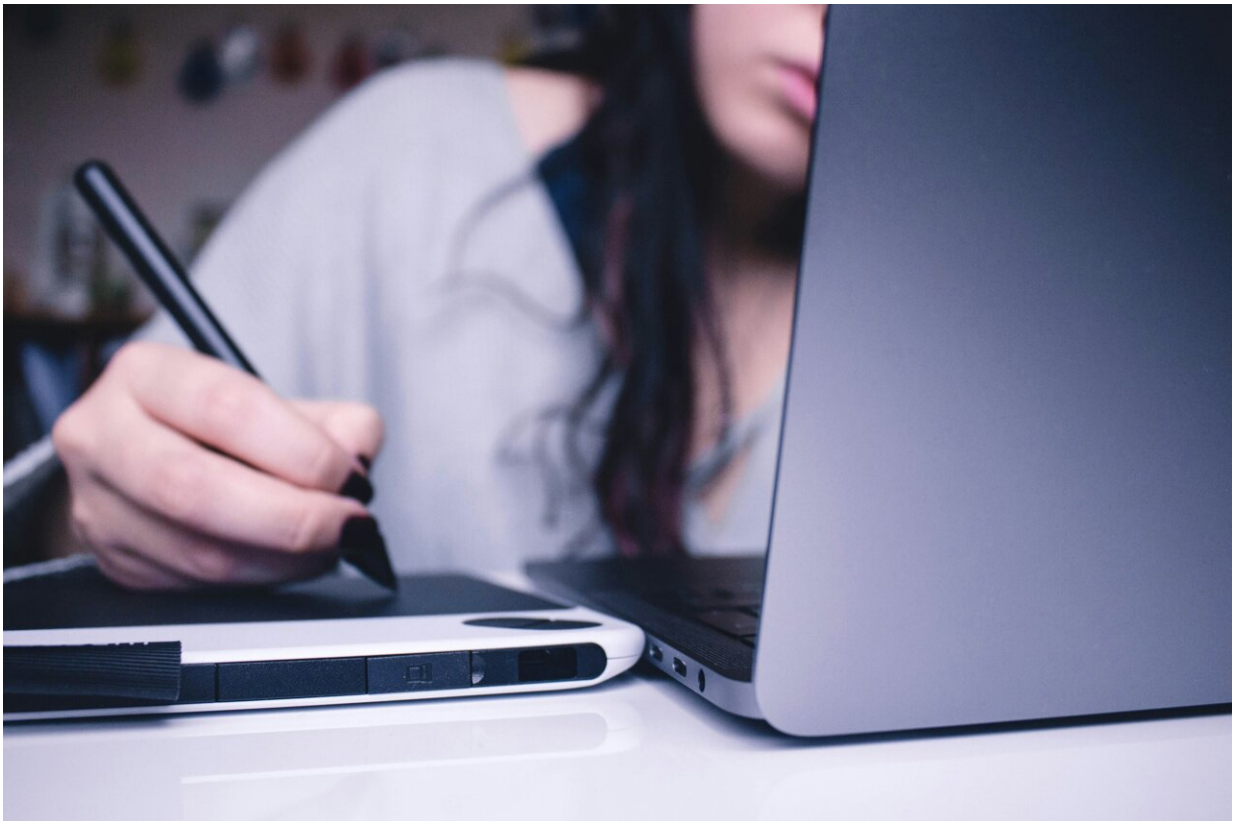


Law fails victims of financial abuse from their partner, research warns

May 3 2024



Credit: Unsplash/CC0 Public Domain

Victims of financial abuse from their partner in England and Wales are being failed by an "inadequate" legal response, new research warns.

Coerced [debt](#) causes considerable harm. People often live with the effects of being forced to give money or take out loans or [credit cards](#) long after the abusive relationship has ended.

Using the law to tackle it is more complex than other forms of [abuse](#) because to be free of the harmful effects of the abuse people's contractual liability for the debt may need to be set aside. The law often favors lenders, who have little obligation to ensure that transactions are free from coercion.

New research recommends the state should take greater responsibility for coerced debt and to allocate the risk differently than it currently does. This will help victims escape the abuse.

Currently, victims are only released from liability for the debt in limited circumstances and there are no legal mechanisms to compel a lender to transfer debt from one former partner to the other, even if abuse and coercion is shown. Despite recognition by lenders of the problem of coerced debt, there are almost no safeguards to reduce the risk of coercion where the debt is applied for online.

The [research](#), by Dr. Ellen Gordon-Bouvier from the University of Exeter Law School, is published in the journal *Legal Studies*.

Dr. Gordon-Bouvier said, "Currently the state abdicates its responsibility towards victims of coerced debt. Joint loans and loans in the victim's sole name do not attract legal protection, as the transaction does not call for an explanation.

"The current framing of the law seeks to marginalize and ignore vulnerability and relationality as inevitable features of the human condition. For victims of coerced debt, it means that their interests are subordinated to those of the market and, in the rare cases that they are

granted relief, they are stigmatized and labeled as lacking autonomy. The law's treatment of coerced debt exacerbates the effects of inherent vulnerability and creates harmful relational contexts in which victims lack control and choice.

"A holistic approach is needed—the victim should be given the tools to gain freedom from oppressive debt and poor credit scores. However, change needs to take place on several levels, including within the family and in the workplace, to move towards a position of substantive equality."

The research says there should be links to relevant support services when people apply for a loan online, which would raise awareness for some victims and prompt them to seek help.

It also recommends the restoration of an individual's credit record following the end of an economically abusive relationship. This would help victims to recover from the impact of coerced debt. Credit records are used to deny [victims](#) access to essential resources such as housing and utilities, often for many years, generating long-lasting harm and preventing the victim from moving on from an abusive relationship. Currently, courts cannot order that a credit record be restored for a victim of coerced debt.

More information: Ellen Gordon-Bouvier, Analysing legal responses to coerced debt, *Legal Studies* (2024). [DOI: 10.1017/lst.2023.46](https://doi.org/10.1017/lst.2023.46)

Provided by University of Exeter

Citation: Law fails victims of financial abuse from their partner, research warns (2024, May 3) retrieved 22 May 2024 from <https://phys.org/news/2024-05-law-victims-financial-abuse-partner.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.