{c_f + c_m + c_k + Q} = 21\%, \quad \frac{c_k}{c_f + c_m} = 16\%, \quad \frac{c_f}{c_f + c_m} = 49\%$$

- Voena (AER 2015), USA 1968-1993:

$$\frac{c_f}{x} = 47\%, \quad \frac{c_m}{x} = 74\%$$

Distribution of wives' share of private consumption



(b) The mean share is 0.33 in 1970 and 0.40 in 2000.

Source: Lise and Seitz (RESTUD 2012)

Bounds on wives' share of consumption by income

PSID (1999-2009)

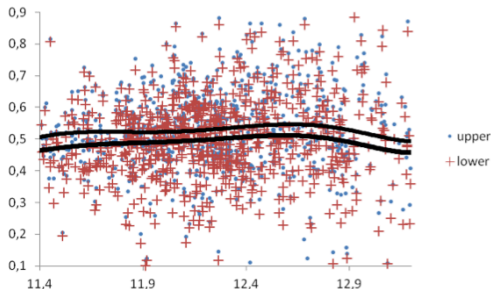
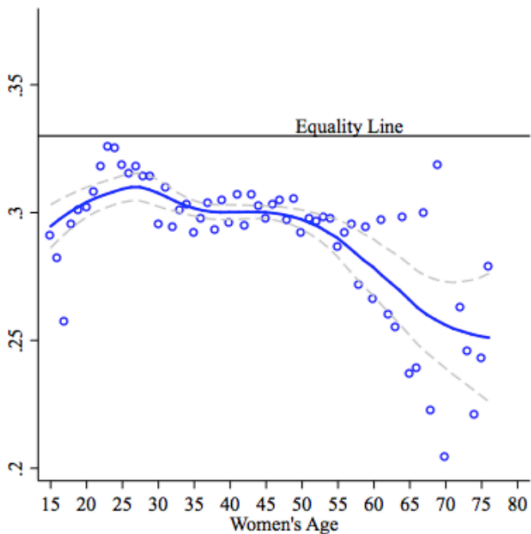


Figure 2: Relative sharing rule bounds (Y-axis) and the logarithm of full income (X-axis)

Source: Cherchye et al. (ECMA 2015)

Mean predicted women's resource shares

Calvi (2016): India (2011-2012)



Consumption allocation within the household

Using direct data observation

- Bonke and Browning (2009), Denmark 1999-2004:

$$\frac{c_f}{c_f+c_m} = 53\%$$

- Dubois and Ligon (2009), Philippines 1984-1985:

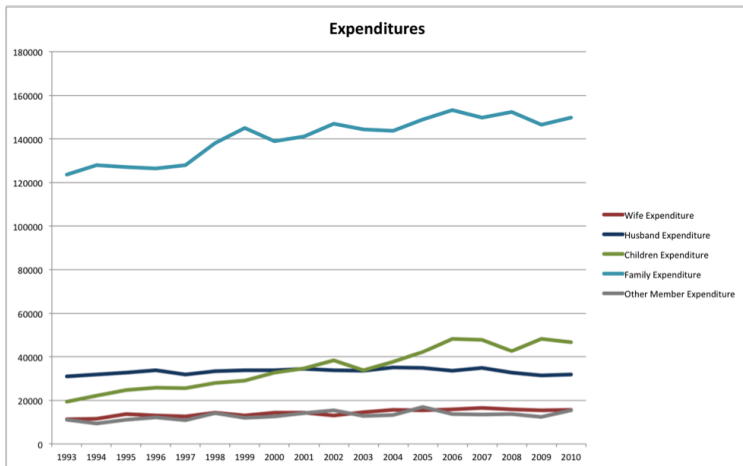
$$\frac{c_f}{c_f+c_w} = 45\% \text{ (food expenditure only)}$$

- Kinnan et al. (in progress), China 1989-2009:

$$\frac{c_f}{c_f+c_w} = 38\% \text{ (food expenditure only)}$$

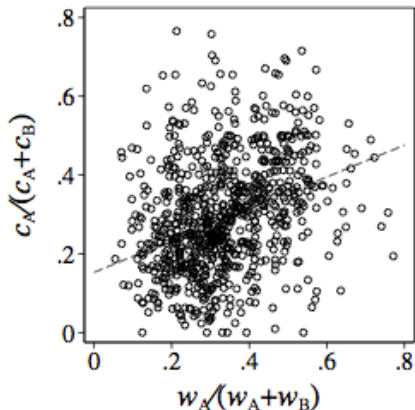
Distribution of household expenditure

Japanese Panel Survey of Consumption



Source: Prepared by Yu Ushioda

Allocation shares versus wage shares



(a) Private consumption

Source: Lise and Yamada (2016), Japanese Panel Survey of Consumption

Measurement challenges

1. Interpretation challenges
 - Differences in preferences
 - Non-separability between consumption and leisure
2. Can we validate these consumption measures?
 - Ask multiple household members
 - Use multiple methodologies like diaries, questionnaires etc...
 - Relationship to BMI and health?
3. How do they correlate with other survey measures of empowerment?
 - E.g. questions on "who decides about what"