Abstract
Households, traditionally run by a husband and wife, are responsible for many of the most crucial decisions made in society. Anything that changes the power structure within the household will thus have dramatic implications for the economy at large. In one of the greatest shifts of household bargaining power in human history, common law countries began giving economic rights to married women in the second half of the 19th century. Before this "women's liberation," married women were subject to the laws of coverture, which granted the husband virtually unlimited power within the household. This paper explores the ramifications of coverture's demise on the decision making of households. In particular, we use the full US census from 1850 to 1920 and exploit contiguous county-pairs bordering states that granted rights at different times. Using an event-study design, we show that granting women property rights led to a dynamic decrease in fertility and an increase in the education of children of both sons and daughters. However, we do not find evidence that women's rights affected female labor force participation. Additionally, we exploit the fact that these rights were not granted retroactively, and compare couples married before and after rights were granted. This alternative strategy both confirms our findings and provides evidence for potential mechanisms. We argue that shifting bargaining power from husband to wife is the economic mechanism most likely to account for the documented effects of women's rights.