

## RESEARCH INSIGHT

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# Asset ownership and female empowerment: Evidence from a natural experiment in Pakistan

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### Introduction

The literature shows that women do not have an equal share in wealth as men, even within the same household, where large inequalities exist in ownership of land and productive assets. Women's increased control of resources has been shown to improve their bargaining power in the household. It has improved intergenerational transfers, child development and other indicators of women's autonomy. Inequalities in land and wealth are constraints that cannot be ignored when aiming at forward-looking and equitable development. In patrilineal Pakistan, women are excluded from directly inheriting parental property. Even after the amendment of the Prevention of Anti-Women Practices Act in 2011, which gives women equal rights in inheriting property, over 80 percent women report not receiving their legal share in inheritance. Moreover, as parental assets are rarely passed on to daughters, parents give only marital assets. Thus, marital asset transfers plays the role of a pre-mortem inheritance, transferring a woman's share of parental property to her marital family.

### Our approach

We conduct an EDI case study on the impact of decreased household wealth, due to exposure to the 2010 floods, on marital asset ownership, and subsequently, on female empowerment outcomes in Pakistan. As the flooding was much worse in particular regions, this gives us heterogeneity in the intensity of financial devastation in our sample households. We collect primary data from households that were affected by these floods, and compare them to households that did not experience large losses in assets and wealth, but are comparable otherwise. The data we collect informs us about the constraints on women's asset ownership and help determine the role of female asset ownership and inheritance on women's empowerment and household welfare. We also test the role of asset ownership in changing women's position in the household, leading to decreased association with gender-specific roles. For data on gender norms, we collected a series of Implicit Association Tests (IATs).

### Our findings

*Effect of household shocks on women's assets:* Women's marital assets are used as a first resort for consumption-smoothing due to a wealth shock. Even though legally the wife controls her marital assets, she does not have full control over them. Figure 1 shows that higher losses due to floods are associated with

#### SUMMARY

- ❖ Women's marital assets have an empowerment effect within the household
- ❖ Women's assets are used as a first resort for consumption-smoothing due to a wealth shock.
- ❖ In endogamous marriages, there is a lower expectation of marital payments.
- ❖ There is weak evidence on the association between women's assets and incidence of domestic abuse.

lower possession of marital assets. From qualitative interviews, respondents reported that their marital assets were either sold to cover for flood losses, or returned to the husband's family. However, if a woman is able to retain her marital assets, there is an empowerment effect in decision-making.

*Marriage certificates:* Women in rural Pakistan do not always possess their marriage certificates. Even though the law requires that each marriage party reads and signs their own marriage certificate, and also retain one copy, more often a male family member signs it. Even though a copy is made for the woman, it is usually left behind with the marriage registrars. As shown in figure 2, Women who have read their marriage certificates and are in possession of it, receive a higher amount of brideprice and have a higher decision-making power in the household.

*Endogamy:* Endogamy seems to improve women's autonomy within her marital home. This gives support to the literature on the topic, which finds that endogamy protects women from isolation from their natal families after marriage. Within an endogamous marriage, there is a lower expectation of marital transfers. As shown in figure 3, women in non-endogamous marriages receive a slightly higher brideprice, but dowry amount from parents does not differ between endogamous and non-endogamous marriages.

*Asset ownership and domestic violence:* Surprisingly, we do not find a significant effect of marital assets on domestic abuse. Figure 4 shows that receiving more marital assets only slightly reduces domestic violence. But the attitudes towards domestic violence improve with a higher amount of marital assets. Previous literature on domestic violence has shown that there is under-reporting from respondents and the estimates of domestic violence in the literature are a lower bound of the true effect.

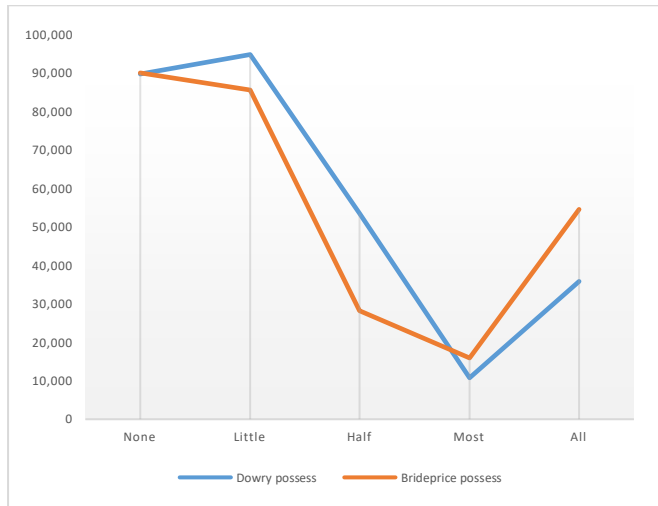


Figure 1: Flood loss in Rupees and Marital asset possession

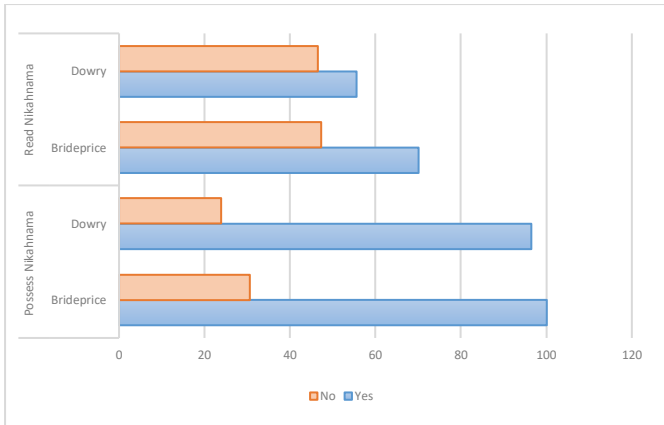


Figure 2: Marriage certificate and assets received

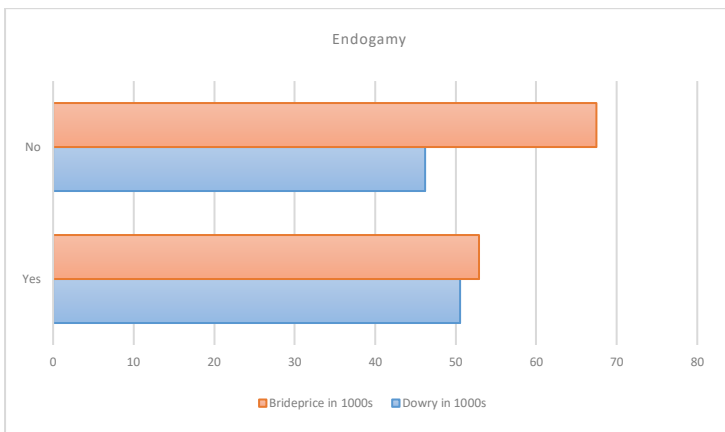


Figure 3: Incidence of endogamy and marital assets

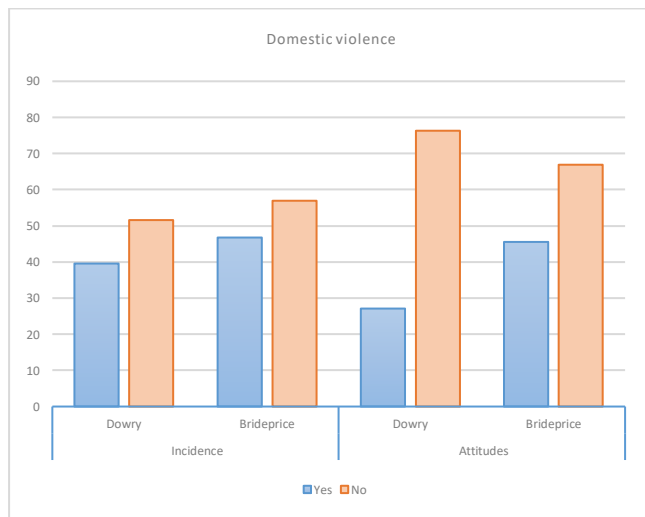


Figure 4: Domestic violence and marital assets

## Research implications and impacts

We estimate the determinants of marital and parental payments in Pakistan, and whether these payments correlate with women’s bargaining power in the household. Our results show that in rural Pakistan, retaining higher marital assets is associated with higher status of women in the household. In order to formulate effective policies for enhancing women's welfare, the effects of marital assets should be examined.

Policies designed to address challenges to women’s asset ownership should focus on the following areas: insuring women’s legal share in parental inheritance, their marital rights, and alleviating barriers faced by women in controlling and ownership of property. While the Marriages (Prohibition of Wasteful Expenses) Act of 1997 imposes a ban on dowry, the law has not discouraged the practice, as it is a deeply rooted custom. A more practical approach would be to provide legal advice to the couple before marriage, and provide title deeds for any immovable property transferred to women. School curriculums should have basic education on marital rights and property rights added to the syllabus. Awareness programs should be implemented to educate women on their inheritance and marital rights and how to seek legal help in granting them their share of inheritance. Often, the government officials involved in inheritance matters and marriage registration do not comply with the laws, either due to misinformation or coercion. Government officials and marriage registrars should be given training on the procedural requirements for property transfers and marital contracts. The capacity-building of the marriage registrars should be improved and the process of registration of marriages should be simplified.

## About EDI

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