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# Exposure to Intimate Partner Violence and Repayment of Microcredit: Evidence from Field Experiments in Bangladesh

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## Abstract

This paper investigates the impact of intimate partner violence on poor women's repayment behavior in microcredit. In a laboratory-based field experiment, we extended collateral-free small loans to 485 currently married women in rural Bangladesh and observed their repayment decisions over multiple loan cycles. In a post-experiment survey, we asked subjects about their experience of spousal violence. We find that women who experienced physical or sexual violence in the last 12 months are more likely to strategically default on their loans relative to those who did not experience such violence. We conducted several robustness tests, and the results suggest that the negative correlation between victimization and loan repayment rates is unlikely to be explained by selection into victimization, non-random underreporting of violence, or the subjects' attitude toward risk.

**JEL Codes:** J12; G21; C91.

**Key Words:** Intimate partner violence; microcredit; strategic default; field experiments.

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