

Literature Review on the Economic Costs of Domestic Violence

Abstract:

With the development of the UN's Sustainable Development Goals (SDGs), national organizations committed themselves to achieving Goal 5, Gender Equality. Part of this goal is achieving data collection and statistics in gender issues. Many countries lack this data due to low prioritization, lack of infrastructure, and low demand. In order to combat this, this study was undertaken to analyze the state of academia in calculating the economic costs of domestic violence, specifically against women. Domestic violence costs estimates are gathered at different levels and sectors of society. It questions the method and comparability of the studies. Its goal is to further the understanding of the methods and inconsistencies of domestic violence cost calculations. We hope to present the need for gender statistics to inform policy and financial environments. Ultimately this work hopes to aid in development of intervention and prevention programs for all domestic violence survivors.

Domestic violence in the United States is widely recognized as a public concern, but in many other countries it is still considered a private issue. It is estimated that 35% of women have experienced physical or sexual IPV (interpersonal violence) or non-partner sexual violence. Most of these violent experiences are inflicted by an intimate partner (WHO, 2013). However, comprehensive domestic violence data is lacking, especially in under-resourced countries. Lack of infrastructure for data collection, low demand for gender statistics in legal and financial environments, and lack of access to these statistics are large barriers to comprehensive gender data. Current studies have revealed that domestic violence has widespread effects at all levels of society and may cripple economies. This literature review analyzes the cost estimates published in peer-reviewed articles that have gathered specific cost estimates of both indirect, direct, tangible, and intangible costs of domestic violence (see Appendix for definitions). ADD

DEFINITIONS

To our knowledge, a broad literature review on the international state of academia regarding domestic violence cost accounting methods has not been conducted. The review aims to analyze the studied populations, methods, and contextualization among domestic abuse cost studies to further aid in ending domestic violence and generating comprehensive gender statistics.

Review of the Literature

Studied Populations

Across nineteen studies, cost estimates were able to be generated from all populated continents. However, there are no cost estimates for the Caribbean and for a few countries in Latin America, Asia, and Eastern Russia. Few to no cost studies were found that included some

of the most populated countries such as China, India, and Indonesia. Lack of data collection or analysis point to large geographical gaps in need of study.

For researched populations, all studies focused on female victims or exclusively looked at prevalence statistics among women, and no studies looked specifically at abuse in homosexual relationships. Only recent research has been done on abuse in homosexual relationships, but no cost estimates for homosexual domestic violence were identified. Excluding homosexual domestic violence in research decreases awareness for victims and leaves out a component of domestic violence costs. This may possibly paint a false narrative of homosexual relationships as an impossibility for domestic abuse, especially for women in lesbian relationships. In addition, few cost estimates focused on male victims, but the cost estimates found the total lifetime cost was significant, about one-fifth the cost of female victims (Peterson et al., 2018a). When compared to non-abused men, healthcare costs were significantly higher (Kruse et al., 2011). Lack of comprehensive and consistent inclusion of male victims in cost estimates of domestic violence decreases awareness that men are also able to be victims and may contribute to the stigma of male abuse victims.

Cost estimates specific to the perpetrator, usually male, were generally not as comprehensive as victim costs. An estimate included broad costs to the government for arrests and correctional facilities (Peterson et al., 2018a) while another cost estimate focused on a detailed sum of all spending, including water, heating, workers' wages, etc., per domestic abuse prisoner for a correctional facility in Lithuania (Rakauskiene, 2006). Out-of-pocket costs to the perpetrator are generally not included in cost estimates, though one estimate found that perpetrators must often pay for their court-ordered or personal growth seminars (Weissman, 2020). A couple estimates utilized a Human Capital Approach (see Appendix) (Peterson et al.,

2018a) or lost wages (Duvvury et al., 2012) to estimate the impact on businesses and the household economy. Cost estimates for medical bills for injuries or therapy, legal fees in court, or social services fees are lacking for perpetrators. In general, focus on the male perpetrators is sparse among cost estimates. While researchers would want to focus on the victim of domestic abuse, disregarding the perpetrator would be excluding half of the abusive relationship and current estimates may be a severe underestimation of domestic violence impacts on the economy. Perpetrators in abusive relationships are still affected and continue to have detrimental effects on productivity whether that is through emotional distress or lost time to manage legal or health consequences. Further analysis into perpetrators' influence on cost should be considered in overall cost estimates for a country in order to have comprehensive statistics.

Cost estimates for various subsets of abused victims are limited. One cost estimate found that higher health costs are attributable to domestic violence even for victims that have left their partner (Varcoe et. al, 2011). Even for women that no longer experience abuse, they face significantly higher healthcare costs than the general population for about seven years after the end of the abuse (Fishman et al., 2010). Longitudinal cost studies provide insight into the continued hardship that victims face, and further evidence in this method could bolster evidence to support continued aid for previous victims of domestic violence. Increased evidence among these subsets of abused women may also combat harmful ideas that ending a relationship will end the abuse. Further, evidence specific to women who no longer experience abuse may also end the idea that the effects are contained to the incident. Such long-lasting effects may be revealed to potentially cripple victims for years.

Cost Methods

Health care cost studies' methods included onsite interviews directly surveying women about their increased costs (Alvarado et al., 2018), while other studies took a less direct approach. An uncommon method for estimating health costs was done using a victim population in reference to a general population to see the increased health costs between the two groups. (Kruse et al, 2011; Helweg-Larsen et al., 2011; Varcoe et al., 2011) These cost estimates were able to estimate yearly attributable costs of violence, and this method has strengths in looking at billed costs and how victims differ from their unabused counterparts. A similar method was to calculate the average costs for an abused woman versus a non-abused woman (Vyas, 2019). Such methods factor in the general population care and how domestic violence is adding to those costs.

Common cost estimates methods were using survey data for incidence or prevalence rates. Cost estimations were performed by finding the average cost to the individual per abusive incident or average cost to the individual per abused woman (Duvvury et al., 2012, Kes, 2009, Roldos & Corso, 2012). This is a common accounting method and is used when the data and unit cost data is available. ADD IN WHY THIS METHOD IS STRONG OR NOT

For lost earnings incurred by the individual, determination of the individual's hourly wages differed between studies. Cost estimates in Vietnam utilized both the average of the victims' daily wages to calculate the lost earnings and lost housework and the average wage of the entire sample. They found that the average wage of the entire sample was 1.72 times higher than victims' daily wage (Duvvury et al., 2012) This result reinforces similar findings that abused women generally have lower incomes (Marzuk PM et al., 1996 as cited in Krug et al., 2002). Choosing the wage for cost estimate is non-trivial as using an average wage rather than victims' average wage could potentially overestimate the losses to individuals. Another cost

study utilized the average domestic child care pay rate of Australia to estimate home-based production losses (Cadilhac, 2015) For specifically home-related losses, this method allows work wages to be separated from home duties. Using domestic child care pay rates, home production losses can still be quantified even though the work is generally not compensated. Otherwise, only one cost estimate also measured loss of leisure activity and monetized this time as $\frac{1}{3}$ of the victim's wage. Loss of leisure activity was not generally included as a cost estimate in many cost studies, but this inclusion has implications that domestic violence not only disrupts productive activities but also all facets of daily life. Inclusions of leisure cost may prove to be a necessary addition that accounts for the inescapability of domestic violence effects, and inclusions of leisure costs is limited to this singular study among the reviewed literature.

A cost estimate for healthcare costs took a unique approach by splitting up health care costs at different levels of care depending on severity of the injuries (Tchamo et al., 2020). This approach holds the advantage as a more detailed analysis of a sector's costs. It is able to differentiate the levels of use of the healthcare system. Rather than generalizing the cost of a domestic violence case, costs are broken down and can be analyzed by severity. This method could even be further applied to legal intervention such as police consult, police protection, police arrest as three different levels of police intervention. This type of approach is useful to look at the usage rates within a service and identify where domestic abuse survivors or perpetrators are utilizing the most resources.

Few cost estimates consider the time before or after a certain event in the victim's abuse. A couple of cost estimates calculated costs for victims in the time period that they obtained a protection order against the abuser (Logan et al., 2011 and Hughes & Brush, 2015). Another estimate analyzed the short-term productivity loss to businesses following an abusive incident

(Peterson et al., 2018b). Cost estimates that follow a specific event in a victim's domestic abuse were uncommon but provide useful insight into the cost and benefits of interventions. WHAT INSIGHTS AND HOW ARE THEY IN WORSE FINANCIAL SITUATIONS Further, research into events such as police intervention or therapy could yield the cost benefits of various interventions for victims. These types of analysis have evidence that victims may be in worse financial situations. For example, if the victim were to request a protection order,

Only one macroeconomic cost to a country was calculated. The economic multiplier effect (see Appendix) was studied using incidence data and sectoral employment patterns to estimate the overall cost of domestic violence to the Vietnamese economy and the different effects from each sector on the overall economy (Raghavedra et al., 2017). Multiplier losses limit the positive demand shocks to the economy from reaching their full potential to boost the economy. In other words, domestic abuse is causing government spending to be less efficient (Raghavedra et al., 2017). Only one study in this review focused on macroeconomic effects of domestic violence, but this evidence reveals that economic effects are not only contained to the workplace. They have measurable and devastating effects on the economy. Additional evidence in different countries can reveal similar results as the effects in Vietnam's economy and provide insight to the development of countries around the world. Continued macroeconomic cost estimates can also allow for inter-country comparison and draw conclusions on the varied developments of countries.

Methods for Intangible Costs

Few cost estimates included pain and suffering costs or quality of life costs into their calculations, and three different cost estimates using three different approaches were identified: Quality of Life Index, life satisfaction, and disability-adjusted life years (see Appendix) PUT

INTO APPENDIX ESPECIALLY AN EXAMPLE FOR LIFE SATISFACTION. One cost estimate that measured the effectiveness of protection orders for domestic abuse survivors monetized the Quality of Life Index. They found that quality of life cost differences before and after a protection order were among the largest cost differences (Logan et al., 2011). The life satisfaction approach considered the life satisfaction measure a utility and measured cost estimates as the amount of money that would return the victim to their original life satisfaction after the abuse (Santos, 2013). This approach was unique among the studies. FIX THIS IDK WHAT'S GOING ON, and the merits of this approach are as a way that one's perceived satisfaction with life due to abuse is altered and this detriment can be valued and compared to actual monetary costs. Another method of intangible cost estimation is by estimating the disability-adjusted life years, which is the amount of life years lost due to premature death and the years in an unhealthy condition due to disease. This method assigns a monetary value to a year of life and then sums up the amount cost of those lost years. Cost estimates for WHO member states were performed. This measure was utilized for a large-scale measurement of economic loss across WHO member states. Each of the cost estimates that included the human cost of domestic abuse found that these costs were extensive and large enough to impact the country's GDP (Brown, 2008). Some arguments have even been posed that the suffering cost is comparable or outweighs direct or indirect cost estimates. Exclusion of quality of life costs may cause domestic abuse costs to be severely underestimated as the aforementioned cost estimates provide evidence that quality of life costs are significant.

Though it may seem cold to put human costs to a monetary value, cost estimations of pain and suffering may be an effective method for generating enough concern for the victims and putting the abuse in relative terms that are more tangible and enough to prioritize in budget and

policy making. Not all cost studies will include loss of quality of life into their estimate, but comprehensive gender statistics could benefit from continued consideration of human loss especially for domestic violence issues that have such devastating impacts on victims.

Rural vs. Urban Contexts

The need for contextualization is becoming increasingly apparent in cost estimates. Rural contexts like Sub-Saharan Africa, where household work such as fetching water or collecting wood, is particularly affected by loss productivity in the house (Kes, 2009). Taking into the contexts of the population is necessary in order to understand where domestic violence is most affecting these populations. Loss of household productivity may be particularly crippling to rural households rather than urban households which don't have as many or as time-consuming household duties. The rural context must also be considered due to different cultural contexts where partner violence is less of a concern, more conservative views on gender roles exists, and where perspectives on services agencies differ from urban contexts (Logan et al., 2009) Understanding the contexts for victims when doing cost estimates may influence what costs are considered and what agencies are prioritized as services that help women. Understanding who victims trust and who victims will turn to for aid will also aid in development of intervention plans that effectively help victims in abusive situations.

Discussion

Many of the methods and evidence from cost estimates studies have revealed powerful and meritorious methods of estimating the costs of domestic violence. However, lack of common practice stood out as an overarching issue. Almost every study that was reviewed had their own

unique cost inclusions and methods for accounting; while this is evidence for a diverse state of academia, diversity limits comparability and the ease of comparability. Continued cost studies that utilize the aforementioned inconsistencies and follow a common procedure to other studies will allow for comparability over time and between countries. In order to generate comprehensive gender statistics, cost estimates will need to take into consideration the larger academic sphere to fill in those gaps.

Conclusion

This review provides evidence that the state of academia for domestic cost violence has diverse but sparse information. Such sparseness in cost methods may prove to be an issue when generating cross-country comparisons of change over time analysis. Researchers recommend that standardization is developed, and if a standard procedure is already developed that future cost studies utilize a standard procedure for various countries.

With the increased demand for gender statistics to meet Goal 5 of the Sustainable Development Goals, clear goals for data infrastructure and collection is necessary. Clear goals for countries to obtain statistical data through a comprehensive and standard method will allow for better progress towards generating gender statistics and progressing to gender equality and domestic violence.

Appendix

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