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To CERF Board Members:

This is the report on progress for the project "Risk Preferences and Portfolio Choice: An Intra-household Perspective", which I am pursuing during my CERF Fellowship.

Project Update:

The title of the project has been changed as "**The Gender Gap in Household Bargaining Power**" to reflect its updated materials.

**Abstract:**

We quantify how bargaining power is distributed when spouses make financial decisions together. We build a model in which each spouse has a risk preference and must bargain with each other to make asset decisions for the household. By structurally estimating the model with longitudinal data from Australian households, we show that the average household's asset allocation reflects the husband's risk preference 44% more than the wife's. This gap in bargaining power is partially explained by gender differences in income and employment status, but is also due to gender effects. We provide further evidence that links the distribution of bargaining power to views on gender norms in the cross-section.

**This paper is available at:**

[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3814200](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3814200)

Plan for the next step:

We have just finished a working paper version of this project. We will present this paper in various seminars and conferences to gather feedbacks and then revise our paper.

Yours ever,

Weilong Zhang