Abstract

Over the course of the second half of the 19th century, states in the US, which were entirely dominated by men, gave married women property rights. Before this “women’s liberation”, married women were subject to the laws of coverture. Coverture had detailed laws as to which spouse had ownership and control over various aspects of property both before and after marriage. This paper develops a general equilibrium model with endogenous determination of women’s rights in which these laws affect portfolio choices, leading to inefficient allocations. We show how technological advancement eventually leads to men granting rights, and in turn how these rights affect development. We show how key implications of the model are consistent with cross-state empirical evidence in the US. Specifically, the dynamics of non-agricultural employment after rights are granted fit exactly with the model’s prediction.