

Authors

Susan Godlonton Williams College

Rebecca Thornton Professor of Economics

> Marital Investment under Uncertainty: Couples HIV Testing and Marital Stability By SUSAN GODLONTON AND REBECCA L. THORNTON *

(abcoditumichale). Funding for this study was provided by the offspring and more likely to divorce their The auton graduly according we of the service and facilities relationship between uncertainty and marriage pion Station Compr at the University of Michigan.

by Lucas and Prescott, economists have affects the likelihood of divorce examined investments under uncertainty in a Perhaps nowhere more than in sub-Saharan variety of contexts. Becker et al. (1977) Africa, where adult HIV rates reach as high as applied this concept to marriage suggesting 25 percent, do individuals face such risk and that increased uncertainty in marriage (i.e., the uncertainty within marriage. Coital likelihood of separation or divorce) reduces frequencies and therefore potential exposures the incentive for spouses to invest in marriage. to HIV, among those who are married are specific capital. Several studies have found greater than among those who are not that reducing the barriers to marital (Johnson et al., 2009). Additionally, the desire dissolution, through no-fault divorce laws for for couples to have children requires example, is associated with lower investments unprotected vaginal sex. Within long-term in marriage-specific goods (Landes, 1978; committed relationships, it may be more Johnson and Skinner, 1986; Peters, 1986; difficult to adopt preventative behaviors. For Lommerud, 1988; Lundberg and Rose, 1999; example, suggesting abstinence or condom Stevenson, 2007). Similar studies have found—use to a spouse could easily be interpreted as a

¹ Other paper in connection have examined the impact of smoke committed. relationships in Africa often options on markage and common effecting market outcomes (Rend, 2000, Rend and Methodesch, 2000, Seab and Libyl, 1900).

men are less willing to invest in their alleged riend to-more of Chât Houlth and Homan Developous (NOH)
are numbers RD1 40000003, RD1 40000003 and RD1 4000003 (Alexander, 1974; Anderson et al.,
debe University of Branchbaria University Romach Frankleion.

2005). In this paper we examine the to their the stability in rural Malawi. In particular, we examine how uncertainty about a spouses' Beginning with the seminal article in 1971 HIV status, and thus the risk of HIV exposure,

that with greater uncertainty about puternity, signal of one's own infidelity or mistrust (Chimbiri, 2007). Relying on a spouse's fidelity may also be risky; individuals in

Marital Investment under Uncertainty: Couples HIV Testing and Marital Stability

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 marriagespecific 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, 1 Other papers in economics have examined the impact of outside options in



marriage and contracts affecting marital outcomes (Rasul, 2006; Rasul and Mathoushek, 2008; South and Lloyd, 1995). 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.

March 30, 2015