

[Home](#) > [Journal of Family and Economic Issues](#) > Article

Original Paper | [Published: 23 February 2008](#)

Family Financial Risk Taking When the Wife Earns More

[Nancy Ammon Jianakoplos](#)  & [Alexandra Bernasek](#)

Journal of Family and Economic Issues **29**, 289–306
(2008)

834 Accesses | **43** Citations | [Metrics](#)

Abstract

This study investigates whether the relative bargaining power of spouses plays a role in explaining household financial risk taking. Traditional models assume that household decisions are made based on pooled resources and common preferences. In contrast, bargaining models hypothesize that household decisions depend on the relative bargaining power of spouses. According to bargaining models, if women are more risk averse, then households should exhibit less financial risk taking as the

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

Access options

Buy article PDF

39,95 €

Price includes VAT (Poland)

Instant access to the full article PDF.

[Rent this article via DeepDyve.](#)

[Learn more about Institutional subscriptions](#)

Notes

1. We do not distinguish between the three categories of perceived risk taking because the highly subjective nature of the survey question makes this distinction problematic. For example, one respondent's

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

responses together. These additional results are available on request from the authors.

References

Barsky, R. B., Juster, F. T., Kimball, M. S., & Shapiro, M. D. (1997). Preference parameters and behavioral heterogeneity: An experimental approach in the Health and Retirement Study. *The Quarterly Journal of Economics*, *112*, 537–579.

Batjelsmit, V. L., & VanDerhei, J. A. (1997). Risk aversion and retirement income adequacy. In M. S. Gordon, O. S. Mitchell, & M. M. Twinney (Eds.), *Positioning pensions for the twenty-first century* (pp. 45–66). Philadelphia: University of Pennsylvania Press.

Becker, G. S. (1981). *A treatise on the family*. Cambridge MA: Harvard University Press.

Bernasek, A., & Bajtelsmit, V. L. (2002). Predictors of women's involvement in household financial decision-making. *Financial Counseling and Planning*, *13*(2), 39–47.

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

Board of Governors of the Federal Reserve System.
(2006) *Codebook for the 2004 Survey of Consumer Finances*. Retrieved May 18, 2007, from
<http://www.federalreserve.gov/pubs/oss/oss2/2004/scf2004home.html>.

Brown, E., & Slivinski, A. (2000). Household decisions regarding charitable gifts. *Claremont Colleges Working Papers in Economics*. Retrieved November 16, 2007, from
<http://www.econ.claremontmckenna.edu/papers/2000-45.pdf>

Browning, M., Bourguignon, F., Chiappori, P-A., & Lechene, V. (1994). Incomes and outcomes: A structural model of intra-household allocation. *Journal of Political Economy*, 102, 1067–1096.

Bucks, B. K., Kennickell, A. B., & Moore, K. B. (2006). Recent changes in U.S. family finances: Evidence from the 2001 and 2004 Survey of Consumer Finances. *Federal Reserve Bulletin*. January, A1–A38.

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

Finke, M. S., & Huston, S. J. (2003). The brighter side of financial risk: Financial risk tolerance and wealth. *Journal of Family and Economic Issues*, 23, 233–256.

Friend, I., & Blume, M. E. (1975). The demand for risky assets. *American Economic Review*, 65, 900–922.

Haddock, S. A., Zimmerman, T. S., Lyness, K. P., & Ziemba, S. J. (2006). Practices of dual earner couples successfully balancing work and family. *Journal of Family and Economic Issues*, 27, 207–234.

Hinz, R., McCarthy, D. D., & Turner, J. A. (1997). Are women conservative investors? Gender differences in participant-directed investments. In M. S. Gordon, O. S. Mitchell, & M. M. Twinney (Eds.), *Positioning pensions for the twenty-first century* (pp. 91–103). Philadelphia: University of Pennsylvania Press.

Jianakoplos, N. A. (2002). Invest as I say, not as I do? Gender differences in financial risk preferences. *International Business & Economics Research Journal*,

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

more risk averse? *Economic Inquiry*, 36, 620–630.

Lai, C. W. (2006). Determinants of portfolio efficiency losses in U.S. self-directed pension accounts. *Journal of Family and Economics Issues*, 27, 601–625.

Lundberg, S. J., Pollak, R., & Wales, T. J. (1997). Do husband and wives pool their resources? Evidence from the U.K. child benefit. *Journal of Human Resource*, 32, 463–480.

Mano-Negrin, R., & Katz, R. (2003). Money management patterns of dual-earner families in Israel. *Journal of Family and Economic Issues*, 24, 49–72.

Mazzocco, M. (2004). Saving, risk sharing, and preferences for risk. *American Economic Review*, 94, 1169–1182.

McElroy, M. B., & Horney, M. J. (1981). Nash bargained household decision-making. *International Economic Review*, 22, 333–349.

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

and income growth. *Journal of Labor Economics*, 14, 626–653.

Siegal, F. W., & Hoban, J. P. (1991). Measuring risk aversion: Allocation, leverage, and accumulation. *Journal of Financial Research*, 14, 27–35.

StataCorp (2005). *Stata statistical software: Release 9.0*. College Station, TX: Stata Corp LP.

Stout, H. (2005, February 10). The new family portfolio manager: Mom. *Wall Street Journal*, D1.

Swain, L. L., & Grasky, S. (2007). Migration decisions of dual-earner families: An application of multilevel modeling. *Journal of Family and Economic Issues*, 28, 151–170.

U.S. Census Bureau. (2005). Table F-22. Married couple families with wives' earnings greater than husbands' earnings: 1981 to 2003 (selected years). Retrieved May 27, 2005, from <http://www.census.gov/hhes/www/income/histinc/f22>.

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

persistent phenomenon for couples? *Demography*, 42, 523–535.

Woolley, F. (2003). Control over money in marriage. In S. A. Grossbard-Schechtman (Ed.), *Marriage and the economy* (pp. 105–128). Cambridge: Cambridge University Press.

Yao, R., & Hanna, S. D. (2005). The effect of gender and marital status on financial risk tolerance. *Journal of Personal Finance*, 4, 66–85.

Author information

Authors and Affiliations

Department of Economics, Colorado State University, 1771 Campus Delivery, Fort Collins, CO, 80523-1771, USA

Nancy Ammon Jianakoplos & Alexandra Bernasek

Corresponding author

Correspondence to [Nancy Ammon Jianakoplos](#).

Rights and permissions

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)

Published Issue Date

23 February 2008 June 2008

DOI

<https://doi.org/10.1007/s10834-008-9102-2>

Keywords

Bargaining theory

Dual earners

Financial risk taking

Household decision making

Search

Search by keyword or author



Navigation

Find a journal

Publish with us

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy policy](#).

Accept all cookies

[Manage preferences](#)

Your Privacy

We use cookies to make sure that our website works properly, as well as some optional cookies to personalise content and advertising, provide social media features and analyse how people use our site. By accepting some or all optional cookies you give consent to the processing of your personal data, including transfer to third parties, some in countries outside of the European Economic Area that do not offer the same data protection standards as the country where you live. You can decide which optional cookies to accept by clicking on "Manage preferences", where you can also find more information about how your personal data is processed. Further information can be found in our [privacy_policy](#).

Accept all cookies

[Manage preferences](#)