

Themis: Research Journal of Justice Studies and Forensic Science

Volume 10

Article 1

2022

The Impact of Intimate Partner Violence on Women's Financial Wellbeing

Rowan Dunton

Follow this and additional works at: <https://scholarworks.sjsu.edu/themis>



Part of the [Criminology and Criminal Justice Commons](#), [Social Control, Law, Crime, and Deviance Commons](#), and the [Social Justice Commons](#)

Recommended Citation

Dunton, Rowan (2022) "The Impact of Intimate Partner Violence on Women's Financial Wellbeing," *Themis: Research Journal of Justice Studies and Forensic Science*: Vol. 10 , Article 1. <https://doi.org/10.31979/THEMIS.2022.1001> <https://scholarworks.sjsu.edu/themis/vol10/iss1/1>

This Peer-Reviewed Article is brought to you for free and open access by the Justice Studies at SJSU ScholarWorks. It has been accepted for inclusion in Themis: Research Journal of Justice Studies and Forensic Science by an authorized editor of SJSU ScholarWorks. For more information, please contact scholarworks@sjsu.edu.

The Impact of Intimate Partner Violence on Women's Financial Wellbeing

Abstract

Domestic violence and intimate partner violence against women affects all aspects of their health, including physical, mental, emotional, and economic health. When social programs, support networks, and better opportunities exist to improve the lives of female survivors, the financial impact of their abuse can be addressed and reduced in a significant, sustainable manner. Reviewing existing literature on this financial impact of abuse makes it apparent what women want and need to recover from their former, or even ongoing, situations. Effective preventative measures against financial harm include closing the gender wage gap and offering welfare programs for lower-income women to increase their economic opportunities, while restorative measures include financial educational curriculums and social services like dedicated shelters for female survivors. Through a greater understanding of avenues to support survivors of abuse, implications for policies at all levels of government arise.

Keywords

Domestic Violence, Intimate Partner Violence, Financial, Women

The Impact of Intimate Partner Violence on Women's
Financial Wellbeing

Rowan Dunton

Abstract

Domestic violence and intimate partner violence against women affects all aspects of their health, including physical, mental, emotional, and economic health. When social programs, support networks, and better opportunities exist to improve the lives of female survivors, the financial impact of their abuse can be addressed and reduced in a significant, sustainable manner. Reviewing existing literature on this financial impact of abuse makes it apparent what women want and need to recover from their former, or even ongoing, situations. Effective preventative measures against financial harm include closing the gender wage gap and offering welfare programs for lower-income women to increase their economic opportunities, while restorative measures include financial educational curriculums and social services like dedicated shelters for female survivors. Through a greater understanding of avenues to support survivors of abuse, implications for policies at all levels of government arise.

The Impact of Intimate Partner Violence on Women's Financial Wellbeing

Domestic violence (DV) and intimate partner violence (IPV) have both immediate and long-term effects on victims, including harmful consequences for physical, mental, and emotional health. However, one critical, yet under-researched aspect of IPV is the role that finances play. This paper will look at female victims of IPV and how, both within and removed from domestically violent relationships, there are negative economic effects for those women. Financial harm can occur during and after a relationship; for many survivors, the toll of this harm is felt for a long time after leaving an abusive situation.

It has been demonstrated that better financial opportunities help reduce, if not outright prevent, abusive situations. These opportunities can include programs such as welfare and wage subsidies. Additionally, reducing the wage gap between men and women is potentially crucial to mitigating those situations of abuse. Furthermore, it is important to also analyze and discuss steps being taken to help survivors of IPV, such as aid from shelters, social worker support, and financial education curriculums. The question that now stands is how to design, develop, and implement these changes on a large scale.

In order to properly address this question, the current paper will be broken into multiple sections, as this is a complex and multifaceted issue. For the purposes of the research, this paper's scope only encompasses heterosexual relationships where the male partner perpetuates the abuse against the female partner. To begin, DV and IPV will be briefly discussed to provide context and background. Further to this, economic abuse within situations of IPV will be explained and the methodologies used to measure it will also be presented. Then, two broad areas will be defined:

ways to provide aid before or during an abusive situation (preventative or reductive aid) and ways to offer support after an abusive situation (restorative aid). Each will be discussed in the context of existing literature as well as potential practical and policy implications for each. Through all of this, it will become apparent that it is critical to provide help to female survivors of IPV. By offering programs, support networks, and overall better opportunities for survivors of abuse, the harmful financial impacts of DV and IPV can be addressed, reduced, and handled in a meaningful, long-lasting way.

Literature Review

Domestic Violence and Intimate Partner Violence as Related to Financial Harm

The United States Department of Justice defines domestic violence (DV) as "felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim..." (2020), while the Centers for Disease Control and Prevention states that intimate partner violence (IPV) is "a serious, preventable public health problem that affects millions of Americans" (2020). Both DV and IPV manifest as physical, psychological, and sexual harm inflicted by one partner or spouse against the other. In addition, these forms of abuse can and often do result in negative financial consequences.

Economic abuse is a category of behaviors or actions "that control a woman's ability to acquire, use, and maintain economic resources" (Adams et al., 2008, p.564). Multiple studies have concluded that economic abuse is a distinct form of IPV, occupying a space alongside physical and emotional abuse. Abusers use tactics to prevent women from acquiring resources and will actively manipulate or exploit those resources, as well as attempt to hinder her from finding or keeping employment

(Adams et al., 2008, 2020, Weaver et al., 2009). These forms of abuse are economic; they are designed to keep the abusive man in power financially, at the literal expense of his partner. Various studies have interviewed female survivors of economic abuse and uncovered an array of behaviors. For example, one woman had an ex-husband whose gambling addiction led him to take out "loans not only in his name but also in mine [the woman]" (Ulmestig & Eriksson, 2020). Now, despite having left the relationship, she is still attempting to recover financially from the toll the behavior of her husband took. Abusers may also hurt their partners' credit scores, thus not only causing short-term issues but long-term ones as well (Adams et al., 2020).

A way to visualize the ways different forms of abuse occur in situations of IPV is using the Duluth Model wheel of Power and Control [see Appendix]. In this model, the ways abuse is carried out are shown as the spokes or wedges of a wheel. By examining it closely, it is clear how these different components can contribute to financial harm. The *Using Intimidation* wedge includes "smashing things...destroying her property," which could include such behavior as an abusive partner breaking his partner's phone, her laptop, or other expensive devices that would require a nontrivial amount of money to repair or replace (DAIP, 2017). The *Using Isolation* wedge discusses how a partner may control what a woman does or where she goes or even restrict her outside involvement (DAIP, 2017). Economic isolation may show up as the abusive man forcing his partner to stay at home all the time, making her work fewer hours, or even outright preventing her from employment at all. The *Economic Abuse* wedge succinctly provides examples of what has previously been discussed in terms of how men take direct action to financially damage their partners.

Understanding Patterns of Economic Abuse

Understanding Economic Abuse Using Scales

Beyond the holistic approach to viewing domestic violence's impact on a woman's finances, a measurement of economic abuse specifically has been developed to quantify the experiences of survivors and gain a more thorough understanding of how abusers control or attempt to control the financial resources of their female partners. Adams et al. (2008) developed the Scale of Economic Abuse (SEA), which had 28 items and two subscales, Economic Control and Economic Exploitation. The SEA was proposed to assist professionals in creating intervention programs and helping the economic health of women who have been financially harmed by an abusive partner. In 2016, Postmus et al. revisited the scale using a longitudinal study of women who were taking part in a financial literacy program. They reduced the number of items on the scale to 12 and expanded the number of subscales to three by including Employment Sabotage as a category, resulting in the SEA-12 (Postmus et al., 2016). Most recently, Adams et al. developed the SEA2, a two-dimensional revision of the original scale, using the subscales Economic Restriction and Economic Exploitation (2020). Though all three of these scales are useful tools: the original SEA for its depth of captured information, the accessibility of the SEA-12 in its brevity, and the 2D model of the SEA2, it is only the latter which will be examined as part of this paper.

The SEA2 covers much of the same ground as its previous iterations. The Economic Restriction dimension is similar to the Economic Control subscale previously included; however, this new term is considered more precise as it draws a distinct line between Restriction and Exploitation (Adams et al., 2020). Items under Restriction include "hide[s] money so that you could not

find it," "keep[s] you from having a job or going to work," and "keep[s] financial information from you" (Adams et al., 2020, p.273). This trend of behaviors forces a dependency on the abusive partner, where the victim relies on them for resources, both financial and material (Adams et al., 2020; Moe & Bell, 2004; Postmus et al., 2016; Sullivan (1991, as cited in Weaver et al., 2012)). The subscale Economic Exploitation has retained its name but now includes a greater emphasis on debt. Economically abusive partners freeload (ex., making victims pay all bills or use their money to buy goods for the abuser), steal, and generate debt in the name of the victim, as previously demonstrated (Adams et al., 2020). The victim may not only be dependent on their abusive partner for resources but their very own money and materials are being taken away for the benefit of the abuser (Adams et al., 2008, 2020; Moe & Bell, 2004).

Understanding Economic Abuse with Game Theory

Another way to consider economic abuse and financial sabotage is through models that posit a game theory approach to how abusers behave towards their victims. Though the literature in this area of research is almost entirely theoretical, they often resemble real-world scenarios and make sense even within the vacuum of theory. According to Farmer and Tiefenthaler (1997), interactions between men and women in relationships can be modeled as a strategic game. This game is based on a noncooperative relationship, where altruistic behavior may factor in. In the paper, the man and woman must derive as much utility, or usefulness, from the relationship as they would obtain if they left it. This threshold is called the threat point and is of the most importance for the woman; it, in essence, determines how much violence she will tolerate from the man in exchange for some transfer of goods or positive behavior (Farmer & Tiefenthaler,

1997). The solution to the model demonstrates that as a woman's threat point increases, the amount of violence within the relationship falls, as she is now more likely to leave the relationship and find her desired utility exogenously. The threat point rises with an increase in income or with a provision of external services (Farmer & Tiefenthaler, 1997).

Anderberg and Rainer (2012) present another theory of economic abuse. Their model attempts to rationalize why abusive men deliberately sabotage their partners' labor market prospects. Similar to Farmer and Tiefenthaler, this paper discusses the relationship as a game in which achieving the most utility from the relationship is the ultimate goal. They also include a parameter of caring, which, when at equilibrium, almost entirely rules out abusive or noncooperative behavior. Either partner can specialize more in the labor market or more in the household. A key result that they uncovered was that the man's incentive for abuse may be parabolic in nature: when his partner has very low or very high wages relative to his own, the man acts less violently. In the first instance, the man can support her financially and make her specialize in household production, which is assumed to be a major positive for his derived utility. In the second, the woman's labor market status is too significant, and economic sabotage would have overwhelmingly negative consequences for both partners' utility. However, at intermediate relative wages, economic abuse occurs as the man attempts to force his partner to shift into household specialization (Anderberg & Rainer, 2012).

Both of these models, while theoretical, are useful for developing a framework for thinking about the why of economically abusive relationships. The innate complexity of real-world relationships makes it nearly impossible to apply these models' solutions outside their theories, but they do provide

intuitive results. Partners in a relationship want to be as happy and satisfied in that relationship as they can be. If they would be happier elsewhere, then it follows that they would exit the relationship. For women in abusive or non-cooperative situations, when they are provided with financial support that increases the likelihood they would do well independently (increasing the threat point), they have greater leverage and will, at least according to the models, “tolerate” less violence. Some concerns arise where, in the Anderberg and Rainer model, if a low-income woman was provided with monetary support, her income may move to that at-risk intermediate category; however, not enough empirical evidence exists in the literature to provide a definitive conclusion.

Forms of Aid

Preventative and Reductive Aid

Preventative and reductive aid seek to stop or mitigate harm in abusive situations. Two categories within this domain can be considered: the first, general service support, such as welfare policies and shelter programs; the second, the closure of the gender wage gap. It is important to note that although generalizations can be made for the premises of most abusive situations, every scenario is unique, and therefore the literature is limited in terms of what it can prescribe or imply.

External services include financial assistance programs, such as Temporary Assistance to Needy Families (TANF) and women's shelters. Farmer and Tiefenthaler (1997) indicate via comparative statistics that exogenous resources decrease abuse levels when those resources are available to a woman and she remains in the relationship. Again, this relates to the idea of the threat point posited in the game theory model of relationships.

The gender wage gap has a marked influence on the level of abuse experienced within a relationship. By closing, or

decreasing, this gap, it has been demonstrated that violence against women also decreases. Put another way, increasing women's wages decreases the level of violence they face in relationships (Aizer, 2010; Farmer & Tiefenthaler, 1997; Anderberg & Rainer, 2012). In an article by Aizer (2010), the author states that "pay parity can also improve the health of American women via reductions in violence" (p. 1848); given that domestic violence is a public health issue, this sentence encompasses the general sentiment that by providing more equity for women, their lives improve in both the personal and professional realms. It is important to consider women's relative wages, rather than the absolute, as the potential wages are what factor into bargaining power in terms of the threat point (Aizer, 2010). When women are more financially self-efficacious and secure, they have more bargaining power in a relationship. From 1990 to 2003, it was found that the decline in the wage gap accounted for a nine percent reduction in violence (Aizer, 2010). By increasing labor market opportunities and wages for women, it is possible to reduce violence inflicted against them.

Restorative Aid

Restorative aid includes all forms of support that arise as a woman is attempting to leave or has left an abusive situation. For the purposes of this paper, it will include provided services, such as domestic violence support agencies and social workers, as well as programs like financial education curriculums.

First, it is imperative to understand what survivors want and need in terms of support. A one-size-fits-all approach is unlikely to have benefits for the majority of its recipients. Ulmestig and Eriksson (2017) interviewed 13 women who interacted with the Swedish social assistance system at various points during and after abusive relationships. Survivors felt the

most supported when social workers provided emotional support, social recognition, and encouragement to become independent of the system. When their agency and decision-making was corroborated by the actions of the social worker, in addition to any other financial or material support, the women were better able to move on with their lives (Ulmestig & Eriksson, 2017). A further set of interviews with 13 survivors and ten social workers underscored this conclusion: survivors must be seen by the system as *individuals* in need of assistance, where each woman requires a personalized approach, and her expectations of support must be considered (Ulmestig, 2020). Another important point brought up by Ulmestig (2020) is that the difficulties survivors face last a long time after separation.

This longevity of hardships plays a role in how aid can be administered. DV and IPV have lasting negative consequences on the financial health of women. Adams et al. (2013) found that these effects persist for up to three years after the last incident of IPV; there are both immediate consequences wherein a woman may be unemployed from a particular position due to her abusive partner as well as lasting ones, where the sustainability of a job is difficult even post-separation. As mentioned before, accrued debt or a damaged credit score can follow a woman out of a relationship and affect her ability to be employed, own a house, or obtain necessities (Adams et al., 2013, 2020; Weaver et al., 2009). Given all this, it becomes crucial for domestic violence advocates to understand how they can help survivors. Suggestions for improving the financial quality of life for abused women include connecting them to resources that would support their efforts to find and maintain employment, such as transportation, training, and childcare, and providing educational materials to help them

secure economic literacy and independence (Adams et al., 2013, 2020; Postmus et al., 2015).

Financial education curriculums seek to improve consumer knowledge about personal finances and finance management. For women who have left abusive situations and are now struggling financially, such curriculums are valuable in helping them not only improve their economic wellbeing but attain independence from both their abusers and possible shelter programs they may rely on (Postmus et al., 2015). Furthermore, Postmus et al. (2015) found that implementing a strong curriculum, such as the Allstate Foundation curriculum used in the authors' research, at pivotal moments in a survivor's experience, will reduce the long-term harmful effects of IPV or economic abuse.

Summary

Intimate partner violence can adopt many forms, but regardless of the shape it takes, the abuse survivors suffer both short- and long-term negative consequences financially. Economic abuse, a distinct form of IPV, doubles down on those harmful financial effects, and can result in persistent issues for months and years after the dissolution of the relationship (see: Adams et al., 2013; Ulmestig & Eriksson, 2017; Ulmestig, 2020; Weaver et al., 2013). Theoretical models applying game theory have been developed to understand the bargaining nature of relationships and from these models it is possible to extract potential solutions to how abuse and violence begin (Anderberg & Rainer, 2012; Farmer & Tiefenthaler, 1997). While such mitigating methods are useful, more literature exists on how to support women after they have left abusive situations (see: Adams et al., 2008, 2020; Postmus et al., 2015; Ulmestig & Eriksson, 2017; Ulmestig, 2020; Weaver et al., 2009). Though research has

come a long way in understanding how IPV and economic abuse specifically affect women's financial wellbeing, the best path forward policy-wise is still being considered.

Conclusion

When women are provided support before, during, and after abusive situations, they are better equipped to provide for themselves and any dependents. Finances are just one aspect of their lives, but economic stability makes it considerably easier for them to live without fear of returning to their partner, coming and going out of shelters, or not having enough money to pay for basic needs.

Over the course of this paper, practical implications of the existing literature have been discussed and analyzed. Three major, tangible ways in which society can shift to better provide that crucial help to female survivors of IPV include the following: 1) provision of equitable wages to men and women, reducing the wage gap and thus decreasing levels of violence against women; 2) adjustment of the one-size-fits-all approach within social assistance programs, wherein women are viewed as individuals and their needs are heard and respected; 3) integration of better financial education curriculums to support survivors and enable them to achieve financial independence, security, and stability.

These areas of action can be refined further by continuing to conduct research on economic abuse and its long-term effects using longitudinal studies; additionally, further interviews with survivors and assessments of their needs will continue to provide information about how domestic violence advocates and society at large can better support these women.

Every person deserves the right to live a fulfilled, independent life free from overwhelming fear, anxiety, or stress. The tolls of IPV and economic abuse are steep for women who

have been subjected to them. By providing survivors with concrete aid and support, societies around the globe can ensure that this vulnerable population's needs do not go unmet. With an ever-growing body of literature to support this necessity, more and more evidence has arisen in the past couple of decades that points to how women who have survived abusive situations can be supported, cared for, and set free of previous burdens.

References

- Adams, A.E., Sullivan, C.M., Bybee, D., & Greeson, M.R. (2008). Development of the scale of economic abuse. *Violence Against Women, 14*(5), 563-588. <https://doi-org.libaccess.sjlibrary.org/10.1177%2F1077801208315529>
- Adams, A.E., Tolman, R.M., Bybee, D., Sullivan, C.M., & Kennedy, A.C. (2013). The impact of intimate partner violence on low-income women's economic well-being: The mediating role of job stability. *Violence Against Women, 18*(12), 1345-1367. <https://doi-org.libaccess.sjlibrary.org/10.1177%2F1077801212474294>
- Adams, A.E., Greeson, M.R., Littwin, A.K., & Javorka, M. (2020). The revised scale of economic abuse (SEA2): Development and initial psychometric testing of an updated measure of economic abuse in intimate relationships. *Psychology of Violence, 10*(3), 268-278. <http://dx.doi.org.libaccess.sjlibrary.org/10.1037/vio0000244>
- Aizer, A. (2010). The gender wage gap and domestic violence. *American Economic Review, 100*(4), 1847-1859. <https://doi.org/10.1257/aer.100.4.1847>
- Anderberg, D., & Rainer, H. (2012). Economic abuse: A theory of intrahousehold sabotage. *Journal of Public Economics, 97*, 282-295. <https://doi-org.libaccess.sjlibrary.org/10.1016/j.jpubeco.2012.10.008>
- Centers for Disease Control and Prevention. (2020, October 9). *Intimate partner violence*.

<https://www.cdc.gov/violenceprevention/intimatepartnerviolence/index.html>

Department of Justice. (2020, October 23). *Domestic violence*.

<https://www.justice.gov/ovw/domestic-violence>

Domestic Abuse Intervention Programs. (2017). *Power and control* [Graphic chart]. Domestic

Abuse Intervention Programs.

<https://www.theduluthmodel.org/wp-content/uploads/2017/03/PowerandControl.pdf>

Farmer, A., & Tiefenthaler, J. (1997). An economic analysis of domestic violence. *Review of Social Economy*, 55(3), 337-358.

<https://doi.org/10.1080/00346769700000004>

Moe, A. & Bell, M. (2004). Abject economics: The effects of battering and violence on women's work and employability. *Violence Against Women*, 10(1), 29-55.

<https://doi.org/10.1177/1077801203256016>

Postmus, J.L, Plummer, S., & Stylianou, A. (2016).

Measuring economic abuse in the lives of survivors: Revising the scale of economic abuse.

Violence Against Women, 22(6), 692-703.

<https://doi.org/10.1177/1077801215610012>

Postmus, J.L., Hetling, A., & Hoge, G.L. (2015).

Evaluating a financial education curriculum as an intervention to improve financial behaviors and financial well-being of survivors of domestic violence: Results from a longitudinal randomized controlled study. *Journal of Consumer Affairs*, 49(1), 250-266.

<http://dx.doi.org.libaccess.sjlibrary.org/10.1111/joca.12057>

Ulmestig, R., & Eriksson, M. (2017). Financial consequences of leaving violent men – Women survivors of domestic violence and the social assistance system in Sweden. *European Journal of Social Work*, 20(4), 560-571.

<https://doi.org/10.1080/13691457.2016.1188778>

Ulmestig, R. (2020). Two sides of the coin – Domestic violence survivors' expectations of financial support and social workers' expectations of survivors within the social assistance system. *Nordic Social Work Research*, 10(2), 144-157.

<https://doi.org/10.1080/2156857X.2018.1531779>

Weaver, T.L., Sanders, C.K., Campbell, C.L., & Schnabel, M. (2008). Development and preliminary psychometric evaluation of the domestic violence—Related financial issues scale (DV-FI). *Journal of Interpersonal Violence*, 24(4), 569-585.

<https://doi.org/10.1177/0886260508317176>

Appendix



DOMESTIC ABUSE INTERVENTION PROGRAMS
202 East Superior Street
Duluth, Minnesota 55802
218-722-2781
www.theduluthmodel.org

Figure 1: Domestic Abuse Intervention Programs. (2017). Power and control [Graphic chart]. Domestic Abuse Intervention Programs. Retrieved from <https://www.theduluthmodel.org/wp-content/uploads/2017/03/PowerandControl.pdf>