

Can anti-poverty policies reduce conspicuous consumption?

Evidence from wedding expenditures in Tajikistan

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Abstract

This paper analyses whether anti-poverty policies in poor countries can reduce conspicuous consumption and improve household spending in areas deemed more essential (food, health, education). Classical steering taxes are not applicable for status goods which might become even more attractive due to an upward sloping demand curve, so governments can only try to ban lavish consumption. The empirical analysis exploits a unique quasi-experiment from Tajikistan, where the President introduced a strict law banning and monitoring overly extravagant wedding celebrations. Spending on the celebrations exceeded twice the annual per capita income before the new law. Using a joint modeling strategy and diff-in-diff on newly collected panel data, we analyze (i) the compliance of households with the new law and (ii) the consumption consequences from compliance. We find that compliance depends on the available household wealth and the strategy to finance the wedding. Rich households and very poor households show little response in their wedding expenditure behavior, while medium income households lower expenditures. This somewhat surprising finding is explained by the fact that young men have to migrate abroad in order to finance their wedding. While the law reduced migration among medium income households, young men from poor households have still no chance to finance a wedding other than through migration. Conditional on the income level, we find evidence for a consumption shift from conspicuous wedding expenditures to food and non-food consumption among compliers. Investments in health and education do not grow significantly.

JEL: I38, H31, H23, J61

Keywords: anti-poverty policy, wedding celebration, conspicuous consumption, government policy, externality

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Introduction

How can governments reduce undesirable consumption? A paternalistic view of the government suggests that policy makers are better informed than individuals about their optimal consumption. And most governments do actually intervene in the market for consumption goods in order to reduce the purchase of ‘wrong’ goods. The most commonly used instruments are steering taxes on cigarettes, alcohol, lottery tickets, or cars, which increase the price of these commodities (Corneo and Jeanne, 1997). The problem of reducing, for instance, tobacco consumption using taxes lies in the fact that the addicts’ demand might not be very elastic.

Another group of consumption commodities that is hard to tax are status goods. Taxes might even become counter-productive if applied to goods that are characterized by an upward-sloping demand curve. These goods are purchased for prestige and status reasons, and their conspicuous consumption might increase rather than decline with rising prices. This said, taxes may be inappropriate policy instruments under non-neoclassical assumptions when individuals’ utility depends on their absolute as well as relative level of consumption. If consumers compare their status derived from consumption of a specific good with the status of others, the only effective policy instrument to combat status consumption might be a product (consumption) ban, an infinite tax.

This paper exploits an unusual policy change to analyze the effectiveness of a product ban as well as to estimate the corresponding budget reallocation. More specifically, the policy intervention of interest is the ban of overly excessive wedding celebrations in a poor country, Tajikistan. The investigation is performed in two steps of which the first one concerns the compliance with the policy for which a joint migration-compliance model is estimated. The second part of the analysis focuses on changes in the consumption patterns of complying households and asks specifically how the reduced wedding expenditures affect food consumption as well as education and health expenditures.

The results of the paper clearly show a differential impact of the ban on excessive wedding expenditures across the income distribution. While high income households do not comply with the policy, compliance among poor households depends on whether they can afford relatively cheaper wedding with or without income from international labor migration. Those who can afford the post-policy wedding expenditure level without migration while they hadn’t been able to spend the pre-policy level (of the social norm) without moving are clearly complying with the new rule and hence significantly reduce their propensity to move abroad.

A simple test reveals that those who comply with the law also increase their per capita food and non-food consumption levels at a given budget constraint. Expenditures on non-food expenditures increase especially strong as a consequence of compliance while socially accepted investments in education or health are insignificant.

Background

The phenomenon of conspicuous consumption as a means of displaying desired social status was first described by Adam Smith and Thorstein Veblen. In their exposition of the concept, consumption generated a “secondary utility” that was entirely generated from signalling. Kyrk (1933) noted that social processes might well determine a standard of consumption that potentially follows irrational patterns. By this she pointed to a literature concerning the distortive effects of conspicuous consumption on the demand for non-positional goods that emerged only 50 years later (Frank, 1985). Recently, this was complemented by models that show how conspicuous consumption can keep poor households in poverty traps (Moav and Neeman, 2010).

The empirical literature so far has provided evidence that status consumption is a phenomenon across the entire welfare distribution and that even the poorest households spend tremendous amounts on consumption that draws resources even off basic needs (Banerjee and Duflo, 2007). Wedding expenditures as a form of conspicuous consumption have been analyzed in several developing countries. Bloch, Rao and Desai (2004) find for India that the splendor of the wedding celebration can be interpreted as a signal for the quality of the groom. Brown, Bulte and Zhang (2011) show that Chinese households spend more on weddings in order attract a good bride for their son. The fight for social status is especially severe among income groups with higher social competition—measured by higher densities of the income distribution.

The empirical papers so far aimed at describing the phenomenon of status consumption and some potential reasons for its emergence and persistence. The following paper goes beyond these issues by empirically assessing the effect of conspicuous consumption on the demand for goods and services that are deemed socially desirable, like education and health. Exploiting exogenous variation in the level of conspicuous consumption allows me to investigate patterns of policy compliance as well as budget reallocation. The source for identification stems from a ban of dissipated wedding celebrations that was introduced in Tajikistan by a presidential decree in 2008.

The wedding market and wedding expenditures in Tajikistan

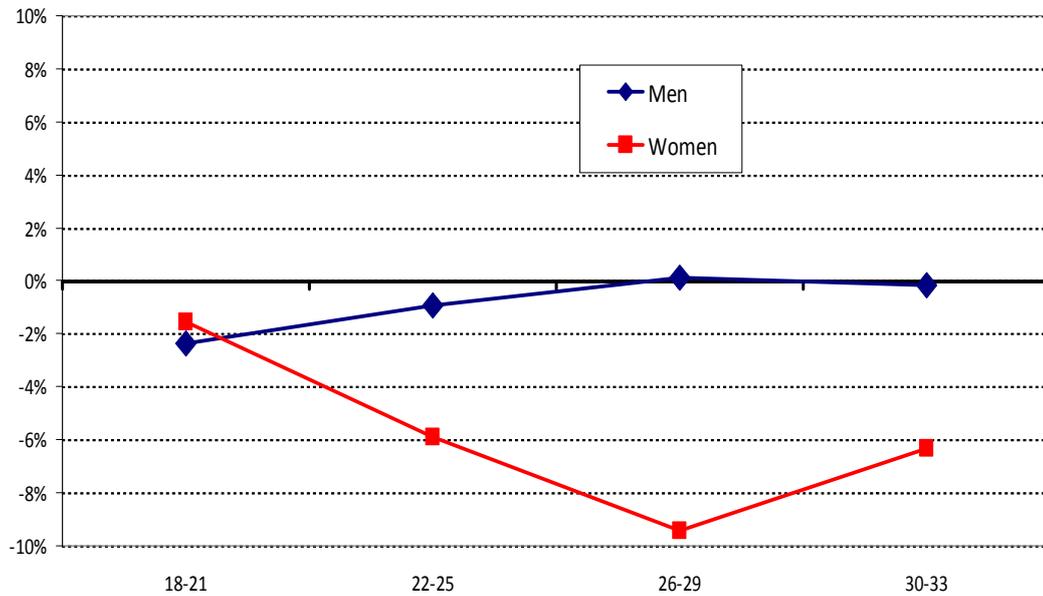
Tajikistan is not only a poor country with under 2000 PPP Dollar per capita in 2009—ranking 136th out of 172 countries listed by the World Bank—but also has a young population with a median age of 22. This age structure in combination with average first marriage ages of 21 (women) and 24 (men) years guarantees a busy wedding market. Indeed, almost every person in Tajikistan is wed before the age of 30. After the break-down of the Soviet Union a mild revival of polygamous unions is underway, however, these take place only at later stages in life and are not considered in our analysis of youth marriages. Marriages are generally arranged by the parents of both partners.¹

Wedding expenditures are high in Tajikistan and amount to roughly 3,000 USD PPP (2007) which at that time was twice the annual per capita income. Surprisingly, poor and rich households do not differ much in the amount spent on the celebration, which supports the perception of weddings being a signaling device for social status.

The wedding celebration is in most cases financed by the young groom. Given widespread poverty, the comparatively low marriage age and the substantial costs associated with a wedding, it seems surprising how they can finance their wedding. As most households are credit constrained and young men have too little time in the labor market to generate sufficient income, one popular source of finance stems from international migration. Emigration rates among men are large – at about 10% in their 20s per cohort and are substantially higher around 1.5 years before the marriage. Young Tajiks migrate temporarily to Russia to “earn” their wedding in the construction sector. When comparing the single rates in different age-brackets between poor and non-poor young men, we find no significant difference between the two groups suggesting that marriage is a social norm and that poverty is no reason for not marrying (Figure 1).

¹ These characteristics and the following results are not driven by one single ethnic group but are relevant for all ethnicities (with the likely exception of Russian which comprise only 5% of the population).

Figure 1: Difference in single rates between poor and non-poor men and women



The policy intervention

Given the fact that total wedding celebration expenditures by far exceeded the per capita annual income, the Tajik government considered measures to reduce poverty by suppressing “wrong” consumption.² The basic idea was that the reduction of conspicuous consumption would free funds for useful consumption and educational and health investments. Therefore Tajikistan’s President Imomali Rahmon issued a law which banned the showing off at weddings. The law restricts the numbers of invitees, the amount of food served as well as the number of cars in the traditional wedding cortege. No more than one hot meal is to be served at weddings and an abuse of the regulation will be penalized by roughly 580 USD (Marat, 2008). There are regular visits from policemen in order to enforce the new law, for instance by performing headcounts at wedding celebrations. Despite the fact that non-compliance with the wedding regulation might be possible after bribing the police, it will be costly. A household will thus have to compare the costs of non-compliance with the “status” costs of violating the social norm of wedding expenditures.

² Marat, 2008; Radio Free Europe May 29, 2007 <http://www.rferl.org/articleprintview/1076782.html>, BBC Asia Pacific <http://www.bbc.co.uk/news/world-asia-pacific-13065495>

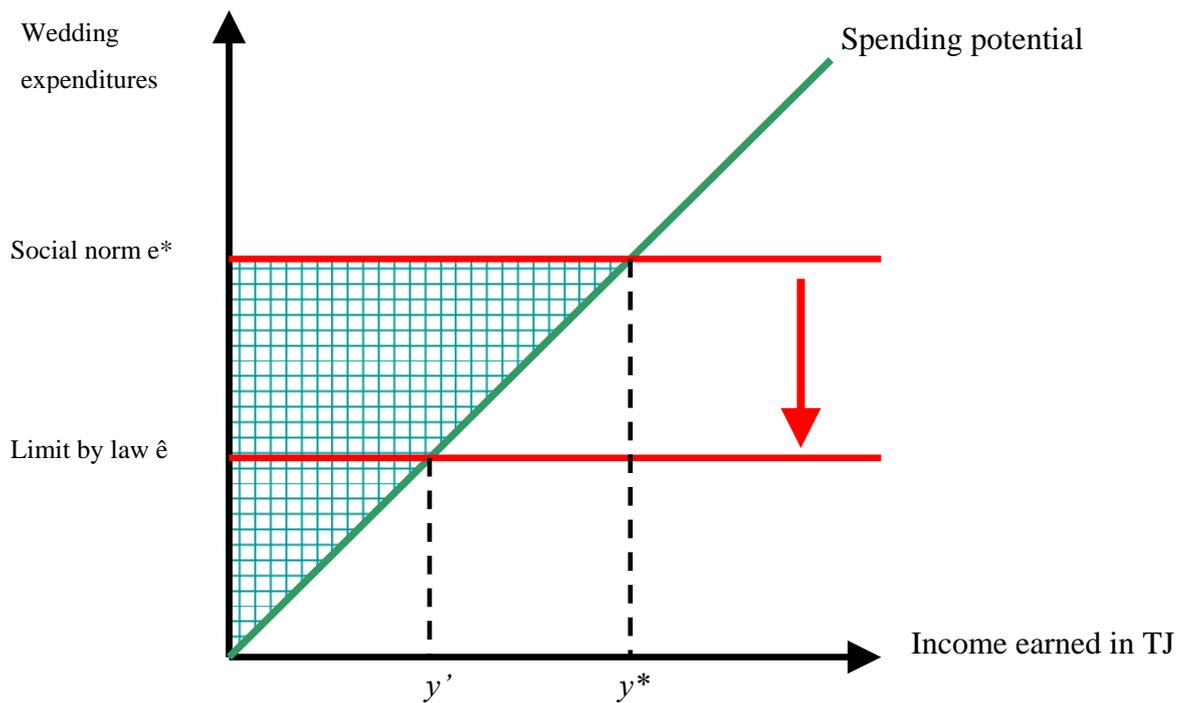
Theoretical predictions

A government which decided on a specific policy target (e.g., poverty reduction) must carefully design a policy instrument to potentially reach the target as well as a monitoring device to ensure the success. Although the first point has received considerable attention in the public economics literature, the latter one has been addressed less often. Yet, designing policy instruments like taxes alone will generally not automatically help meeting the policy objectives as a wide fraction of the population might evade the scope of any policy (Slemrod, 2007).

In order to evaluate the implementation of a given policy intervention, we analyze in the following (i) the legal compliance with the policy as well as (ii) its impact on consumption patterns for the compliers.

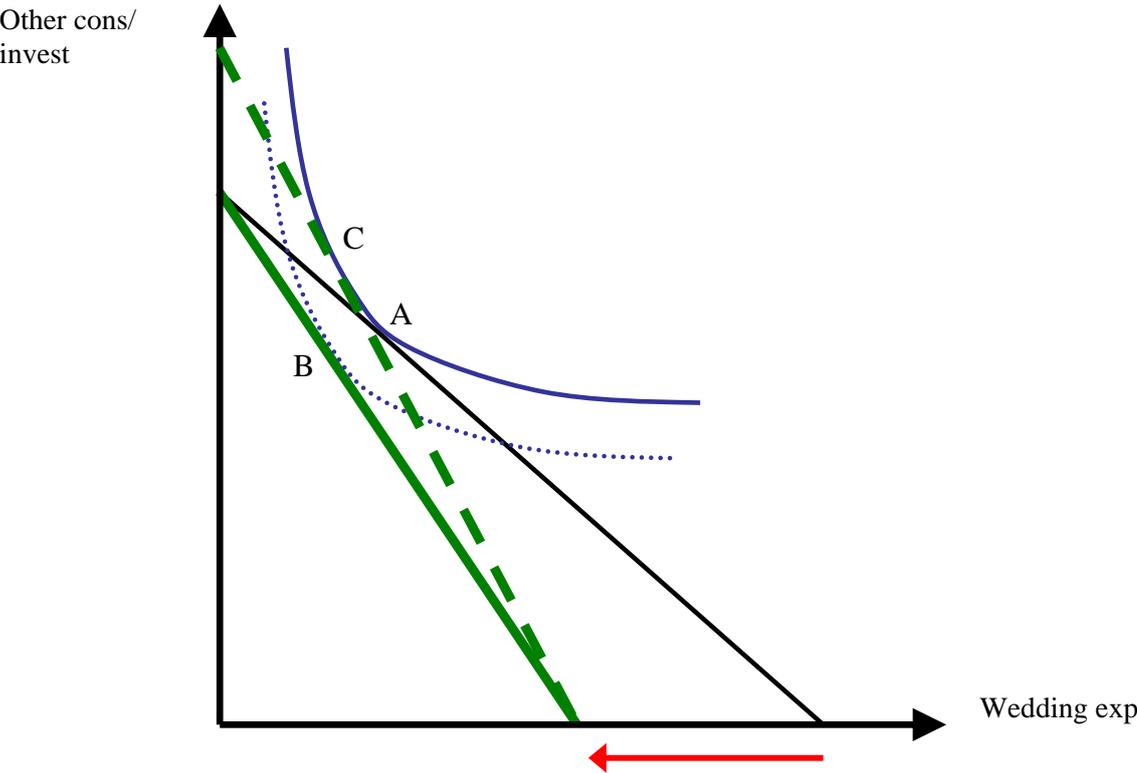
Figure 2 depicts graphically a simple model of compliance with the ban on conspicuous wedding expenditures. Leaving aside expenditures for the bare minimum consumption for illustrative purposes, the spending potential for a wedding equals the income earned by the household. In the case of the social norm without policy intervention, every household will try to spend up to the social norm, independent of income. This can only be achieved when households with earnings below the threshold y^* use other income sources in order to generate sufficient funds for meeting the norm e^* . The shaded area depicts the income gap which in Tajikistan is filled by the prospective grooms' returns from labor migration. Now consider the introduction of a spending limit on weddings at $\hat{e} < e^*$. For households earning $y > y^*$, the law does change the incentives to spend e^* only by the cost of the bribe b and the households will continue spending e^* as long as $e^* + b < y$. Households earning $y < y'$ have no chance of funding even the cheaper wedding \hat{e} without sending the prospective groom abroad. While the income gap for this group of households shrinks after the introduction of the policy, it is ambiguous whether they will comply with \hat{e} or not (as they have to move abroad anyways and the marginal Dollar from migration is relatively "cheap"). The third group of households has an income $y' < y < y^*$ and thus comprises the middle income group.

Figure 2: A simple model of compliance



Once we have determined which households will be likely to comply with the wedding expenditure law, we can analyze changes in their spending patterns. Those households that are unlikely to comply or are likely to keep migrating, no changes in the spending pattern are expected. Among the compliers, there are two potential outcomes: First, and this is the policy response intended by the law, households reduce their expenditures on the wedding celebration and reallocate the funds to other expenditure objectives, like health or education expenditures. Figure 3 illustrates this change with a twist of the budget constraint along a given utility level (shift from point A to point C). The second possibility would be that households do no longer send their son abroad to generate additional income for the wedding celebration. This will result in a twist of the budget constraint that keeps the previous expenditure level on other goods constant but reduces wedding expenditures (shift from point A to point B).

Figure 3: Changes in consumption behavior following the wedding expenditure law



Data and methodology

Using data from a unique household panel collected by the World Bank in Tajikistan in the years 2007 (before the issue of the law) and 2009 (after the issue of the law), allows investigating the compliance with the new regulation as well as changes in the consumption patterns of households. The survey contains detailed information on living conditions, household composition, various income sources, consumption and expenditures. Beside this household level information, changes in demographic characteristics as well as labor market and migration details are available for each single household member. The initial sample size was 4,800 households of which 1,503 were re-interviewed. In each year around 25 percent of households declared wedding expenditures and 8 percent of households had a wedding in both years.

In practice prospective grooms and their corresponding households have to take two interdependent decisions: First, whether to migrate abroad in order to earn money for the celebrations in the future and, second, how much money to spend on the wedding celebrations. These decisions cannot be treated independently as households wishing to spend more on the wedding will deliberately choose to send a migrant. Hence, we model the joint

household decision of migrating abroad in $t-1$ and of complying with the wedding expenditure law in t . As the law does not prescribe specific expenditure levels—but rather defines other quantitative measures like number of guests, food etc. thereby leaving room for qualitative adjustments—we define compliance as a reduction in wedding expenditures 2009 below the mean of the pre-reform year 2007. Due to general rise in wedding expenditures over time, this is not a purely arbitrary definition but suggests that households spent less than the 2009 social norm would require. As a robustness check, we perform the same analysis with below 2007 median values, which yields very similar results.³ In order to provide further support for our strategy, we also analyze the subsample of households with weddings in both years, 2007 and 2009. Despite the small sample size, we can directly model household compliance by comparing the expenditures across years. Households that spend less in 2009 than in 2007 are defined as compliers in this subset of households.

The following model is estimated in a seemingly unrelated bivariate probit framework at the household level:

$$\begin{aligned} migrant_{t,i} &= \beta_0 + \beta_1 marriageage_{t,i} + X' \gamma + \varepsilon \\ complier_{t+1,i} &= migrant_{t,i} + X' \gamma + u \end{aligned}$$

A likelihood-ratio test analyzes whether the error components ε and u are correlated. In order to identify this system of equations, we need at least one exclusion restriction that exogenously affects migrant status while having no impact on wedding expenditures. We construct an indicator whether a young man enters marriage age in a given year as an instrument. This variable is a strong predictor for moving abroad, while it has no relationship to the actual level of wedding expenditures of the household. As the entry-into-marriage-age indicator obviously performs quite weak as exclusion restriction in the small sample of both-year-marriages, we use the rank of wedding expenditures in 2007 as instrument. Based on the idea that every young man has to finance his own wedding, the two expenditure levels will be independent across years.

³ Results can be obtained from the author upon request.

We are also able to analyze whether the wedding expenditures reform had an impact on different income groups of households in a Difference-in-Differences approach. In the theory section we argued that the effect of the law differs across the poor, middle and high income groups in that only the middle group will clearly comply with the law. The high income group has little reason to change the spending pattern from weddings, while the low income group still requires funding from migration. Yet, among those who migrated, the wedding expenditure law might still lead to lower expenditures in absolute terms. Therefore we estimate the impact of the law on the three income groups separately, with the low income group forming the baseline category:

$$wedexp_{it} = \beta_0 + \beta_1 midinc_{t-1i} + \beta_2 highinc_{t-1i} + \beta_3 postreform_{it} + \beta_4 midinc_{t-1i} \times postreform_{it} + \beta_5 highinc_{t-1i} \times postreform_{it} + X' \gamma + \varepsilon$$

In a third step, we want to test whether compliers have changed their consumption and/or investment behavior. In order to test changes in various domains k we analyze (the log of) total consumption expenditures, food expenditures, non-food expenditures, health expenditures as well as education expenditures.

$$exp_{kiti} = \beta_0 + \beta_1 complier_{it} + \beta_2 postreform_{it} + \beta_3 complier_{it} \times postreform_{it} + X' \gamma + \varepsilon$$

Results: Compliance with the wedding law

In this section we provide evidence for the compliance of households with the newly introduced wedding expenditure law. Table 1 presents results from the joint decision of whether to send a migrant and whether to comply with the law. Columns (1) to (4) refer to the entire sample of households based on the mean or median 2007 definition, while the remaining columns cover households with weddings in both sample years.

Table 1: Joint migration and compliance decision; bi-probit model

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Complier	Migrant	Complier	Migrant	Complier	Migrant	Complier	Migrant	Complier	Migrant
	Full sample		Full sample 2009		Wedding 2007 & 2009 sample		Wedding 2007 & 2009 sample		Wedding 2007 & 2009 sample	
Migrant in t-1	-1.118*** (0.305)		-1.286*** (0.170)		-1.996*** (0.153)		-2.053*** (0.148)		-1.994*** (0.158)	
HH size	-0.064*** (0.024)	0.018 (0.029)	-0.025 (0.031)	0.021 (0.037)	0.084** (0.039)	0.018 (0.043)	0.083** (0.039)	0.055 (0.043)	0.087** (0.040)	0.008 (0.047)
Post reform	0.119 (0.097)	0.451*** (0.116)	0.000 (0.000)	0.000 (0.000)	0.193 (0.165)	0.648*** (0.211)	0.203 (0.157)	0.601*** (0.190)	0.194 (0.165)	0.637*** (0.212)
Rural	0.161 (0.129)	0.118 (0.152)	0.034 (0.171)	0.019 (0.198)	-0.552** (0.227)	-0.191 (0.238)	-0.564** (0.222)	-0.114 (0.236)	-0.558** (0.231)	-0.171 (0.255)
Marriage age in HH		1.076*** (0.249)		0.814*** (0.302)				0.233 (0.391)		0.290 (0.421)
Wedding exp rank 2007						0.004*** (0.001)				0.004*** (0.001)
Constant	1.157*** (0.173)	-2.187*** (0.234)	-0.125 (0.208)	-1.800*** (0.288)	0.084 (0.257)	-7.281*** (1.108)	0.062 (0.257)	-2.178*** (0.359)	0.082 (0.260)	-7.314*** (1.332)
Region FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Rho		0.892*** (0.297)		1.698* (0.933)		36.059 (678.642)		13.699 (623.875)		15.984 (1,103.318)
Observations	748		374		238		238		238	

Robust standard errors clustered by household id in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Source: TLSS 2007-09; own calculations.

The migration equation clearly indicates that an entry into marriage age is a strong predictor for subsequent migration in the full sample. In the restricted sample, this indicator performs weakly, as these households seem to be characterized by birth spacing patterns that provide too little variation over the short time period. Yet, for these households, the household's wedding expenditure rank of the year 2007 is a strong predictor for the migration decision of the 2009 groom. In both samples, those households which sent a migrant abroad are clearly less likely to comply with the new law. Migration is instrumental for raising the budget constraint of the household and therefore these households can afford to stick to the social rule rather than to the new law. Importantly, the rho statistic of the models indicates that the error terms of the two equations are only correlated in the full sample.

Table 2 exploits the entire variation of wedding expenditures in a diff-in-diffs strategy. Given the unexpected policy that banned overly excessive wedding expenditures in 2008, we can compare the response to the policy across the welfare distribution. Therefore, all households are separated in low, medium and income groups as according to their 2007 total labor income. We then test whether the reform had any differential impact on the wedding expenditures of these groups (columns (1) and (2)). As a falsification exercise we compare these results to changes in the spending patterns on another conspicuous consumption good for which no regulation was introduced, namely jewelry (columns (3) and (4)).

As we would expect for a social norm good like wedding expenditures, there are no significant general group specific differences in spending patterns in absolute or relative terms (as a fraction of the total expenditures). This is different for jewelry, where high income household spend more in absolute and relative terms, although jewelry expenditures are relatively small in Tajikistan. The coefficient on the post reform dummy captures a time trend in our set-up and Table 2 clearly reveals strong growth in wedding expenditures over time in absolute terms. Wedding expenditures have also become more important in relative terms, indicating that their growth in absolute terms exceeded the overall expenditure growth. This trend is the result of an increasing quest for status in an economy that has been growing as a consequence of remittances and has been cited by the government as the underlying reason for intervening in the market for wedding celebrations: When these expenditures become relatively more important, any growth is unlikely to be pro-poor.

The two interaction terms of the medium and high income indicator with the post-reform dummy clearly indicate that the medium income group is the only one not to follow the overall growth in wedding expenditures. In relative terms, this group of households even

decreased their share in wedding expenditures in overall expenses. As hypothesized from the theory, the spending patterns exhibit a non-linear relationship in welfare levels. The lowest income group, for whose spending patterns we had no unambiguous theoretical prediction, exhibits a spending behavior very similar to the high income group and does not reduce wedding expenditures. Columns (3) and (4) show the corresponding results for jewelry expenditures: At the time of the wedding expenditure law, no significant changes happened in any of the three groups indicating that there are no general unobservable trends in expenditures for conspicuous consumption in Tajikistan.

Table 2: Tobit regressions of wedding and jewelry expenditures

<i>Dependent variables</i>	(1) <i>Wedding Expenditures</i>	(2) <i>Share of wedding expenditures</i>	(3) <i>Jewelry expenditures</i>	(4) <i>Share of jewelry expenditures</i>
Post reform	3,366.9** (1,329.0)	0.152* (0.084)	20.0 (47.7)	0.001 (0.008)
Medium income ($\geq p25$, $< p75$)	848.6 (1,034.9)	0.001 (0.079)	-11.8 (44.5)	0.003 (0.007)
High income ($\geq p75$)	488.7 (1,114.5)	-0.048 (0.090)	105.5** (50.0)	0.018** (0.008)
Medium income x Post reform	-2,986.2** (1,461.6)	-0.202** (0.102)	50.9 (58.2)	0.010 (0.010)
High income x Post reform	-212.7 (1,492.2)	-0.077 (0.118)	12.5 (62.1)	0.003 (0.010)
Rural	28.4 (674.6)	0.060 (0.056)	-57.8* (33.4)	-0.009* (0.005)
Share kids 0-5 yrs	-7,646.3*** (2,399.6)	-0.466** (0.210)	-330.1** (137.692)	-0.043** (0.020)
Share working age	1,468.4 (1,600.1)	0.165 (0.143)	-74.9 (68.3)	-0.014 (0.011)
Female head	294.5 (617.4)	0.061 (0.055)	-20.2 (32.0)	-0.000 (0.005)
Kids in school	434.4*** (139.7)	0.018 (0.012)	21.7*** (6.1)	0.003*** (0.001)
Constant	-21,319.7*** (4,461.1)	-0.689*** (0.191)	-898.8*** (191.6)	-0.149*** (0.030)
Region FE	Yes	Yes	Yes	Yes
Household size FE	Yes	Yes	Yes	Yes
Observations	3,006	3,006	3,006	3,006
Pseudo R-squared	0.023	0.068	0.019	0.157

Note: Base category are households with income below p25 in 2007. Robust standard errors clustered by household id in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Source: TLSS 2007-09; own calculations.

Results: Consumption and investment effects for compliers

This section reports the changes in overall, food and nonfood consumption as well as investments directed to improving the health or education status of the household. Educational expenditures are only reported for households that have children in school age. It is important to note that these regressions are controlling for overall labor income, so we compare complier and non-complier households of the same income level. In order to fully grasp the welfare implications of the law we present treatment effects estimated from fixed effects panel regressions in two different samples. The first sample comprises all households.

Table 3: Impact of compliance with the wedding law on consumption

<i>Dependent variable</i>	(1) <i>Log pc consumption</i>	(2) <i>Log pc food consumption</i>	(3) <i>Log pc non- food consumption</i>	(4) <i>Hospital expenditures pc</i>	(5) <i>Education expenditures pc</i>
Sample 1					
Treatment effect, general sample	0.096**	0.112***	0.352***	-10.101	5.540
	(0.040)	(0.037)	(0.082)	(13.604)	(6.246)
Observations	3,006	3,006	3,002	3,006	2,075
R-squared	0.206	0.140	0.145	0.018	0.010
Sample 2					
Treatment effect, wedding 07 & 09 sample	0.220**	0.206**	0.633***	66.409	-2.942
	(0.097)	(0.094)	(0.195)	(60.691)	(10.913)
Observations	238	238	238	238	162
R-squared	0.381	0.380	0.249	0.081	0.092

Note: Fixed effects panel regressions control for migrant status, household size. Share of working age adults, share of children between 6 and 15 years as well as average numbers of years of schooling. Standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1. Own calculations.

Compliers are those who remained below the 2007 year mean expenditure value in the wedding year 2009. This sample compares compliers to the overall population and indicates positive consumption effects in the overall per capita consumption, food consumption and non-food consumption level. Similar results apply for the second sample which contains all households that had weddings in both survey years. Again, consumption levels are higher among compliers. In order to interpret these results it is important to keep in mind that we are now focusing on the effect of economizing on expenditures in comparison to households with

the same budget constraint that do not reduce their expenditures. The effects of money reallocation are quantitatively important and range between 10 and 22 log points of overall per capita consumption levels. Non-food consumption increases stronger than the expenditures on food consumption. This indicates that households reduce wedding expenditures in order to be able to afford more or better clothes, services and so on. However, we find no significant effect on health or education expenditures.

Conclusions

This paper analyzed the policy compliance following the introduction of an unusual anti-poverty policy, namely the ban of overly excessive wedding expenditures in Tajikistan. Using a novel data set and various identification strategies, the results reveal a non-linear relationship between household welfare and compliance. Especially households in which prospective grooms can circumvent migration in order to finance the wedding celebrations do respond strongly to the ban and reduce their wedding celebration expenditures. Other households, no matter whether poor or non-poor do not change their wedding expenditure pattern significantly. A simple test reveals that those who comply with the law also increase their per capita food and non-food consumption levels at a given budget constraint. Expenditures on non-food expenditures increase especially strong as a consequence of compliance while socially accepted investments in education or health are insignificant.

However, the poorest group of households does not change the spending behavior and thus cannot benefit from the policy in the politically desired way. These results cast doubt whether consumption bans can have any pro-poor effects. Quite differently, the ban might have serious macro side effects in that some households cut their overall budget by reducing migration. Although remittances or savings from migration might entail a high external financial dependence, the money spent for wedding celebrations favors the local gastronomy. As a consequence, a ban potentially sets free negative spillovers for the Tajik economy. In the next step of this research, the consumption effects of non-compliance among the poor as well as the economic losses from the wedding ban will be computed.

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