

Albrecht, Clara; Steigmeier, Jennifer

**Article**

## An Economic Perspective on Abortion Policies

CESifo Forum

**Provided in Cooperation with:**

Ifo Institute – Leibniz Institute for Economic Research at the University of Munich

*Suggested Citation:* Albrecht, Clara; Steigmeier, Jennifer (2022) : An Economic Perspective on Abortion Policies, CESifo Forum, ISSN 2190-717X, ifo Institut - Leibniz-Institut für Wirtschaftsforschung an der Universität München, München, Vol. 23, Iss. 02, pp. 63-67

This Version is available at:

<https://hdl.handle.net/10419/263846>

**Standard-Nutzungsbedingungen:**

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

**Terms of use:**

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*

Clara Albrecht and Jennifer Steigmeier\*

# An Economic Perspective on Abortion Policies

Despite the fact that abortion is considered a common health intervention by the World Health Organization that should be accessible to every woman (WHO 2021), and although the United Nation's human rights bodies characterize restrictive abortion laws as a form of discrimination against women (OHCHR 2020), access to safe abortion is unavailable or restricted for many women in the world. Evidence-based research shows that not being able to carry out a wanted abortion negatively affects the lives of women and their children in many ways.

## THE PREVALENCE OF ABORTIONS

Most recent global estimates suggest that for the period 2015-2019 there were 121 million unintended pregnancies, constituting 48 percent of all pregnancies. Almost 30 percent of all pregnancies and more than 60 percent of all unintended pregnancies result in induced abortions, translating into 73.3 million annually induced abortions (Bearak et al. 2020). Using 2014 US abortion rates as a baseline, one in four women of reproductive age is expected to have an abortion (Jonas and Jerman 2017). Despite being a widespread incident, access to safe abortion methods is not available to every woman. 40 percent of women in childbearing age live in countries with highly restrictive abortions laws and/or a lack of availability or access (World Health Organization 2012). Estimates for the period of 2010-2014 suggest that 45 percent of all abortions or 25.1 million were unsafe of which 97 percent occurred in developing countries. In countries with highly restricted abortion laws, the proportion of unsafe abortions were significantly higher (Ganatra et al. 2017).

## Maternal Deaths

Unsafe abortions pose a high risk on women's health, accounting for 7.9 percent of maternal deaths each year, of which most occur for women and girls living in poverty and/or belonging to marginalized groups (OHCHR 2020). In developed regions, 30 of 100,000 women having unsafe abortions consequently die. In developing regions, 220 deaths are estimated per 100,000 unsafe abortions (World Health Organization 2021). In most countries of Latin America and the Caribbean, where abortion laws are highly restrictive, ten percent of maternal deaths are caused by

\* ifo Institute.

## ABSTRACT

**Abortions are widespread and occur independent of the legal status of abortions. Prohibiting or restricting abortions increases the proportion of unsafe abortions, posing a massive risk on women's health, but does not necessarily reduce the number of abortions being carried out. Economic research contributes to the often heated debates about the legal status of abortions by providing causal evidence for the fact that lacking access to abortion negatively affects the lives of women in many dimensions. Thus, the way abortion policies are designed is of high relevance.**

unsafe abortions (Say et al. 2014). Deaths resulting from unsafe abortion methods almost entirely occur in countries where abortion is strictly restrictive by law or in practice. Maternal deaths attributed to unsafe abortion practices could be completely preventable (OHCHR 2020).<sup>1</sup>

## Macroeconomic Costs

Unsafe abortions are extremely costly for health care systems in developing countries, resulting in costs of US\$ 553 million for post-abortion treatments each year (World Health Organization 2021). For example, the costs for the treatment of one post-abortion patient in Colombia corresponds to eleven percent of annual per capita income (Vlassoff et al. 2016). For households, a total income loss of US\$ 922 million caused by long-term disability from unsafe abortion methods has been estimated (World Health Organization 2021).

## Causal Effects of Abortion Access on Women's and Their Families' Lives

Abortion is a topic that is usually debated from a moral and ethical perspective, but economic research offers methods that allow objective measurements of the causal effects of abortion access for women's lives by applying quasi-experimental methodologies

<sup>1</sup> The reduction of the global maternal mortality ratio to less than 70 per 100,000 live births is defined as a goal target of the United Nations' Sustainable Development Goals (SDG). Additionally, universal access to sexual and reproductive health and reproductive rights is an SDG as well (UNDP 2021).

to disentangle effects derived from abortion access from other potential forces that influence a woman's life. Existing research shows that having access to abortion has a profound impact on the lives of women by affecting their fertility decision making and thus their educational attainment, labor market outcomes and marriage patterns (Myers and Welch 2021).

Myers (2017) found that the legalization of abortion in some states in the United States in the late 60s and early 70s led to a significant decrease in the likelihood of teenage motherhood by a third and a reduced likelihood of shotgun marriages by more than one-half.

Miller et al. (2020) use data from the Turnaway Study, which is the first to collect longitudinal data on individual women in the US who either received an abortion or who were denied a wanted abortion. They found that women who were denied an abortion compared to women who received a wanted abortion experienced worse health and higher poverty rates and faced large and persistent increases in markers of financial distress.

For Spain, González et al. (2018) found that the legalization of abortions in 1985 reduced the likelihood of motherhood at an early age, while not affecting completed fertility for women. Women were also less likely to marry early and less like to get divorced later on in life. Positive effects were also found for high school graduation rates.

Van der Meulen Rodgers et al. (2021) conducted a scoping review and analysis of the costs and outcomes of abortions and came to the conclusion that the legalization of abortion led to an increase in female labor market participation as well as substantial increases in high school graduation and college attendance.

Not only are women's lives positively affected by abortion access, but their offspring's as well. Gruber et al. (1999) found that abortion legalization in the

United States significantly reduced the likelihood for children to grow up in single-parent households, to live in poverty, to receive welfare, and to die as an infant. Also, findings by Bitler and Zavodny (2004) suggest that the legalization of abortion in the US reduced the rates for child abuse and neglect.

A paper that studies the effects of an abortion ban in Romania in 1966 (Pop-Eleches 2006) shows that school and labor market outcomes of the affected cohorts worsened after abortions became illegal.

### Unintended Pregnancies, Abortion Rates, and the Legal Status of Abortions

Figure 1 shows that restricting access to safe abortion methods does not lead to a reduction in abortion rates. Abortion rates remain about the same independent of the legal status of abortions. Countries that restrict access to abortions have the highest rates of unintended pregnancies. The lowest unintended pregnancy rates occur in countries where abortion is legal.

### Comparative Overview of Abortion Laws

Table 1 provides an overview of abortion regulations in a few selected countries, ranging from very liberal and accessible (Canada, Norway) to highly restrictive (Chile, Poland) (for more information on recent changes in abortions laws, see the Box below).

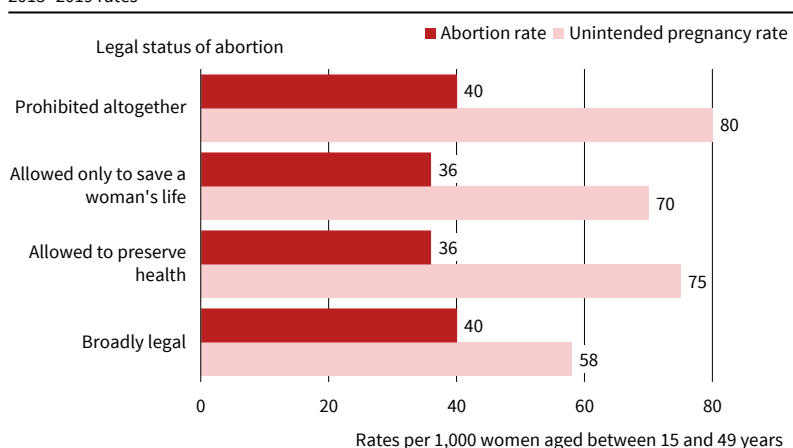
Countries have various rules for acceptable reasons for abortions. In Canada, Germany and Norway, the request for an abortion is sufficient reason for a woman to have an abortion. For example, in Norway this applies until the 12th week of pregnancy. Between the 12th and 22nd week, an abortion board must decide whether an abortion can be carried out or not.

In general, most countries, except for example Canada, allow abortions only up to a gestational limit. Gestational limits prescribe the point within a pregnancy when a termination is permissible. In most countries, this varies between 12 and 14 weeks of pregnancy.<sup>2</sup>

Some countries do not allow abortions on a woman's request. In Chile, abortions are only allowed if an abortion is necessary to save the woman's life. In Japan, broad social or economic grounds are necessary for a legal abortion. Nevertheless, all selected countries have exceptions for cases of rape, incest or fetal impairment that make abortions possible after the gestational limit, or permissible in general.

The WHO gives guidance how abortions should be regulated by law. They emphasize the privacy of

Figure 1  
Unintended Pregnancy and Abortion Rate Depending on Legal Status of Abortion  
2015–2019 rates



Source: Bearak et al. (2020).

© ifo Institute

<sup>2</sup> In Table 1, gestational limits are calculated from the first day of the menstrual period. Different sources calculate the limit from the day of conception which occurs two weeks later and numbers can vary.

Table 1

## Abortion Policies and Regulations in Selected Countries

Country	Category of abortion laws	Gestational limit	Spousal consent	Mandatory counselling	Mandatory waiting period	Insurance to offset end user costs	Notes
Canada	On request	None	No	No	No	Yes	Gestational limit depends on the state (Alberta: 20 weeks, Manitoba: 19 weeks, Nova Scotia: 15 weeks)
Chile	To Save the Woman's Life, permitted in cases of rape and fetal impairment		No	Yes	No	No data	
Germany	On request	14 weeks	No	Yes	Yes, 3 days	Yes	
Japan	Broad Social or Economic Grounds, permitted in cases of rape		Yes	No data	No data	No	
Norway	On request	12 weeks	No	No	No	Yes	After 12th week, abortion board has to decide whether abortion can be carried out, after 22 weeks prohibited
Poland	To Preserve Health, permitted in cases of rape and incest		No	No	Yes, 3 days	Yes	
Spain	On request	14 weeks	No	No	Yes, 3 days	Yes	
Mississippi (USA)	On request	24 weeks	No	Yes	Yes, 24h	Only in cases of life endangerment, rape, incest or fetal anomaly	Discussion at court to reduce gestational limit to 15 weeks, New decision expected in June 2022
WHO Guidance for safe abortions			Third-party authorization should not be required for women to have an abortion. Requirement for spousal consent may violate right to privacy	If a woman made the decision to have an abortion, this should be respected without subjecting a woman to mandatory counselling, but voluntary and confidential counseling	States should consider eliminating waiting periods that are not medically required	Abortion services should be mandated for coverage under insurance plans; woman should never be denied because of the inability to pay	

Sources: World Health Organization (2018), Global Abortion Policies Database, <https://abortion-policies.srhr.org/>; Center for Reproductive Rights (2021), The World's Abortion Laws, <https://reproductiverights.org/maps/worlds-abortion-laws/>; World Health Organization (2012), Safe Abortion: Technical and Policy Guidance for Health Systems – 2nd ed.

women and that therefore third-party authorization should not be required for a woman to have an abortion. However, Japan is a country where spousal consent is required for an abortion. Chile and Germany require mandatory counselling before a woman can have an abortion. Furthermore, Germany, Poland and Spain have a mandatory waiting period of three days after requesting an abortion. According to WHO guidance, these requirements should be eliminated. A woman's decision to have an abortion should be

respected, and from a medical perspective mandatory waiting periods should not be necessary.<sup>3</sup>

Abortions should be covered financially by insurance plans, according to the WHO. This is the case in most of the selected countries. However, in some countries abortions are only covered by insurance plans if the woman is unable to pay for it herself.

<sup>3</sup> For Germany, the CEDAW expresses concerns about the subsection of women who wish to have an abortion for mandatory counselling and a mandatory three-day waiting period (CEDAW 2017).

## RECENT DEVELOPMENTS AND CHANGES IN ABORTION LAWS

**Ireland**

Abortions were banned in Ireland in 1983. Pregnant women and a fetus had an equal legal status. Only lifesaving abortions were allowed and in 2010, at least 12 women went to English clinics every day to seek an abortion. In 2018, Ireland made abortions legal with a progressive new abortion law. Now an abortion is possible for any pregnancy less than 12 weeks (Calkin 2020). For women who live in the Republic of Ireland, abortion care is free. Abortions can be performed by a general practitioner and a government help line exists to support women who want to have an abortion. Nonetheless, there is a three-day waiting period after requesting an abortion (Ifpa 2022).

**United States**

In 1973, the Supreme Court decided to broadly legalize abortions before fetal viability, when a fetus is considered able to survive outside the uterus, which is typically between 24 and 28 weeks of pregnancy. A new Mississippi law to ban abortion after 15 weeks of pregnancy was enacted in 2018, but until now has never come into effect; this will be reviewed by the court and the Supreme Court's *Roe v. Wade* decision of 1973 will be challenged. It would make most abor-

tions illegal after 15 weeks of pregnancy. The next decision is expected in June 2022 (Miller and Sanger-Katz 2022). In case the Supreme Court overturns the current law, other Republican-controlled states plan to make abortions illegal. For example, there is a law in Texas that would make all abortions illegal 30 days after the current law is overturned. Life sentences would become effective for doctors who perform an abortion (Hassan 2021).

**Poland**

Poland is one of only three countries that have tightened abortion laws since 1994. In contrast, 59 have expanded them. In 2021, a near-total abortion ban came into effect that prohibits abortions in case of a fetal anomaly. Poland had one of the most restrictive abortion laws in Europe even before this new ban (Datta 2021). In some cases, women have died since life-saving care was denied because doctors feared breaking Poland's restrictive abortion laws. One example is the 30-year-old Izabela who died in 2021 of sepsis 22 weeks into her pregnancy. Doctors were aware of severe fetal defects but refused an abortion because there was still a heartbeat. Protesters blame Poland's restrictive abortion laws for the death of the woman (BBC 2021).

For example, in Germany women must prove they are financially unable to pay for an abortion for the insurance to offset the costs. Usually, abortions are covered financially for rape victims and in cases of medical complications (Center for Reproductive Rights and Global Abortion Policy Database 2022).

**REFERENCES**

- BBC (2021), *Poland Clarifies Abortion Law after Protests over Mother's Death*, <https://www.bbc.com/news/world-europe-59206683>.
- Bearak, J. et al. (2020), "Unintended Pregnancy and Abortion by Income, Region, and the Legal Status of Abortion: Estimates from a Comprehensive Model for 1990–2019", *Lancet Global Health* 8, E1152–E1161.
- Bitler, M. P. and M. Zavodny (2004), "Child Maltreatment, Abortion Availability, and Economic Conditions", *Review of Economics of the Household* 2, 119–141.
- Calkin, S. (2020), *One Year on, It's Clear That the New Irish Abortion Services Have Serious Limitations*, <https://theconversation.com/one-year-on-its-clear-that-the-new-irish-abortion-services-have-serious-limitations-129491>.
- Center for Reproductive Rights (2022), *The World's Abortion Laws*, <https://reproductiverights.org/maps/worlds-abortion-laws/>.
- Datta, N. (2021), *Four Reasons Why Poland's War on Abortion Should Scare You*, <https://www.opendemocracy.net/en/5050/four-reasons-why-polands-war-on-abortion-should-scare-you/>.
- Ganatra, B. et al. (2017), "Global, Regional, and Subregional Classification of Abortions by Safety, 2010–14: Estimates from a Bayesian Hierarchical Model", *The Lancet* 390(10110), 2372–2381, DOI: [http://dx.doi.org/10.1016/S0140-6736\(17\)31794-4](http://dx.doi.org/10.1016/S0140-6736(17)31794-4).
- Global Abortion Policies Database (2022), <https://abortion-policies.srhr.org/>.
- González, L., S. Jiménez-Martin, N. Nollenberger and J. Vall-Castello (2018), "The Effect of Abortion Legalization on Fertility, Marriage and Long-Term Outcomes for Women", *Working Papers* 1035, Barcelona Graduate School of Economics.
- Gruber, J., P. Levine and D. Staiger (1999), "Abortion Legalization and Child Living Circumstances: Who Is the 'Marginal Child'?", *The Quarterly Journal of Economics* 114, 263–291.
- Hassan, A. (2021), *What to Know about the Mississippi Abortion Law Challenging Roe v. Wade*, <https://www.nytimes.com/article/mississippi-abortion-law.html>.
- Ifpa (2022), *Abortion*, <https://www.ifpa.ie/get-care/abortion/>.
- Jones, R. K. and J. Jerman (2017), "Population Group Abortion Rates and Lifetime Incidence of Abortion: United States, 2008–2014", *American Journal of Public Health*, 107, 1904–1909.
- Miller, S., L. R. Wherry and D. Greene Foster (2020), "What Happens after an Abortion Denial? A Review of Results from the Turnaway Study", *AEA Papers and Proceedings* 110, 226–230.
- Miller, C. and M. Sanger-Katz (2022), *On Abortion Law, the U.S. Is Unusual. Without Roe, It Would Be, Too*, <https://www.nytimes.com/2022/01/22/upshot/abortion-us-roe-global.html>.
- Myers, C. and M. Welch (2021), *What Can Economic Research Tell Us about the Effect of Abortion Access on Women's Lives?*, Brookings Institution, <https://www.brookings.edu/research/what-can-economic-research-tell-us-about-the-effect-of-abortion-access-on-womens-lives/>.
- Myers, C. (2017), "The Power of Abortion Policy: Reexamining the Effects of Young Women's Access to Reproductive Control", *Journal of Political Economy* 125, 2178–2224.

OHCHR (2020), *Abortion*, Information Series on Sexual and Reproductive Health and Rights, [https://www.ohchr.org/Documents/Issues/Women/WRGS/SexualHealth/INFO\\_Abortion\\_WEB.pdf](https://www.ohchr.org/Documents/Issues/Women/WRGS/SexualHealth/INFO_Abortion_WEB.pdf).

Pop-Eleches, C. (2006), “The Impact of an Abortion Ban on Socioeconomic Outcomes of Children: Evidence from Romania”, *Journal of Political Economy* 114, 744–773.

Say, L., D. Chou, A. Gemmill, A., Ö. Tunçalp, A. B. Moller, J. D. Daniels et al. (2014), “Global Causes of Maternal Death: A WHO Systematic Analysis”, *Lancet Global Health* 2, E323–E333.

UN Committee on the Elimination of Discrimination Against Women (CEDAW, 2017), *Concluding Observations on the Combined Seventh and Eighth Periodic Reports of Germany*, CEDAW/C/DEU/CO/7-8, <https://digitallibrary.un.org/record/863873>.

UNDP (2021), *The SDGs in Action*, <https://www.undp.org/sustainable-development-goals>.

Van der Meulen Rodgers, Y., E. Coast, S. R. Lattof, C. Poss and B. Moore (2021), “The Macroeconomics of Abortion: A Scoping Review and Analysis of the Costs and Outcomes”, *PLoS One* 16(5), doi: 10.1371/journal.pone.0250692.

Vlassoff, M., S. Susheela and O. Tsuyoshi (2016), “The Cost of Post-Abortion Care in Developing Countries: A Comparative Analysis of Four Studies”, *Health Policy and Planning* 31, 1020–1030.

World Health Organization (2012), *Safe Abortion: Technical and Policy Guidance for Health Systems- Second Edition*, [http://apps.who.int/iris/bitstream/handle/10665/70914/9789241548434\\_eng.pdf?sequence=1](http://apps.who.int/iris/bitstream/handle/10665/70914/9789241548434_eng.pdf?sequence=1).

World Health Organization (2021), *Abortion*, [https://www.who.int/health-topics/abortion#tab=tab\\_1](https://www.who.int/health-topics/abortion#tab=tab_1).

World Health Organization (2021a), *Abortion, Fact Sheet*, <https://www.who.int/news-room/fact-sheets/detail/abortion>.