Happiness on Tap: Piped Water Adoption in Urban Morocco

Connecting private dwellings to the water main is expensive and typically cannot be publicly financed. We show that households' willingness to pay for a private connection is high when it can be purchased on credit, not because a connection improves health but because it increases the time available for leisure and reduces inter- and intra-household conflicts on water matters, leading to sustained improvements in well-being. Our results suggest that facilitating access to credit for households to finance lump sum quality-of-life investments can significantly increase welfare, even if those investments do not result in any health or income gains.

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