

GENDER GAP, INTRA HOUSEHOLD BARGAINING AND SEX SELECTIVE ABORTION IN ALBANIA

Keiti Kondi

LIDAM Discussion Paper IRES
2023 / 03



Gender Gap, Intra Household Bargaining and Sex Selective Abortion in Albania *

Keiti Kondi[†]

Abstract

Among European countries, Albania has by far the highest sex ratio at birth with 1.12 boys per girl, compared to the European average of 1.058. Considering this disbalance, this study analyzes the relative importance of three underlying mechanisms: sex bias in parents' preferences for children, the gender gap in intra-household bargaining, and cultural norms. We develop a parsimonious model which incorporates different utilities for boys and girls, the bargaining between family members, and the decision about abortion dependent on its cost and including social stigma. We calibrate the model using data from the Demographic and Health Survey dataset on Albania for the year 2008 by measuring the preference for children of both sexes by the time invested in the child, education, violence, and women empowerment by how independent are women in taking their own decisions. We find that if we increase gender empowerment and equalize preference in children, the sex ratio decreases by 0.04 but it remains above its biological value. This residual could be interpreted as cultural norms affecting the decision-making and not allowing the above indicators in bringing sex ratios down to their biological values. To conclude we discuss different policies that can help in the decline of the sex ratio disparity while accounting for norms.

Keywords: sex selective abortion, gender equality, investment in children, fertility, household bargaining power

*The author would like to thank David de la Croix for precious comments and suggestions, as well as Frédéric Docquier, Luca Pensiero, Fabio Mariani, Bastien Chabé-Ferret, Paula Gobbi and members of ARC Workshop on Family Transformations: Incentives and Norms (Durbuy, BE) and participants at seminars and conferences at UCLouvain, University of Warwick, ASREC & Chapman University, EUI, University of Luxembourg, European Health Economics Association, University of Aix-Marseille, University of Cergy, University of Toulouse, German Society for Demography, Centro Studi Luca d'Agliano (Gargnano), CBS and British Society for Population Studies (Winchester) for great discussions.

[†]IRES, LIDAM, Université catholique de Louvain, E-Mail: keiti.kondi@uclouvain.be

"150 euros if the fetus is 4 months, 230 euros if it is 5 months" - Abortion procedure prices in private clinics in Albania

1 Introduction

Sex-Selective abortion is the interruption of pregnancy because of the sex of the child. In Albania, the preference for male children has led to sex-selective procedures and termination of the pregnancy based on the sex of the fetus, not on other grounds. This is the case when the child happens to be female. The most common procedure is sex-selective abortion, which leads to sex imbalance. The sex of the child can be known only after twelve weeks of pregnancy and the mother can proceed with sex selection only after this period of time. There can be other reasons to abort and we assume no interaction between gender and these reasons. A couple's preference to have control over their fertility can be done medically through in vitro fertilization IVF and PGD treatments (Sills and Palermo (2002)), artificial insemination AI (Wert and Dondorp (2010)) and Ericsson method (Silverman *et al.* (2002)). They are not always effective, and their high cost makes them not affordable and not accessible everywhere. In many developing countries a cheap and successful way remains the sex-selective abortion. Abortion laws vary by country and it can be legal by request, but sex-selective abortion remains illegal worldwide. Nevertheless, altering the distribution of children is considered socially acceptable depending on the country's norms, so certain doctors undergo abortion even after the twelfth week of pregnancy. The biological sex ratio at birth is 104-105 boys per 100 girls (Pergament *et al.* (2002), Rubin (1976), Jacobsen *et al.* (1999), Ben-Porath and Welch (1976)). The sex ratio at birth (SRB) depends on two factors: the sex ratio at conception and the sex-specific survival rates of the fetus during gestation (Chahnazarian (1988)). The first one is called *the primary sex ratio* and the last one is the *secondary sex ratio*, considering medical complications and abortions. At birth, males outnumber females, but this phenomenon is partly offset during the early years of childhood since infant mortality is higher for males. Improvement in maternal health, nutrition, and medicine has lowered child mortality (World Health Organization). Since there is a decline in male mortality, the sex ratio of infants, has become more male-biased. Interruption of pregnancy due to sex selective abortion is particularly notable in South East Asia (Das-Gupta *et al.* (2003), Das-Gupta *et al.* (2009)). After the introduction of echography in the 90' in the Balkans, it became a phenomenon in Albania and the regions inhabited by the ethnic Albanian population. From the UNFPA Report 2011 on Sex Imbalances in Albania the ratio at birth is 112 boys per 100 girls. Data from the Institute of Statistics show an increase in the sex ratio after 1990, reaching its highest peak in 2009, followed by a downward trend in the coming years.

Although abortion can take place for any number of reasons, sex-selective abortion happens

for the desire to have a son over a daughter. This deliberate termination of a pregnancy due to the fetus' presumed sex leads to a sex ratio disbalance. Considering this practice and the uneven number of sons and daughters on an aggregate level, we consider an abortion decision model. This can map several dimensions of gender empowerment into sex-selective abortion of girls. We look at three mechanisms i) the sex-biased preferences for children and ii) the gender gap in intra-household bargaining power, iii) cultural norms. We develop a model where parents decide to continue or terminate a pregnancy based on these mechanisms. In the first channel, which is the preference of children, boys receive more weight than girls in the preferences of parents (Selenica (1927), Guilmoto and Duthe (2013)). We measure the sex bias in preference by looking at a time investment in children, education, and violence for children of both sexes. The second channel, gender empowerment, is measured by looking at women's independence in taking decisions in the household. Another point is also that we do not have data on abortion by gender of the child at the individual or regional level, hence we proceed with a structural model. The third channel is unobserved cultural norms that affect parents' preferences for the sex composition of their children.

What is new about this model is that it considers a utility cost of abortion, which enters the utility function of the family differently for the female and the male partners. The cost of abortion is incorporated in the utility of the family and parents decide on interrupting the pregnancy by comparing the utilities of keeping the child versus the expected utility of aborting. We consider families composed of two parents and two children. We analyze the first and the second pregnancy by considering the utility of having the child of a specific sex and also the cost of abortion. When during pregnancy the child is found to be male, the pregnancy will continue by assuming a male preference. When the child is found to belong to the female sex, the mother will continue the pregnancy only when the utility of having a female child is greater than the expected utility of aborting a child. After the abortion, there can be another pregnancy and we follow the same logic of events until the family terminates its fertility. We allow for only one abortion by considering that more than one can have serious health outcomes for the mother. This model is adequate for countries with low fertility rates below the replacement level. Many countries with high fertility, rely on the stopping rule for the sex composition of their children (for example they keep having children until they get a male child). Countries with low levels of TFR, rely on sex-selective techniques to compose the sex of their children, considering that low fertility acts as a strong constraint to the reproductive goals of parents.

The aim of this study is to evaluate the quantitative significance of preference in children and gender empowerment, on the sex ratio at birth, by doing a sensitivity analysis of the children's sex ratios with these two channels. The model is calibrated by using the Demographic and Health Survey data on Albania for the year 2008. Then we estimate the values of sex ratio for gender equal values of preference in children and women empowerment. Findings show that preferences in

children and women’s bargaining power can help explain cross-cluster variation in sex ratio but are not the main determinants. Removing the bias in preferences and bargaining power would lead to a sex ratio of 1.16, which is lower than the observed one 1.22, but still higher than the biological one.

The first contribution of this paper is to provide an overview of the problem with sex-selective abortion and why it is problematic. The second is in the creation of a model that accounts for fertility decisions under abortion cost constraints. The main contribution of this paper to the literature on fertility and intra-household decisions in family economics and gender studies. It moreover contributes to the literature on missing women and the determinants that help eliminate this phenomenon. Whereas the focus of the existing literature is on gender inequality and fertility decisions, this study introduces and accounts for the utility cost of abortion, which affects the decision of the parents during pregnancy. We also consider analyzing how cultural transmission of norms stands in this problematic. Taken together, the findings indicate that son preference is driven by deeply rooted norms and how people respond to these norms. The remainder of the paper is organized as follows. Section 2 reviews the literature for the most problematic countries concerning sex-selective abortion. We discuss theoretical and empirical evidence that suggests that sex-selective abortion is a problem. Section 3 describes the structural model. Section 4 explains data sources, variable construction, and provides summary statistics. The calibration, identification, over-identification, and counter-factual simulation are presented in Section 5. A policy recommendation is proposed in section 6. Section 7 concludes the findings of this study.

2 Literature Review

A strong preference for sons rather than daughters has been seen in many societies around the world. Figure 1 shows countries that have values of sex ratio at birth varying from 1.08-1.17. Azerbaijan, Armenia, and China record the highest levels of birth masculinity, but skewed SRB levels are observed in several other countries in Eastern Europe, South Asia, and South Asia. While each country is characterized by specific reasons, they all come down to son preference. The prevalence of dowries is known to be the main reason of sex-selective abortion in India. In China it is the one-child policy (Guilmoto (2010) Goodkind (2015)).¹ Therefore, different motives and a combination of several factors might affect the propensity to select the sex of future children. Apart

1. Sex selection in China is more complex than one-child policy. Guilmoto (2010) links this problematic not only to the one-child policy, but also to cultural norms and old age dependency

from sex-selective abortion, other methods that can shape the sex composition of children. Among them is the stopping rule, postnatal sex-selection, and adoption. Prenatal sex-selection remains the most efficient way for preventing unwanted females. This has turned into a norm and habit for a section of the population, especially in low or middle-income countries (Guilmoto *et al.* (2018b)).

In this section, we review the literature on sex imbalances, the masculinization of births, how they become problematic, and why it is important to account for them considering their consequences in the marriage market and the presence of violence. Moreover, we review papers on sex selection in South-East Asia and China, countries known for sex imbalance in their population. Then we continue with sex selection in Albania.

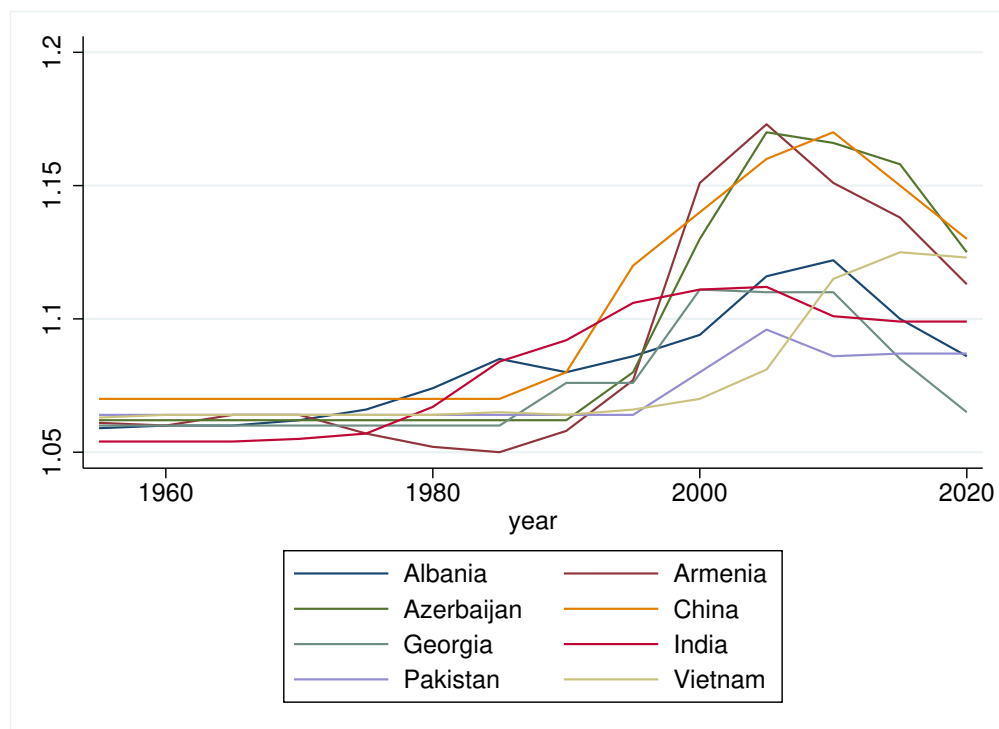


Fig. 1 – Sex Ratios at birth of most problematic countries *UNDP Data: World Population Prospects: The 2019 Revision*

2.1 Consequences of sex imbalance

Sex imbalance is problematic because of the consequences it can have on the population. Choosing the sex of the children creates a bias towards men. The high number of men in confront with females affects the marriage system by increasing the number of unmarried men in the marriage market, which delays their marriage. Men will have difficulty finding a marriage partner and starting a family of their own. This will lead to hyper-competition between men in the marriage market. Men

belonging to a lower social class will be affected by remaining single (Becker (1974)).

Additional to problems in the marriage market, there is pressure regarding savings for couples that have a son, both cross-regional and household-level to improve their son's relative attractiveness for marriage (Zhang and Wei (2011)). As a result, job mobility and job participation may change. The family structure inhabits changes as well. In developing countries where unmarried men still live with their parents, they continue to do so until the time of the marriage and even after their marital status changes (Wang (2005)).

Other negative consequences can be in women's position in society. It can remain behind that of men and their lower social role may lead to gender-based violence, sex trafficking, prostitution, job discrimination, and less power in decision-making both at the household level and in society (UNFPA 2011). This surplus of men can also account for the increase in violence in society (Edlund *et al.* (2013)). There is an increase in the overall violence, committed by unmarried males who lack social bonds. In areas with more male-biased sex ratios both men and women continue to have more conservative attitudes towards women working, and women work fewer hours outside the home (Grossjean and Khatar (2018)). Fatherhood and marital status connected to social standing may affect the connection between males and crime activities (Hudson and den Boer (2004), Barber (2000)), which may as well lead to the development of an authoritarian political regime. Negative consequences for women especially violence towards them, coerced marriages, bride abduction, rape, and violent communities will as well increase at the population level.

Gender bias in the sex ratio can also lead to imbalances in education in the later life of children, leading to gender inequality (Wang (2005)). The marriage market and violence are interlinked with the education levels of youths and young adults, which later on affect the labor market outcomes. This is problematic because it reinforces the idea that one sex is better than the other, which can create an environment that is hostile or exclusionary to the members of the sex with fewer options.

The counter-factual of the above consequences would be that this abundance of men and this scarcity of females can be turned into an advantage for females. Can this scarcity increase the value of women in the marriage market? Considering Becker's theory on marriage markets for the smaller group, their weight in the matching process would be higher, if it was not for their consideration in society. Considering that this study is about sex-selective abortion in Albania and that there is high levels of gender inequality in Albanian society, we exclude this possibility. The advantage power of females would be in the selection of wealthier men in the marriage market but not in the bargaining power and decision making.

Moreover, the same sex can share resources better. Considering this, families that have a male first child, might be influenced in their decision for the sex of the second child, by accounting for shared costs (Himmelweit *et al.* (2013)). This increases the sex ratios for the consecutive children entering into a loop of male preference. Another circumstance is when parents want a male child at all costs, and they stop having children once they have a male child (Basu and De Jong (2010)).

2.2 Sex selection worldwide

In countries where the underlying context of son preference does not exist, the availability of techniques to determine sex does not necessarily lead to their use for sex-selection. Contrary, in countries with male preference, these techniques lead to sex-selective procedures and distorted sex ratios at birth. Sex-selective abortion has a presence in Eastern, Southern, and South-East Asia. China, India, Pakistan, Vietnam, Nepal, Armenia, and Azerbaijan are some of the countries with the highest sex ratios at birth due to sex-selective abortion. Other regions are the south Caucasus and some parts of Indonesia but not in the whole country. South Korea is an example of a country that struggled with this problematic but has now balanced the sex ratios at birth through awareness and campaigning (Das-Gupta *et al.* (2003)).

One of the drivers of sex-selective abortion in China is the one-child policy. This is particularly present in rural areas, where the son preference is strong. The 1.5-child loophole, where parents are allowed to have a second child in case the first one happened to be female lowers the value of having a daughter compared to a first child son. Moreover, there is evidence that also underreporting has affected distorted sex ratios at birth in China (Goodkind (2015)). The second more problematic country in terms of sex ratios at birth is India (Das-Gupta *et al.* (2003)). The factors behind this are not biological but this comes from the preference for sons (Das-Gupta (2005)). Considering that this problematic is strongest in rural areas, this could be linked also to ecological endowments. Hazarika *et al.* (2019) show that there are proportionately more missing women in countries whose ancestral ecological endowments were poorer.

Although distorted sex ratios at birth come down to son preference, drivers of this phenomenon vary by country. Different from India and China, Guilimoto *et al.* (2010) argues that the high sex ratio at birth in Vietnam is linked to various factors such as access to modern health care, number of prenatal visits, level of higher education and employment status, young age, province of residence and prenatal sex determination. In another study Guilimoto *et al.* (2018a), reveal geographical and socioeconomic disparities and show that after a period of increase it now appears to be leveling off, signaling a possible future trend reversal, which is a similarity it shares with India and China.

Another driver leading to sex-selective abortion can be economic uncertainty and poor institutions. Das-Gupta (2015) argues that sex selection manifested itself in Azerbaijan only after the sudden economic and governance meltdown following the dissolution of the Soviet Union in 1991 where jobs, basic services, and social protection mechanisms unraveled. Son preference in Azerbaijan was considered as a coping mechanism, where sons offer the traditional form of support under uncertainty. Basic services, pensions, and safety nets have been rebuilt, but the process involved years of policy changes.

Recently, this problematic is common not only in the east but also in the western and more developed countries with presence of Asian diaspora (Dubuc and Koleman (2007)), North America,

in USA and Canada (Edlund and Almond (2008); Abrevaya (2009), Almond *et al.* (2013)), Italy (Ambrosetti *et al.* (2015)), Spain (Gonzalez (2014)) and Norway (Singh *et al.* (2010)). These papers show that when migrants move to another country, they bring with them cultural norms of son preference.

Culturally speaking, from psychological and historical constraints regarding judgment and sensibility differences, the solution has been to consider women as either deviant or deficient in their development (Gilligan (1982)). A factor that reinforces this is the family line continuation. It influences the decision of the parent to have a male child because the son takes the surname of the family (Xing and Hesketh (2006)). Son preference is not just about cultural norms, it can be also interpreted economically. One possible explanation is the old age dependency care. Parent's worry about old age dependency, can explain male preference as an insurance (Chen (2008)) or they usually get pressured by their families as it is the case in the study of Varma (2002) where urban, educated, and middle-class women undergo sex detection techniques. In countries with a poor institutional framework regarding pension schemes, old people rely on their children for financial support.

Some types of children's sex discrimination can be not only pre-natal (between unborn children), but also post-partum (after the children are born). Parents internalize certain norms that lead them to give better care to their sons compare to their daughters. This consists in taking care less of a female child compared to the male counterparts. It also contributes to a scenario where daughters are of a lower value than sons to their parents (Das-Gupta (1987)).

The problematic of this phenomenon is not only the negative aspects it can have on gender equality but also its persistence over time. The consequences of uneven sex ratios on cultural attitudes, labor supply decisions, and occupational choices can persist in the long run, well after sex ratios are back to the natural (biological) rate (Grossjean and Khatar (2018)). An example of this is this is distorted sex ratios during world war II in Russia and male scarcity, which lead to lower rates of marriage and fertility, higher non-marital births, and reduced bargaining power within marriage for women most affected by war deaths. The impact of sex ratio imbalance on marriage and family persisted for years after the war's end. It was likely magnified by policies that promoted non-marital births and discouraged divorce (Brainerd (2017)). During world war II men use their advantageous position in the marriage market to "marry up" and marry women of a higher social class. (Abramitzky *et al.* (2011)). Another addition to this hypothesis is from Bethman and Kvasnicka (2013) that analyze how the loss of men in World War II affected out-of-wedlock births in Bavaria where regions with greater loss of male life experienced significantly higher shares of out-of-wedlock births after the war.

2.3 Sex Selection in Albania

Albanian legislature allows abortion by request up to the 12th week. Nevertheless, sex-selective abortion remains illegal. The procedure can be done in private clinics around the country illegally, without proof or report of it to authorities (UNFPA (2011)). Considering that these statistics in Albania are not tracked and we cannot distinguish which part of total abortions can be sex-selective abortions, we decide to not rely on this data and focus on sex ratio at birth. The four reasons behind historical distorted sex ratios are under-registration, its patrilineal society, agricultural and financial support: i) Sex ratios have been historically distorted due to the under registration of female children. Apart from sex-selective abortion, there is evidence of preference for boys since 1920. Male children were being registered in the official registries after birth, while their female siblings were not. Another practice that reinforces son preference in 1920 is that women were following traditional medicine to understand the sex of the baby like the shape and the position of belly during pregnancy (Selenica (1927)).² ii) The second reason that has influenced son preference is Albania's patrilineal society during Kanun times (Kaser *et al.* (1996), Kaser (2008)), which gave rise to the phenomenon of becoming a sworn virgin and getting independence and full rights as a man. Cultural norms that push women to not give birth to females, are reasons that girls are considered a burden to their families and that they are unable to perpetuate the family lineage (Kaser *et al.* (1996)). iii) Another historical reason might be traced to agriculture. Hazarika *et al.* (2019) argue that patriarchal cultural norms may be traced to man's transformation from hunter-gatherer to farmer activities. The authors' findings show that gender roles are more unequal in countries with longer histories of agriculture, which is also the case for Albania. In rural agricultural areas, the male sex can defend the territories, providing returns for the family. As a result, parents bias their investments toward sons. iv) Son preference might have its roots during the Kanun of Lek Dukagjin, a set of laws, where the daughter could not be part of the inheritance. The country still suffers a patriarchal society and a male is considered to bring luck, power, and financial support to the family. Considering that parents rely on their male children for financial support and old age dependency this affects the decision-making of women when it comes to the choice of continuing the pregnancy with a female child or terminating it (Kaser (2008)). Albanian culture continues to be patriarchal in terms of gender equality (UNFPA (2011)).³

Another driver of biased sex ratios is migration. In the Albanian context, migration of men has done the opposite effect. It stabilized male/female sex ratios. As a result marriage markets were not distorted and the sex bias phenomenon became less problematic in terms of aggregate sex ratios of the population (this is different for sex ratios at birth). Considering that no action was taken against this problematic, it led to the continuation of the preference for sons (Guilmoto *et al.*

2. During the 60' the dictator Enver Hoxha, started campaigns for the modernization and uprooting of traditions considered retrograde.

3. Gender equality and gender violence continue to be at the core of the UNDP programs in the country.

(2018b), UNFPA (2016)). As shown in Figure 2, ever since 1990, the national Sex Ratio at Birth (SRB) estimate has been around 110 and it reached its peak 111.5 in 2008. The rise of the ratio in the 90' corresponds to the introduction of sex detection technology, the lowering of fertility rates, and difficult economic conditions in the country. The demographic indicators in Albania show that the Total Fertility Rate (TFR) rate has decreased from above 6 in 1960 to 3.2 in 1990 and to 1.5 in 2015. Guilmoto *et al.* (2018b) argues that sex selection techniques are more common in countries showing a low TFR. Low fertility acts as a constraint to the reproductive targets of parents, where biologically without sex selection techniques around 1/4 of parents with two children would remain without a son. Additionally, a strong gender bias and not only introduction and presence but also greater access to sex-selection techniques, have influenced in bringing sex ratios to high levels. Changes in TFR levels could also pressure the reproductive choices of couples. For instance, having one child less on average, family size doubles the probability of having no sons.⁴



Fig. 2 – Sex Ratios at birth and TFR in Albania. *Source: World Bank*

4. Such fertility decrease in less than five years has been observed in countries such as Brazil, Iran, Zimbabwe, and China (Guilmoto *et al.* (2018b))

3 Model

We consider a structural parsimonious partial equilibrium model for countries with low exogenous fertility. Low fertility acts as a constraint to the reproductive goals of parents. This constraint is even stronger in presence of son preference. Parents take abortion decisions trying to bias the sex of their children that maximize their utility. Considering the possible drivers of son preference, the model we construct will serve as an instrument to measure the sensitivity of abortion to gender gap policies and preferences in children. Our theoretical framework considers a partnership with a family planning of 2 children. We chose specifically 2 children since it is a representation of the average number of children in the Albanian society.⁵ During pregnancy, the mother can give birth to a boy with a probability p or a girl with a probability $1 - p$. Fertility is exogenously interrupted after a first child with probability q and continues fertility with probability $1 - q$. Reasons behind a parent's decision to stop fertility can be the ideal number of children, financial constraints, age of parents, and a difficult abortion. In the data, we find that only 10% of parents stop having children after the first child. For simplification in our model fertility is not endogenous and mothers do not abort male children.

Utility of the family accounting for the cost of abortion

The utility of each parent is defined over personal consumption of parents c_M and c_F , number of boys and girls as children n_b and n_g and their respective preference towards the child, which are parametrized by x_b and x_g . Mothers and fathers face the same preferences towards male children. The same goes for female children. The male child is preferred to the female child which is expressed by $x_b > x_g$. We write $g = \frac{x_g}{x_b}$. These preferences enter the utility function through γ that represents the weight at which children enter parent's utility function. The abortion cost enters the utility function for each parent differently considering different medical and financial situations they have to face and undergo.

$$U_{Mother} = \ln(c_M) + \gamma \ln(n_b x_b + n_g x_g) - DA_M$$

$$U_{Father} = \ln(c_F) + \gamma \ln(n_b x_b + n_g x_g) - DA_F$$

The abortion cost faced by the mother is A_M and the one faced by the father is A_F . By D we express an abortion dummy that takes the value 1 when pregnancy is interrupted by sex selective abortion and the value 0 otherwise. The utility of the family is the sum of the utilities of both

5. :In 2000 TFR is 2.2, in 2008 it is 1.7 and in 2022 it is 1.56.

parents considering different bargaining power θ for each of the partners.

$$U = \theta U_M + (1 - \theta) U_F$$

After substituting for U_M and U_F the U of the family is expressed as following:

$$U = \theta \ln(c_M) + (1 - \theta) \ln(c_F) + \gamma \ln(n_b x_b + n_g x_g) - A$$

where A is be the sum of the costs of abortion that each parent faces. For simplicity we allow one abortion possibility. This is also in line with the medical literature stating that an increase in the number of abortions increases health complications for the mother. We assume that the cost of abortion is the same before and after having a child. This means that the cost of abortion in the first pregnancy is the same with the one in the second pregnancy in case they did not undergo an abortion procedure in the first one.

$$A = \theta A_M + (1 - \theta) A_F$$

Considering that the mother is the one that undergoes the medical abortion procedure, we write that the cost of abortion of the father is only part of the cost of the abortion of the mother. This is expressed by $r > 1$.

$$A_{Mother} = r A_{Father}$$

Family faces the following budget constraint, where y is income, c_M and c_F represent the consumption of each partner, P shows the price of having children and n_b together with n_g are the respective number of male and female children. For simplicity P is not gender specific. P can be also considered as cost of children.

$$y = c_M + c_F + P(n_b + n_g)$$

In the first channel of this theoretical framework, the sex-biased preferences for children are captured by x_b and x_g and it captures the preferences of parents post-partum. This represents an investment in children after they have been born. The second channel of gender empowerment is captured by θ . The third channel of cultural norms is different from the first one as it shows the pre-natal preferences of children. This preference is important in the decision making if to continue or terminate a pregnancy considering the sex of the child.

Abortion decisions accounting for the sex of the child

During pregnancy, female and male children are born with different probabilities. There is a probability of $p = 0.52$ for the child to be born male and $p = 0.48$ for the child to be born female. After 12 weeks of pregnancy, the sex of the child can be verified through ecography. For simplification,

if the child happens to be a male, the mother will continue the pregnancy and not consider an abortion. If the child happens to be a female, the family needs to take the decision if to continue the pregnancy or interrupt it by aborting.

They will choose the situation that gives them the highest utility. As a result they will abort when the $EU_A \geq U_G$ and continue the pregnancy when $(U_G > EU_A)$. In the expected utility of abortion, parents also consider the probabilistic utility of a second pregnancy that leads to a male or a female child.

Considering our model, where parents take decisions based on the sex of their children, we provide possible scenarios of the pregnancy, conditional on parents having a higher preference for male children than for females $x_g < x_b$.

- i **When the first pregnancy, at time t leads to a boy.** This happens with probability $p = 0.52$. Consider that during the pregnancy, the chances for the child to be born a boy are with probability p and for a girl are $1 - p$.

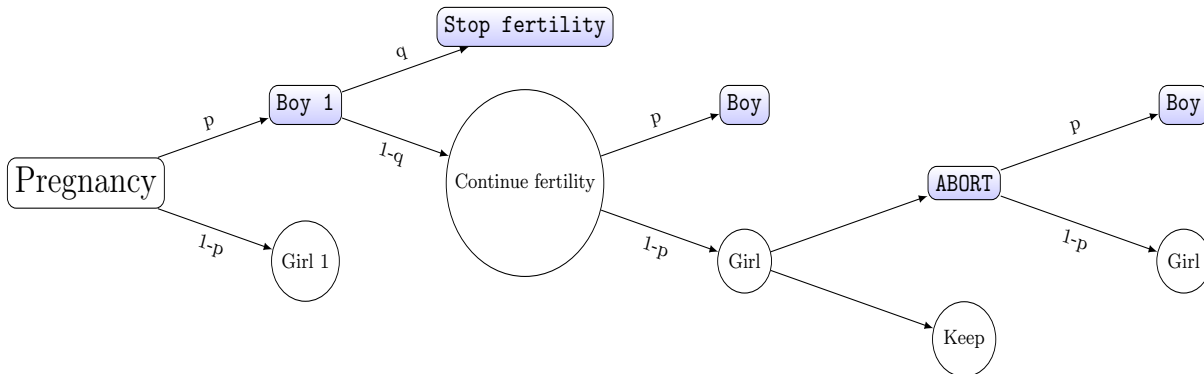


Fig. 3 – First child is a boy

The parents will always keep the first child when it happens to be a boy. At a second stage, $t + 1$, after the first male child, the family has the possibility to stop fertility, which happens with probability q or to continue another pregnancy with probability $1 - q$.

In case they continue with a second pregnancy, they will have a boy with probability p and a girl with probability $1 - p$. They will always keep the second child if it happens to be a boy. Contrary, if the child happens to be female, the family will take the decision if to abort or continue the pregnancy with this second child according to their respective utilities.

In order to take this decision, the family will compare the utility of having a girl with the expected utility of abortion, considering a third pregnancy after abortion, at $t+2$. In this third pregnancy the probability of giving birth to a boy or a girl are again p and $1 - p$ respectively.

Figure 1 shows a tree diagram with the decisions that parents can take when the first child is a boy and they are thinking of aborting or not the second child in case it happens to be a girl. The diagram shows also the respective probabilities of the parents' decisions and the pregnancy outcomes. By comparing the utility of keeping the girl with the expected utility of abortion, calculations of which can be found in the Appendix A.1, we can state that the pregnancy will be interrupted only when the cost of abortion is below the following threshold (*Proof 1 in the Appendix A.1*). We see that the cost of abortion A depends on p , γ , x_b and x_g . Additionally, the choice to abort or not has no impact on the ultimate number of children and consumption. The purpose of the model is to compare "sub-utility" alternatives with exogenous fertility decisions.

$$EU(\textit{Abortion}) > U(\textit{female})$$

$$\ln(c) + \gamma \ln(x_b + x_g) < pU(\textit{male}) + (1 - p)U(\textit{female})$$

$$A < \bar{A} = p\gamma \ln\left(\frac{2x_b}{x_b + x_g}\right)$$

ii **When the first child is a girl**, we analyze two possible scenarios. The first one is when the daughter is the first child, and the second one is about the second daughter. We analyze parents decisions regarding abortion in both these pregnancies.

- When during pregnancy the child happens to be a girl, at time t parents have the choice to continue or interrupt the pregnancy. If they continue the pregnancy and give birth, at time $t + 1$ they can stop having children with probability q or continue with a second pregnancy with probability $1 - q$, which will lead to a boy or girl with their respective probabilities p and $1 - p$.

In case they abort the girl, they can have another pregnancy at $t + 1$ which can lead to a boy with probability p or a girl with probability $1 - p$. We assume one abortion possibility in this model, and as result, in the second pregnancy, in case the child happens to be a girl they are not anymore able to abort her. Moreover, the family can either stop fertility with probability q or continue fertility with a third pregnancy at $t + 2$, which will lead to a boy or girl with their respective probabilities p and $1 - p$.

Figure 2 shows a tree diagram with the decisions that parents take and their respective probabilities in the case when the first child is a girl and they need to take a decision if to keep her or not. In order to take the decision if to abort or not the girl child, parents compare the utility of keeping the girl with the expected utility of abortion, considering a second pregnancy after aborting the first one. After comparing the two utilities, the pregnancy will be interrupted only when the cost of abortion is below the

following threshold (*Proof 2 in the Appendix A.1*).

$$EU(\text{Abortion}) > U(\text{female})$$

$$q[\ln(c) + \gamma \ln(x_g)] + (1-q)[p(\ln(c) + \gamma \ln(x_b + x_g)) + (1-p)[\ln(c) + \gamma \ln(2x_g)]] < pU(B) + (1-p)U(G)$$

$$A < \hat{A} = p[-q\gamma \ln\left(\frac{x_b}{x_g}\right) - (1-q)p\gamma \ln\left(\frac{2}{1 + \frac{x_b}{x_g}}\right) - (1-q)(1-p)\gamma \ln\left(\frac{1 + \frac{x_b}{x_g}}{2}\right)]$$

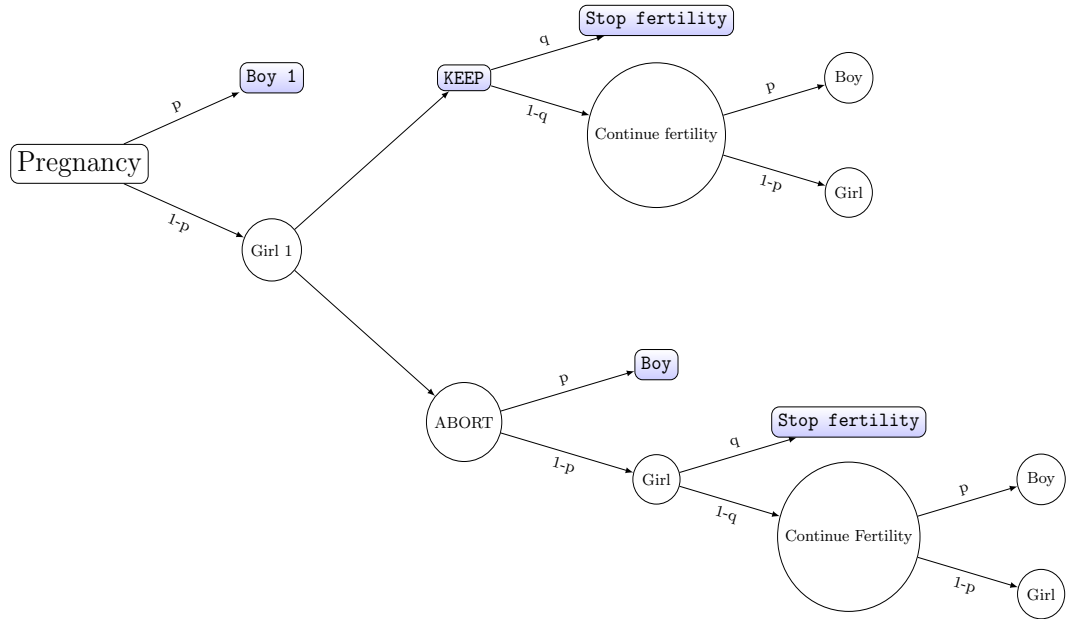


Fig. 4 – First child is a girl, abortion decision on the first child

- In the scenario where parents do not interrupt the pregnancy of their first girl at t and they continue with a second pregnancy at $t + 1$. This second pregnancy will give a boy with probability p or a second girl with probability $1 - p$. Parents are still allowed one abortion possibility. They face another choice, which is about keeping the second girl or terminating the pregnancy. Termination allows for a third pregnancy at $t + 2$ that can

lead again to a boy or girl with the usual probabilities of conception.

In order to take this decision, parents compare the utility of having a second girl with the expected utility of abortion, considering a future pregnancy after aborting. Figure 3 shows a tree diagram with the decisions that the parents can take, the respective probabilities of their decisions and pregnancy outcomes. By comparing the utility of having a girl with the expected utility of abortion, we can derive that the pregnancy will be terminated when the cost of abortion is below the following threshold, calculations of which can be found in Appendix A.1.

$$EU(\text{Abortion}) > U(\text{female})$$

$$\ln(c) + \gamma \ln(2x_g) < pU(\text{male}) + (1 - p)U(\text{female})$$

$$A < \tilde{A} = p\gamma \ln\left(\frac{x_b + x_g}{2x_g}\right)$$

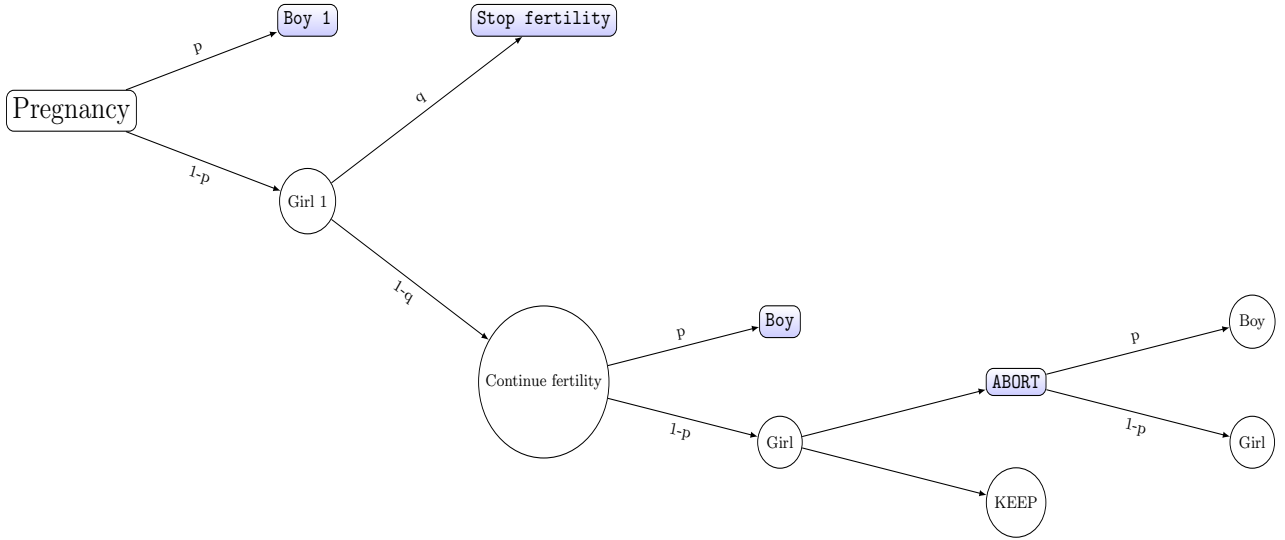


Fig. 5 – First child is a girl, abortion decision on the second child

We consider three thresholds for the cost of abortion for which parents consider when taking the decision if to terminate or continue a pregnancy. We write these thresholds as \bar{A} , \hat{A} and \tilde{A} . By comparing them we can derive $\bar{A} < \hat{A} < \tilde{A}$. Considering these intervals, we can write the following propositions:

Proposition 1: $\tilde{A} > \bar{A}$

The abortion threshold for the decision to abort a second girl child when the first one is also a girl, is greater than the abortion threshold for which parents abort second girl child, after the first one is a boy. The ratio $\frac{\tilde{A}}{\bar{A}} < 1$. This means that a second child who is female is more often aborted when first child is female iff boys are preferred to girls ($x_b > x_g$, i.e. $g = \frac{x_g}{x_b} < 1$). This is also in line with the literature of having a boy at all costs. (*Proof of Proposition 1 in Appendix A.1.*)

Proposition 2: $\hat{A} < \tilde{A}$

The abortion threshold for the decision to abort a second girl child when the first one is a girl, is smaller than the abortion threshold to for which parents take the decision if to abort their first child which is a girl. If people have always two children, they abort more easily a first girl than a second girl. Ratio $\frac{\hat{A}}{\tilde{A}} < 1$, which means \tilde{A} is larger than \hat{A} , so first girls are more often aborted than second girls. (*Proof of Proposition 2 in Appendix A.1.*)

First girls are aborted more often than the second girls because the threshold for the cost of abortion for aborting the first girl child is lower than the threshold of aborting the second girl child. This is counter intuitive with the son preference from society pressure, once you have son, you have no more pressure for what child comes next.

3.1 Sex ratio and the cost of abortion

We want to compute the aggregate sex ratios and for this we consider the sex ratio for both the first and the second child. In order to bring the model to data, we assume that the cost of abortion A is distributed following a Logistic Distribution with the subsequent probability density function $f(x; m, b)$ and the cumulative density function: $G(x; m, b)$, where m and b are the location and scale parameters of the distribution:

$$f(x; m, b) = \frac{e^{-\frac{x-m}{b}}}{b(1 + e^{-\frac{x-m}{b}})^2}$$

$$G(x; m, b) = \frac{1}{1 + e^{-\frac{x-m}{b}}}$$

Some parents face negative cost of abortion. This means that their utility increases by aborting. An interpretation of this can be that cultural norms are strong enough to affect people's decisions regarding the sex of their children. When the cost of abortion is zero we can write:

$$G(0; m, b) = \frac{1}{1 + e^{\frac{m}{b}}}$$

Sex ratio of the children, for the groups of parents that do not abort will be the biological value of the number of boy children over the number of girl children, that have not been aborted. In probability terms we can write that sex ratio for parents that do not abort is the probability p to

have a boy child over the probability $1 - p$ to have a girl child. The sum of the two probabilities equals one: $p + (1 - p) = 1$. The sex ratio when parents do not abort will be the biological one and it can be expressed as: $SR_{na} = \frac{p}{1-p}$.

Sex ratio of the children, whose parents have aborted girls, will be greater than the biological one. In probability terms we can express it as: $SR_a = \frac{p+(1-p)p}{(1-p)-(1-p)p} = \frac{p(2-p)}{(1-p)^2}$, where the numerator $p+(1-p)p$ represents the number of boys, probability p to have a boy, and $(1-p)p$ is probability of having a boy after aborting a girl. The denominator $(1-p) - (1-p)p$ shows the probability $(1-p)$ of having a girl and $(1-p)p$ is what is left of girls after parents abort. Considering that $p = 0.52$ and $1 - p = 0.48$, substituting these values in SR_{na} and SR_a we get: in case of non-abortion, sex ratio at birth will be $SR_{na} = 1.05$ while in case of abortion, it will be $SR_a = 3.2$. This last holds true for the first child and for the second child, irrespectively of the sex of the first child.

Sex ratio for the first child is the composition of children from parents that have aborted girls and the children from parents that have not aborted. As a result, we write that the sex ratio for the first child is the sum of the distribution of people that have aborted for the cost of abortion \hat{A} and the distribution of people that have not aborted for the same cost of abortion. Figure 6 show schematically the two different groups. We write the sex ratio for the first child $s_i^1(m, b)$ in the following equation:

$$s_i^1(m, b) = G(\hat{A})SR_a + (1 - G(\hat{A}))SR_{na}$$

Fig. 6 – Sex ratio of children from parents that choose to abort and not abort the first child

Substituting for the values of $SR_a = \frac{p(2-p)}{(1-p)^2}$, $SR_{na} = \frac{p}{1-p}$ and the cumulative density function of the logistic distribution, we can rewrite $s_i^1(m, b)$ as:

$$s_i^1(m, b) = \int_0^{\hat{A}} \frac{p(2-p)}{(1-p)^2} f(\hat{A}) dA + \int_{\hat{A}}^{\infty} \frac{p}{1-p} f(\hat{A}) dA$$

Sex ratio for the second child is composed by children of parents that have already aborted once and those that have not done so at their first pregnancy. Those that have aborted, have lost their one possibility of abortion. Figure 7 shows schematically the group of parents that cannot abort and their corresponding sex ratio. The share of these children is $1 - p$ and the sex ratio $s_i^2(na)$

would be written as the following:

$$s_i^2(na) = (1 - p)G(\hat{A})$$

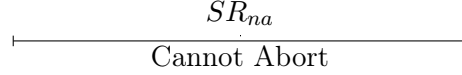


Fig. 7 – Sex ratio of children from parents that have already aborted the first child

When parents still have the possibility to abort, they would do so when the cost of abortion is up to the interval \tilde{A} when the first child was a girl and up to the interval \bar{A} when the first child was a boy. This is represented schematically in Figure 6 and 7.

Sex ratio of children from parents that choose to abort or not abort the first child.

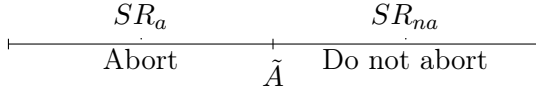


Fig. 8 – Case when first child was a boy

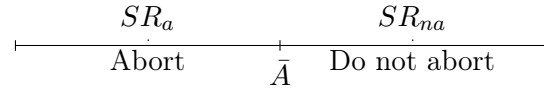


Fig. 9 – Case when first child was a girl

Putting together the cases when parents have already aborted and when they still have one abortion opportunity, we can derive the sex ratio for the second child:

$$s_i^2(m, b) = (1 - p)G(\hat{A})SR_{na} + [1 - (1 - p)G(\hat{A})][(1 - p)G(\tilde{A})SR_a + (1 - p)(1 - G(\tilde{A}))SR_{na} + pG(\bar{A})SR_a + p(1 - G(\bar{A}))SR_{na}]$$

Substituting for the distribution of the cost of abortion, we can express $s_i^2(m, b)$ as:

$$s_i^2(m, b) = (1 - p) \int_0^{\hat{A}} \frac{p}{1-p} f(\hat{A}) dA + [1 - (1 - p) \int_0^{\hat{A}} f(\hat{A}) dA] [(1 - p) \int_0^{\tilde{A}} \frac{p(2-p)}{(1-p)^2} f(\tilde{A}) dA + (1 - p) \int_{\tilde{A}}^{\infty} \frac{p}{1-p} f(\tilde{A}) dA + p \int_0^{\bar{A}} \frac{p(2-p)}{(1-p)^2} f(\bar{A}) dA + p \int_{\bar{A}}^{\infty} \frac{p}{1-p} f(\bar{A}) dA]$$

4 Data

4.1 Albanian Demographic and Health Survey (ADHS)

We rely on data from the Demographic and Health Survey for Albania for the year 2008. This also coincides with the year in which the sex ratio at birth was the highest. The 2008-09 Albania Demographic and Health Survey (ADHS) is a nationally representative sample survey designed to provide information on population, demographic characteristics, household composition, and health issues in Albania for every household member.⁶

The survey is composed of questions answered by the female head of the family. It collects data on all household members, and it has very rich information on children's characteristics. The variables we are interested in measuring are *wife's bargaining power*, *relative preference for children* and *sex ratio*. The unit of observation is a cluster one, which are administrative unit divisions accurate to less than 15 meters.⁷ ADHS 2008 includes 7584 female respondents and 3013 men respondents of age 15-49. Survey fieldwork was conducted from October 2008 to April 2009. In the year 2008 Albania is an ethnically homogeneous country where all respondents are Albanian. The majority with approximately 55 percent, live in rural areas, with one-sixth of respondents in Urban Tirana, the capital. The average household size in Albania is 3.8 persons. Only 16 percent of households are headed by women.⁸ We rely on this survey because it has very rich data on fertility, education, children information, gender and domestic violence, women's empowerment by accounting for gender attitudes, women's decision-making power, education and employment of men vs. women. The only downside of the survey is that it has data only on Albania in the Balkans region. As a result, we cannot compare it to other countries in the region.

4.2 Sex ratio of children

Sex ratio 1 is associated with the first-born child of the respondent, while sex ratio 2 is associated with the second-born child of the respondent. This ratio is about fertility in the past, children that respondents already had. We calculate them by dividing the total number of male children with the total number of female children for every cluster.⁹ Their respective cluster average is 1.22 and 1.32. Since some clusters have very few children, we restrict our sample by considering only the upper 70th percentile of the number of children per cluster, which have a minimum of 16 children

6. The ADHS was conducted by the National Institute of Statistics (INSTAT) and the Institute of Public Health (IPH), under the lead of the Ministry of Health of the Republic of Albania.

7. The groupings of households that participated in the survey, known as clusters, are geo-referenced. Urban clusters contain a minimum of 0 and a maximum of 2 kilometers of error. Rural clusters contain a minimum of 0 and a maximum of 5 kilometers of positional error with a further 1% of the rural clusters displaced a minimum of 0 and a maximum of 10 kilometers.

8. DHS Report on Albania 2008

9. $sexratio1 = \frac{n_b^1}{n_g^1}$ and $sexratio2 = \frac{n_b^2}{n_g^2}$

per cluster. We downsize to 214 clusters for our analysis. Table 1 shows a summary statistic of our variables of interest. The clusters have on average 23 children. With our new sample, the sex ratio for the first child is on average 1.18 with a standard deviation of 0.8. The sex ratio for the second child is on average 1.24 with a standard deviation of 0.95. The minimum for these sex ratios is 0.08 and it goes up to 4.5 and 7.5.

4.3 Relative preference for children

For the sex bias preference in children, we use a principal component analysis (PCA) of 3 measures at a cluster level: Time investment in children, education, and violence. PCA is a data reduction method to re-express multivariate data with fewer dimensions. This technique is used to uncover the common elements or to acquire fewer components for use in further analysis once surveys have been conducted. These measures are calculated as a ratio of female over male children for each cluster.

The first indicator, time investment in children, is composed of questions if parents read, name, count, draw, tell stories, sing songs, play, and take the child outside. These questions are answered for both female and male children by the mother, the father and also someone else in the family that might take care of the child.¹⁰ The DHS children dataset has information on children up to the age of 5. There are 1616 children in this dataset. This variable is calculated by summing all activities that parents or someone else spends with the child. Then we sum all these activities for female versus male children, by accounting for the number of girls and boys for every cluster.

The second indicator is education. Considering that education is mandatory by law for children up to the age of 14, our variable of education is measured as the number of students enrolled in school for the age group 15-18 for every cluster, by taking into account the respective number of different sexes on each cluster.

The third indicator, violence, is measured by the number of female versus male children below 15 years who are abused physically by their parents.¹¹ By applying a principal component analysis on these 3 variables, we create the relative preference in children index represented by $\frac{x_g}{x_b}$. The scores are positive for time investment in children and education, and negative for violence. We transform this investment in girls index into taking values from 0.61 to 1, by assigning a value of 1 to the investment for boys ($x_b = 1$). Investment in children index is on average 0.8 at a cluster level with a standard deviation of 0.05. More about the construction of this variable and the PCA method can be found in Appendix A.2.

10. This is not specified and it can a grandparent, uncle/aunt, cousin or older sibling

11. We get the same results even when we use children below 10. The reason we choose 15 years old is that on average it gets more difficult to abuse physically older children. The closer they get to 18, the more independent and powerful children become.

4.4 Women empowerment

We consider as women’s empowerment the wife’s bargaining power regarding household and health decision-making. It is expressed by θ in the model, which gives different weights to how utilities of parents and their respective cost of abortion, enter the utility of the family. The wife’s bargaining power index is a principal component analysis on questions regarding final say for issues like own health care, making large household purchases, making purchases for daily needs, visits to family and relatives, and the decision on what to do with money husband earns. We build it by counting the total number of women per cluster that can take decisions on their own. We keep only respondents for whom we have data on all the variables we are interested. The index takes values from 0 to 0.53. A value of zero means that women have no power over decisions, while a value of 0.53 means that women are free to make decisions on their own or in cooperation with their partners. Women empowerment is on average 0.17 at the cluster level. Appendix A.2. shows a detailed construction of this variable.

Table 1 – Summary statistics at the individual level of our sample

	Mean	Std. Dev.	Min	Max
Sex Ratio 1	1.18	0.80	0.09	4.5
Sex Ratio 2	1.24	0.95	0.08	7.5
Women empowerment θ	0.17	0.1	0	0.53
Investment in children x_g (when $x_b = 1$)	0.8	0.05	0.61	1
Number of children/cluster	23	4.6	16	40

5 Calibration

In order to do a counter-factual simulation analysis, we first do a calibration of the model, using the DHS data for the year 2008.

5.1 Identification

Some parameters are fixed ex-ante. We set γ , a scale parameter showing how parents enter utility of parents, equal to 1. When developing calculations, we see that γ does not affect the results. Moreover, we assign a value of 2 to r to show the extra cost burden for the mother. r shows that the cost of abortion for the father is only part of the cost of the abortion for the mother. Moreover, the value being greater than 1 is in line with the literature on abortion procedures. We assign the value 0.1 to the probability of stopping fertility q . This value is taken from the sample of DHS Data in 2008. It represents the share of couples that stop fertility after a first child. Then, we assign the value 0.52 to the probability of having a male child p . This is the biological probability to have a

male child.

We proceed by finding m and b to match exactly the s^1 and s^2 . m and b are the location and scale parameters of the logistic distribution of the cost of abortion. We solve the following system:

$$\begin{cases} s^1(m, b) = \text{sexratio1} \\ s^2(m, b) = \text{sexratio2} \end{cases}$$

The values we get from solving the system are $m = 0.05$ and $b = 0.00006$. A summary of the parameter values is provided in Table 2.

Table 2 – Parameters summary

	Meaning	Parameters	Target
γ	Parameter explaining how children enter utility of parents	1	normalization
r	Parameter showing the weight of the cost of abortion mother/father	2	a priori
x_b	Investment in the male child	1	normalization
q	Probability of stopping fertility	0.1	a priori
p	Probability of having a male child	0.52	a priori
m	Location parameter of logistic distribution	0.05	s^1
b	Scale parameter of logistic distribution	0.00006	s^2

Over-identification:

We proceed with an over-identification strategy where m and b minimize the discrepancy across clusters between sex ratios in the data and the model. We minimize the difference between the model prediction and the observed sex ratios. We have 214 clusters in total, which leads to 428 targets, 2 parameters, and 426 over-identifying restrictions. To do so, we minimize the sum of the squared errors for all clusters for both sex ratios, using several choice variables, to see whether the estimated parameter of interest remains the same or changes drastically. s_i^1 and s_i^2 depend from the location and scale parameters of the logistic distribution of the cost of abortion distribution m and b , investment in children post-partum for every cluster x_{g_i} (when $x_{m_i} = 1$), while the sexratio1 and sexratio2 represent the aggregate values of sex ratios for the first and the second child. To be considered that we set $r = 2$, $p = 0.52$, $q = 0.1$ and $\gamma = 1$. We first minimize the sum of the squared errors for all clusters with data on the investment in children, then introduce the women empowerment data.

$$\min_{m,b} \sum_i [s_i^1(m, b, x_{g_i}, \theta_i) - sexratio1] + (s_i^2(m, b, x_{g_i}, \theta_i) - sexratio2)]^2$$

We find the values of the location and scale parameter $m = 0.58$ and $b = 0.21$ by minimizing the sum of the squared errors for all clusters. In Appendix A.3 we show a plot of the values of m and b in the previous equation. There is a difference of 0.4 points between the observed and simulated values of sex ratios. The observed values of the sex ratios are 1.18 and 1.24, while the simulated are 1.22 and 1.20. 1.18 and 1.24 are different from the 1.12 value of the aggregate level, after limiting our data to clusters and individuals for which we can have information on all our variables of interest. In Figure 10 and 11 we plot the resulting fit for sex ratio 1 and 2.

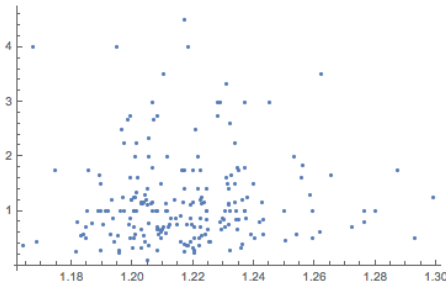


Fig. 10 – The fit of Sex Ratio 1

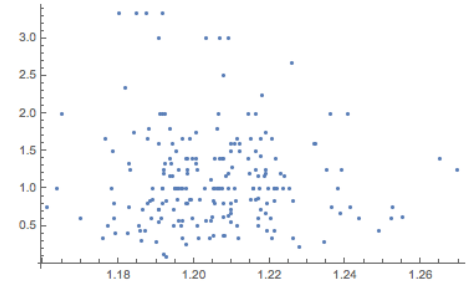


Fig. 11 – The fit of Sex Ratio 2

The next step consists in finding for what values of θ_i and x_{g_i} we can get normal values of Sex Ratio 1 and Sex Ratio 2. We find that θ_i and x_{g_i} are not powerful mechanisms in lowering sex ratios down to the biological values. There is still a residual of unobserved cultural traits that allows for this gap. We explain this simulation and residual in the next sessions.

Counterfactual simulation:

We continue with a counterfactual simulation of how sex ratio values change if the observed variables of investment in children and gender empowerment were gender equal and different from what we observe in the survey data prevailing in 2008. For instance, how do sex ratios change, when there is no gender gap in children and when parents invest the same in boys and girls.

We can see from the sex ratio equations that s_i^1 and s_i^2 depend on the values of the scale and location parameters, from the investment in children x_{g_i} and the gender empowerment θ_i . We start by assigning a gender equal value to x_{g_i} . Then we proceed by assigning a gender equal value to θ_i . Finally we assign gender equal values to both x_{g_i} and θ_i . Results are shown in Table 3. The first and the second sex ratio decrease for gender equal values of θ and x_g . The effect is stronger when we equalize preference in children x_g , than when we increase women empowerment θ . No children preference bias brings Sex Ratios 1 and 2 down to 1.16. No gender gap in bargaining power lowers

Sex Ratio 1 and 2 down to 1.19 and 1.18, respectively. When we bring to gender equal values both θ and x_g , the sex ratios decrease at the same value as when we only adjust for x_g (1.16). This can be a result of cultural norms in the country where women themselves believe in the value of having a male child, which we express by the negative cost of abortion.

Table 3 – Estimation of values for Sex Ratio for the first and the second child, average per cluster

	Sex Ratio 1	Sex Ratio 2	θ	x_g
observed	1.18	1.24		
simulated	1.22	1.20	0.16	0.8
no children preference bias	1.16	1.16	θ_i	1
no gender gap in bargaining power	1.19	1.18	0.5	x_{gi}
gender equality for both children and adults	1.16	1.16	0.5	1
biological values	1.05	1.05		

5.2 Discussion of the Results

In our model we consider three reasons to abort: i) differentials in children's investment, x_g and x_b , according to parents' preferences, ii) differentials in bargaining power (θ) among partners, and iii) $G(0) > 0$, interpreted as resulting from unobservable cultural norms. We can discuss the following results regarding their effects on the sex ratios at birth:

i) from our data on ADHS having no post-natal children preference bias, can lower sex ratios at birth to 1.16. This is a biased value considering that the biological one is 1.05. As a result, although this mechanism can decrease the sex ratio values, it is not successful in decreasing them down to their biological value.

ii) when there is no gender gap in bargaining power among partners, sex ratios decrease to 1.19 and 1.18. These two channels can lower sex ratios at birth and decrease sex-selective abortion. Nevertheless, the values remain still above the biological value of 1.05, which means that there is still a presence of sex-selective abortion. When parents invest the same in boys and girls after birth, meaning when $x_g \rightarrow x_b$, sex ratio at birth is still biased (the limit of sex ratio 1 does not reach the biological value $s^1 \rightarrow \frac{p}{1-p}$). This is because some parents have a negative cost of abortion which makes them abort also in cases when they have the same investment in children. The biased sex ratio can be written as $sr^1 = \frac{(1-p - \frac{1}{1+e \frac{m}{b}})p}{(1-p)^2} = \frac{(1-p-G(0))p}{(1-p)^2}$.

iii) with equal bargaining power among parents ($\theta = 0.5$) and post-natal equal investment in children $x_g \rightarrow x_b$, sex ratios decrease at 1.16, which is again above biological value. This bias remains as people continue to abort girls. Pre-natal preferences of parents regarding the sex of their children make $G(0) > 0$. Our assumption regarding abortion of children is that women do not abort boys, making $G()$ the cost of aborting girls as well as capturing the residual in this model. It is important

to distinguish between preferences in children before and after they are born. What x_b and x_g capture are investments and preferences in children post-partum while the cultural norms capture the preference pre-natal. This residual not explained from the model can capture the preference of children pre-birth.

In sum, cultural norms considering the ideology and conviction that male children are a blessing are represented in the model as having a negative cost of abortion. Parents desire a male child so much, that not only they do not mind the financial, emotional, and physical costs of abortion but also see it as an investment that has high returns in terms of cultural norms. This is translated into a higher utility for the family. The fact that investment in children is more powerful than women's empowerment in lowering sex ratios at birth can be in the fact that women themselves prefer males. Failure to give birth to a son may lead to consequences that include violence or rejection by the marital family. As a result, a deeply rooted preference for male children has been created leading to women choosing male children over female ones and reinforcing this norm furthermore. We use these results for Section 6, we discuss a possible interpretation of cultural norms considering historical data and the Albanian patriarchal context. Moreover, we discuss policies that account for gender equality while targeting biological sex ratios at birth.

6 Discussion

In this partial equilibrium theoretical framework, we analyze if equal investment in children and women empowerment can explain biased sex ratios of children. The sex ratio remains distorted, even when equalizing investment in boys and girls and when increasing women empowerment. There is still a residual that can be interpreted as social norms. It is important to discuss this residual and problematic due to the negative externalities it can have on the marriage market, the housing market, and women status in the society. Although a shortage of females might benefit them in the marriage market by marrying up, their intra-household bargaining power remains at a disadvantage. Other externalities include the increase in the likelihood of coerced marriages, bride abduction, and child marriage. These are strong reasons to focus on possible drivers and draft the correct policies and internalize these externalities.

Considering that this phenomenon comes from strong son preference, we focus on social norms. The fact that there is some sex selection in countries with an Albanian minority leads credence to the idea that this is cultural. Social norms can have roots in events that have happened in the past. This can be financial decisions, in times when having a son was an insurance for old age dependency, the continuation of family line, or just a preference for having a son in a patriarchal society where women do not have a say equal to men. Following these elements, we look at sex ratios in Albania historically. This allows for a better understanding of the influence that norms can have on the decision-making process and fertility decisions of parents.

6.1 Historical Background

Historically, families have chosen to take care, appreciate or neglect their children based on their sex. There is evidence that points to relatively high sex ratios at birth in European historical populations by looking at parish registers of vital statistics (Tapia (2019)). We look at Mosaic data that provides historically integrated census microdata for Albania in 1918. It only covers the northern and central part of present-day Albania, areas occupied by the Austro-Hungarian Empire during World War I. In 1918, the first census has been carried out in the occupied territories. The census considers the household size, religion, literacy, region, and age. It has 140611 observations and 27792 households. We are interested in analyzing the sex ratios at birth. For this, we try samples for different ages. We consider a sample for all children, one where children are below 20 years of age, another one where they are below 10 or below 5. In all these sample analyses, the sex ratios are skewed. Table 4 summarizes these values and it considers also sex ratios values that account for regional differences, urbanization, and religion. Values of the sex ratios in 1918 vary around 110 male children per 100 female children. These are high values considering that ultrasound technology was not available at the time and we cannot speak of sex-selective abortion. Problems of under-registration of female children may inflate sex ratios by under-enumerating girls. Postnatal care differentiation with lack of care due to gender discrimination that leads to a higher mortality can also be an explanation of the high SRB. Appendix A.7 explains more about sex ratios historically both in Europe and Albania.

Table 4 – Sex Ratios in Albania 1918 *Source: Mosaic Census*

SR Measure	SR value <5	SR value <10	SR value <15
Aggregate	1.10	1.09	1.09
Urban	1.11	1.12	1.13
Rural	1.09	1.06	1.06
Regional (7 obs)	1.10	1.10	1.11
Provincial (274 obs)	1.24	1.18	1.16
Religion			
Muslim	1.11	1.10	1.34
Catholic	0.93	1.04	1.21
Roman Catholic	0.85	1.05	0.99
Orthodox	0.94	0.95	1.32

Considering that there are different reasons behind son preference and biased sex ratios at birth, we focus on religion. 76 % of the census population is registered as Muslim, 9.7 % as Orthodox and 9.8 % as Catholic, and 4.1 % as Roman Catholics. Among the others are Greek Catholic, Jewish, and Lutheran. The Muslim population has higher sex ratios than the orthodox and roman catholic

ones, which are more in favor of female children. This might be explained by the financial wellbeing of the Roman Catholic population and the possibility to register their children. To be considered that during the Ottoman Empire, part of the population that did not convert to Islam had to pay a tax. Those that could afford to pay the tax could continue belonging to and practicing other religions. Another difference among religions is that the sex ratio increases with age for both Muslims and Catholics. This shows that the sex ratios are even more problematic when you consider more children from each household. This might also be that female children have left the household when they get married and migrated to areas that are not part of the sample. Other spatial differentials can be seen in terms of urbanization. The sex ratio in urban areas is higher than that in rural areas. The difference between the two grows even larger when age increases. Migration can be an explanation. There is no infant mortality data for this time period thus we cannot assume about neonatal discrimination and excess female mortality in childhood.

6.2 Policy Proposals

Negative externalities that sex ratios have on the society can be managed by developing the right policies. In order to lower sex ratios down to biological values we propose policies and directives which use as instruments the two channels that we explored in the theoretical framework: investment in children, women empowerment, cost of abortion and the cultural norm residual. The first policy we highlight is thus focused on eradicating the preference bias towards children of different sexes. Then we discuss why cultural norms are important and what can be the difficulties of a policy that accounts for them. We continue with a policy that accounts equal bargaining power in decision making. A fourth one considers the increase of the cost of abortion. These policies are specific for Albania, since our results are based on the Demographic and Health Survey data of Albania. Nevertheless, they may also be beneficial for countries with large Albanian minority or even immigrant communities following evidence of transmission of norms when it comes to sex selection.¹²

In our first policy regarding investment in children we discuss how this post-birth preference of children affects people's decisions and why accounting for it is important. By relying on how we measure preference in children from the Demographic and Health Survey dataset, a proposal would be about equal treatment regarding time spent with each child and the same investment in education. Time spent with both genders is a key factor in determining the gender gap postpartum. Incentives in education are regarding achieving equality of genders in non-mandatory education. A possible strategy would be increasing awareness of gender-based violence like in South Korea,

12. Closing the gender gap and advancing gender balance, promoting gender equality, ending gender based violence has been at the top of the priorities in the country by many institutions like the European Union, United Nations, World Bank.

on legal and administrative protection and support services for victims of violence and abusers.¹³ From the results that we get in the calibration part, an equal investment in children managed to lower sex ratios at birth but not down to the biological values. This is because we account for post-partum preferences. What could be important is to capture the preference of parents pre-partum and consider a policy that pushes for equal preferences in the expected child, irrespective of the future sex. This translates into a policy that fights cultural norms accounting for son preference. Creating a framework of how to target and account for cultural norms is rather complex. This is because cultural transmission is strong. South Korea can be considered a successful country model in fighting the problematic of sex-selective abortion. It appears that a combination of factors contributed to this shift. Two decades of exceptional economic growth led to fundamental changes in Korean society with a shift away from a farm-based economy, increasing desire for small families, increasing urbanization, greater participation of women in the workforce with better employment opportunities, and parents having retirement savings for old age (Das-Gupta *et al.* (2003)). Promotion of women's rights and responsibilities within their birth family especially after marriage and recognition of women-headed households, were seen to be beneficial, as was a 'Love Your Daughter' media campaign (UNFPA).

We continue with the gender empowerment policy. During the 19th and the 20th centuries women in Albania lived in a patriarchal and traditional society.¹⁴ Women today account for 24 percent of the seats in the Parliament and represent 42 percent of the Governmental cabinet. Although there is an increased representation of women in the public administration to 45 percent, the situation remains problematic at a micro household level regarding social norms. This affects furthermore people's behavior in terms of fertility decisions regarding the sex of their children. Considering this progress, for gender empowerment, the policy aims to empower furthermore females by increasing their participation in decision-making. Considering the heterogeneity of this measure in the data, this can be achieved by targeting the more problematic areas, ensuring the economic and social empowerment of women, addressing gender inequalities that lead to poverty and promoting social inclusion.¹⁵ Albania is a signatory to several important and binding international documents, which guarantee the equality of men and women and prohibit gender-based discrimination but looking at the data there is an obvious gender bias.¹⁶

13. With regards to the prevention and reduction of gender-based violence and domestic violence, despite improvements especially in the legal framework in compliance with international and regional standards, Albania has to take a series of other actions to meet the requirements of ratified international conventions and to show no tolerance to violence. This is to be interpreted with caution considering the applicability of the law. Societal pressure keeps many women from making formal complaints. Moreover, in many cases, the prosecutor simply fails to prosecute a man for abusing his wife. Apart from the social, there are still legal barriers when reporting domestic abuse to the courts

14. More about gender empowerment in Albania during this time period on Appendix A.6.

15. The level of participation in the labor force for the male and female population of 15-64 years of age is respectively 72.2 % and 51.3 % (Males and Females in 2015, INSTAT)

16. Gender equality has a prominent place in the agenda of the institutions, yet despite the progress that has been made to establish a legal and policy framework for the advancement of women's rights and gender equality, inequalities

The above policies become less successful instruments in lowering sex ratios at birth when accounting for cultural norms. It is not easy to "fight" norms. They are defined as specific but tacit standards of what is socially and individually acceptable. One can argue that the strength of the rule of law is a mechanism for lowering sex ratios. Nevertheless people find a way. Many immigrants from countries where sex selection techniques are present, go back to their countries to undermine the procedure, considering the strength in the application of laws in developed countries. Sex selection procedure becomes a problematic in countries with strong cultural norms in son preference and not strong judicial systems. The goal of gender equality and the practice of gender mainstreaming focuses on how females and males experience problems in society differently, and how they relate to the societal forces that shape power relationships. It aims to identify the societal behaviors and structures that sustain gender inequality and make changes that are institutional and systemic. In a country where traditional patriarchal attitudes are still prominent, gender inequalities are present in all spheres of social and economic life, and violence against women is still widespread. To help fight this problematic, a stronger legal framework concerning the rights of women, for combating gender-based violence, as well as the adoption of legal enforcement for abortion after 12 weeks of pregnancy. An increase in the cost of abortion would affect also people that abort before the 12th week for other reasons or those that abort after 12 weeks for medical reasons.

7 Conclusion

We study the problematic of sex-selective abortion and consider a partial equilibrium theoretical framework where we try to lower sex ratios at birth by accounting for the two channels of son preference: women empowerment and investment in children. For this, we develop a model where the decision to abort a female child depends on the sex bias in child preferences and on the gender gap in intra-household bargaining power among parents. We calibrated the model using the data of the Demographic and Health Survey in Albania for the year 2008 and we do a sensitivity analysis on the sex ratios at birth by changing the values of preference bias in children and women empowerment.

We find that equal preference in children lowers the sex ratio at birth from 1.22 to 1.16. Son preference is still deeply rooted in the decisions of the family's formation, which leads to the gradual buildup of a male surplus. Raising women's empowerment lowers the sex ratio, but less than equalizing preference in children. Sex Ratios decline from 1.22 to 1.19. An interpretation of this result can be that since women are often under immense family and societal pressure to produce sons, women themselves have a preference for male children. Failure to give birth to a son may lead to consequences that include violence or rejection by the marital family. As a result, a deeply rooted son preference has been created leading to women choosing male children over female ones

are pervasive. The country has restricted the use of modern technologies for sex-selection purposes. However, such prohibitions are often difficult to enforce, and they drive demand for these technologies underground.

and as a result further reinforcing this norm. When we consider both gender equality in decision making and no bias in children's preference, the sex ratio drops to 1.16. Our findings show that women's empowerment and investment in children help decrease the biased sex ratios but are not the main channels of this problematic. We propose policy recommendations on what our data and model tell us about preference bias in children and gender empowerment. Equal access to education, the time investment in the early years of life, and accounting for cultural norms are some of the policies that help lower skewed sex ratios at birth. This can be associated with other supportive measures like access to information, health care services, personal security, and the strengthening of the legislature. Future avenues for research can be dedicated to models with 2 abortion possibilities, increasing the number of children per family, increasing the utility cost of abortion, or the study of cultural norm transmission regarding fertility decisions within generations or between different Albanian communities in their country or abroad.

References

- ABRAMITZKY, R., DELAVANDE, A. and VASCONCELOS, L. (2011). Marrying up: The role of sex ratio in assortative matching. *American Economic Journal: Applied Economics*, **3**, 124–157.
- ABREVAYA, J. (2009). Are there missing girls in the united states? evidence from birth data. *American Economic Journal: Applied Economics*, **1** (2), 1–34.
- ALMOND, D., EDLUND, L. and MILLIGAN, K. (2013). Son preference and the persistence of culture: Evidence from south and east asian immigrants to canada. *Population and Development Review*, **39** (1), 75–95.
- AMBROSETTI, E., ORTENSI, L., CINIZA, C. and MARINA, A. (2015). Sex imbalances at birth in migratory context: Evidence from italy. *Genus*, **71**, 29–51.
- BARBER, N. (2000). The sex ratio as a predictor of cross-national variation in violent crime. *Cross-Cultural Research*, **34** (3), 264–282.
- BASU, D. and DE JONG, R. (2010). Son targeting fertility behavior: Some consequences and determinants. *Demography*, **47**, 521–536.
- BECKER, G. (1974). *Economics of the Family: Marriage, Children, and Human Capital*. National Bureau of Economic Research.
- BEN-PORATH, Y. and WELCH, F. (1976). Do sex preferences really matter? *The Quarterly Journal of Economics*, **90** (2), 285–307.
- BETHMAN, D. and KVASNICKA, M. (2013). World war ii, missing men and out of wedlock child-bearing. *Economic Journal*, **123**, 162–194.
- BRAINERD, E. (2017). The lasting effect of sex ratio imbalance on marriage and family: Evidence from world war ii in russia. *The Review of Economics and Statistics*, **99** (2), 229–242.
- CHAHNAZARIAN, A. (1988). Determinants of the sex ratio at birth: Review of recent literature. *Social Biology*, **35** (3-4), 214–235.
- CHEN, L. (2008). *Gender and Chinese Development: Towards an equitable society*. London and New York: Routledge.
- DAS-GUPTA, M. (1987). Selective discrimination against female children in rural punjab, india. *Population and Development Review*, **13** (1), 77–100.
- (2005). Explaining asia's "missing women": A new look at the data. *Population and Development Review*, **31** (3), 529–535.

- (2015). "missing girls" in the south caucasus countries trends, possible causes, and policy options. *Policy Research Working Paper*, (7236).
- , CHUNG, W. and LI, S. (2009). Evidence for an incipient decline in numbers of missing girls in china and india. *Population and Development Review*, **35** (2), 401–416.
- , ZHENGHUA, J., LI-BOHUA, X., CHUNG, W. and BAE, H. (2003). Why is son preference so persistent in east and south asia? a cross-country study of china, india, and the republic of korea. *World Bank Policy Research Working Paper*, (2942).
- DUBUC, S. and KOLEMAN (2007). An increase in the sex ratio of births to india-born mothers in england and wales: Evidence for sex-selective abortion. *Population and Development Review*, **33** (2), 383–400.
- EDLUND, L. and ALMOND, D. (2008). Son-biased sex ratios in the 2000 united states census. *Proceedings of the National Academy of Sciences*, **105** (15), 5681–2.
- , HONGBIN, I., YI, J. and ZHANG, J. (2013). Sex ratios and crime: Evidence from china. *The Review of Economics and Statistics*, **95** (5), 1520–1534.
- GILLIGAN, C. (1982). *n a Different Voice: Women's Conceptions of Self and of Morality*. Harvard University Press.
- GONZALEZ, L. (2014). Sex selection and health at birth among indian immigrants.
- GOODKIND, D. (2015). The claim that china's fertility restrictions contributed to the use of prenatal sex selection: A skeptical reappraisal. *Population Studies*, **69** (3), 263–279.
- GROSSJEAN, P. and KHATAR, R. (2018). It's raining men! hallelujah? the long-run consequences of male-biased sex ratios. *The Review of Economic Studies*, **86** (2), 723–754.
- GUILMOTO, C. (2010). High sex ratio at birth in eastern europe.
- (2015). The masculinization of births. overview and current knowledge. *Population*, **70**, 183–243.
- , BECQUET, V. and DUTREUILH, C. (2018a). Sex imbalance at birth in vietnam: Rapid increase followed by stabilization. *Population*, **73** (3), 519–544.
- , DUDWICK, N., GJONCA, A. and RAHM, L. (2018b). How do demographic trends change? the onset of birth masculinization in albania, georgia, and vietnam 1990–2005. *Population and Development Review*, **44** (1), 37–61.
- and DUTHE, G. (2013). Masculinization of births in eastern europe. *Population and Societies*, (506), 4.

- , HOÃNG, X. and VAN, T. N. (2010). Recent increase in sex ratio at birth in viet nam. *Plos One*, **2**, 4.
- HAZARIKA, G., KUMAR, C. and SARANGI, J. S. (2019). Ancestral ecological endowments and missing women. *Journal of Population Economics*, **32** (4), 1101–1123.
- HIMMELWEIT, S., SANTOS, C., SEVILLA, A. and SOFER, C. (2013). Sharing of resources within the family and the economics of household decision making. *Journal of Marriage and Family*, **75**.
- HUDSON, V. and DEN BOER, A. (2004). *Bare Branches: The Security Implications of Asia’s Surplus Male Population*. Cambridge, MA, USA: MIT Press.
- JACOBSEN, R., MOLLER, H. and MOURITSEN, A. (1999). Natural variation in the human sex ratio. *Human Reproduction*, **14** (12), 3120–5.
- KASER, K. (2008). *Patriarchy after patriarchy: gender relations in Turkey and in the Balkans, 1500-2000*. LIT Verlag Munster.
- , HALPERN, J. and WAGNER, R. (1996). Patriarchy in the balkans: Temporal and cross-cultural approaches. the history of the family. *An International Quarterly*, **1** (4), 425–442.
- LYNCH, K. (2011). Why weren’t (many) european women missing? *The History of the Family*, **16**, 250–266.
- PERGAMENT, E., TOYDEMIR, P. and FIDDLER, M. (2002). Sex ratio: A biological perspective of ‘sex and the city’. *Reprod Biomed Online*, **5** (1), 43–46.
- RUBIN, E. (1976). The sex ratio at birth. *PubMed*, **21** (4), 45–48.
- SELENICA, T. E. (1927). L’albanie en 1927.
- SILLS, E. and PALERMO, G. (2002). Preimplantation genetic diagnosis for elective sex selection, the ivf market economy, and the child—another long day’s journey into night? *Journal of assisted reproduction and genetics*, **19** (9), 433–7.
- SILVERMAN, A., STEPHENS, S., DROUIN, M., ZACK, R., OSBORNE, J. and ERICSSON, S. (2002). Female sex selection using clomiphene citrate and albumin separation of human sperm. *Hum Reprod*, **17** (5), 1254–1256.
- SINGH, PRIPP, BREKK and STRAY-PEDERSON (2010). Different sex ratios of children born to indian and pakistani immigrants in norway. *BMC Pregnancy and Childbirth*, **10** (1), 40.
- TAPIA, F. J. B. (2019). Sex ratios and missing girls in late-19th-century europe. *EHES Working Paper*, (160).

UNFPA (2011). Unfpa annual report.

— (2016). Unfpa annual report.

VARMA, R. (2002). Technological fix: Sex determination in india. *Bulletin of Science, Technology and Society*, **22** (1), 21–30.

WANG, W. (2005). Son preference and educational opportunities of children in china—“i wish you were a boy!”. *Gender Issues*, **22** (2), 3–30.

WERT, G. D. and DONDORP, W. (2010). Preconception sex selection for non-medical and intermediate reasons: ethical reflections. *Facts, views and vision in ObGyn*, **2** (4), 267–277.

XING, Z. and HESKETH, T. (2006). Abnormal sex ratios in human populations: Causes and consequences. *Proceedings of the National Academy of Sciences*, **103** (36), 13271–13275.

ZHANG, X. and WEI, S. (2011). The competitive saving motive: Evidence from rising sex ratios and savings rates in china. *Journal of Political Economy*, **119** (3), 511–564.

A Appendix

A.1 Proofs

Proof 1: First child is a male, abortion of the second child The child will belong to the male sex with probability $1-p$. In the model we assume that in this case, the pregnancy will always continue. There will be a second pregnancy with the same probabilities of belonging to the male and female sex. If in the second pregnancy, the fetus happens to be a female, then the family will evaluate the utility of continuing the pregnancy and the expected utility of abortion. In this last one it will be considered a third pregnancy with possible outcomes.

$$U(\textit{female}) = \ln(c) + \gamma \ln(x_b + x_g)$$

$$EU(\textit{abortion}) = pU(\textit{male}) + (1-p)U(\textit{female})$$

$$EU(\textit{abortion}) = p(\ln(c) + \gamma \ln(2x_b) - A) + (1-p)(\ln(c) + \gamma \ln(x_b + x_g) - A)$$

$$EU(\textit{abortion}) = \ln(c) + p\gamma \ln(2x_b) + (1-p)\gamma \ln(x_b + x_g) - A$$

The pregnancy will be interrupted when $EU(\textit{abortion}) > U(G)$

This happens when $p\gamma \ln(2x_b) - p\gamma \ln(x_b + x_g) - A > 0$ and it is the second child that belongs to the female sex

$$A < \bar{A} = p\gamma \ln\left(\frac{2x_b}{x_b+x_g}\right)$$

Proof 2: First child is a female. The decision is about aborting the first child that belongs to the female sex. The family has to evaluate the utility of keeping the child or terminating the pregnancy. The utility of having a female child is

$$U(\textit{female}) = q[\ln(c) + \gamma \ln(x_g)] + (1-q)[p(\ln(c) + \gamma \ln(x_b + x_g) + (1-p)[\ln(c) + \gamma \ln(2x_g)]$$

This is to be compared with the expected utility of aborting the child

$$EU(\textit{abortion}) = pU(B) + (1-p)U(G)$$

$$U(G) = q[\ln(c) + \gamma \ln(x_g)] + (1-q)[p(\ln(c) + \gamma \ln(x_b + x_g) + (1-p)(\ln(c) + \gamma \ln(2x_g)]$$

$$U(B) = q[\ln(c) + \gamma \ln(x_b)] + (1-q)[p\ln(c) + \gamma \ln(2x_b) + (1-p)(\ln(c) + \gamma \ln(x_b + x_g)]$$

The abortion will be interrupted only when

$$\begin{aligned} EU(\textit{abortion}) - U(\textit{female}) &> 0 \\ EU(\textit{abortion}) - [U(\textit{female}) + A - A] &> 0 \end{aligned}$$

$$pU(B) - pU(G) - A > 0$$

$$A < \hat{A} = p[U(B) - U(G)]$$

We can write

$$U(B) - U(G) = q\gamma \ln(x_b) + (1 - q)p\gamma \ln(2x_b) - q\gamma \ln(x_g) - (1 - q)p\gamma \ln(x_b + x_g) + (1 - q)(1 - p)\gamma \ln(x_b + x_g) - (1 - q)(1 - p)\gamma \ln(2x_g)$$

Rearranging and writing $g = \frac{x_g}{x_b}$ we can rewrite

$$U(B) - U(G) = -q\gamma \ln(g) - (1 - q)p\gamma \ln\left(\frac{1+g}{2}\right) - (1 - q)(1 - p)\gamma \ln\left(\frac{2}{1+\frac{1}{g}}\right)$$

As a result $A < \hat{A} = p(-q\gamma \ln(g) - (1 - q)p\gamma \ln\left(\frac{1+g}{2}\right) - (1 - q)(1 - p)\gamma \ln\left(\frac{2}{1+\frac{1}{g}}\right))$

Consider that the above can also be written as

$$A < \hat{A} = p(q\gamma \ln\left(\frac{1}{g}\right) + (1 - q)p\gamma \ln\left(\frac{2}{1+g}\right) + (1 - q)(1 - p)\gamma \ln\left(\frac{1+\frac{1}{g}}{2}\right))$$

Proof 3: First child a female, abortion of the second child The child will be female with probability $1 - p$. The pregnancy will continue only when $EU(\text{abortion}) < U(\text{female})$. After the child is born there is a second pregnancy. A girl will be born with probability $1 - p$ and a boy with probability p . We assume that if the child belongs to the male sex, pregnancy will continue. If the child belongs to the female sex, the pregnancy will continue only when $EU(\text{abortion}) < U(\text{female})$. Consider that in case of abortion, another pregnancy will follow up with the probability p of having a boy and $1 - p$ of having a girl.

$$U(\text{female}) = \ln(c) + \gamma \ln(2x_g)$$

$$EU(\text{abortion}) = pU(\text{male}) + (1 - p)U(\text{female})$$

$$EU(\text{abortion}) = p(\ln(c) + \gamma \ln(x_g + x_b) - A) + (1 - p)(\ln(c) + \gamma \ln(2x_g) - A)$$

$$EU(\text{abortion}) = \ln(c) + p\gamma \ln(x_g + x_b) + (1 - p)\gamma \ln(2x_g) - A$$

Comparing the $U(\text{female})$ with $EU(\text{abortion})$, the pregnancy will be interrupted when the later is greater than the first.

This happens only when:

$$A < \tilde{A} = p\gamma \ln\left(\frac{x_b + x_g}{2x_g}\right)$$

Proposition 1: A second child who is female is more often aborted when first child is female, iff boys are preferred to girls: Since $\tilde{A} = p\gamma \ln\left(\frac{x_b + x_g}{2x_g}\right)$ and $\bar{A} = p\gamma \ln\left(\frac{2x_b}{x_b + x_g}\right)$ we can rewrite and simplify to $\frac{\tilde{A}}{\bar{A}} = \frac{\ln(2g) - \ln(1+g)}{\ln\left(\frac{1+g}{2}\right)}$. Then $\tilde{A} > \bar{A}$ iff $x_b > x_g$ meaning $\frac{x_b}{x_g} < 1$, $x_b > 0$

Proposition 2: If families have two children, first girls are more often aborted than second girls. Since $\hat{A} = p(q\gamma \ln(\frac{1}{g}) + (1-q)p\gamma \ln(\frac{2}{1+g}) + (1-q)(1-p)\gamma \ln(\frac{1+\frac{1}{g}}{2}))$ and $\tilde{A} = p\gamma \ln(\frac{x_b+x_g}{2x_g})$ then $\frac{\hat{A}}{\tilde{A}} = \frac{\ln(g)}{2\ln(2g)-2\ln(1+g)}$. Ratio is always less than one, which means that $\hat{A} < \tilde{A}$

A.2 Principal Components Analysis

Principal Component Analysis is a data reduction methods to re-express multivariate data with fewer dimensions. We apply this method to acquire fewer elements when constructions the variable of gender empowerment and relative preference for children. For the construction of gender empowerment variable we use questions of the survey about the freedom of decision making of the female partner.

$$\theta = dummy1 * 0.5375 + dummy2 * 0.1459 + dummy3 * 0.1227 + dummy4 * 0.1007 + dummy5 * 0.0932$$

where dummy1 is the construction of a dummy variable from the survey question 'final say on own health care'. The variable takes value 0 when respondent does not have the final say on her own health and it takes value 1 when respondent has the final say alone or with in cooperation with her partner/husband. Following the same logic, dummy2 and stands for 'final say on making large household purchases', dummy3 for 'final say on making household purchases for daily needs', dummy4 for 'final say on visits to family or relatives' and dummy5 for 'final say on food to be cooked each day'. The highest proportion goes to the variable constructed from the question of taking decisions on her own health care and the rest is divided among the other dummy variables.

For the construction of relative preference in children, we do a PCA of three indicators:

- i) Time investment in children below 5. This is composed by time spent reading, telling stories, singing, spending time outdoors, playing and organizing activities by both parents and someone else. We create dummy variables when one of the adults spend time on kids. We create a new variable composed by the sum of the time spend by each adult and divided by 6, which is the number of the total activities. We create this variable for both male and female children. We sum it up for each cluster respectively for boys and girls, by accounting for the different number of boys and girls in every cluster. Then the time variable is constructed by dividing the previous time cluster variables of girls over boys.
- ii) Education of children aged 15-18. We calculate education differentials of male and female children. We calculate education years for both females and males for every cluster. The education variable is constructed by dividing the education of females over males for every cluster
- iii) Violence towards children below 15. We create a violence differential variable by creating dum-

mies for each female and male child whom have undergone violence. We sum up the number of girls and boys for each cluster. The variable of violence is created by dividing the number of females of the number of males.

Considering the heterogeneity of this data we take the logarithms of each of them. Applying the PCA method on these 3 indicators leads to the following proportions that we use in the construction of $\frac{x_g}{x_b}$ variable.

$$\frac{x_g}{x_b} = 0.3621 * \log_{time} + 0.3346 * \log_{education} + 0.3033 * \log_{violence}$$

The proportions are shared almost equally among time, education and violence variables. We normalize the new variable to an index that takes value zero to one.

A.3 Calibration and Identification

In a first step we find the values for the parameters m and b of the logistic distribution for both SR1 and SR2 by solving the system. In a second step we finding parameters of the logistic distribution - over identification - by minimizing sum of squared errors for all clusters. In Figure 10 to 12 we show fragments of the same 3D plot of m and b captured on different angles.

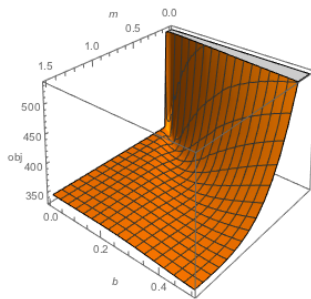


Fig. 12

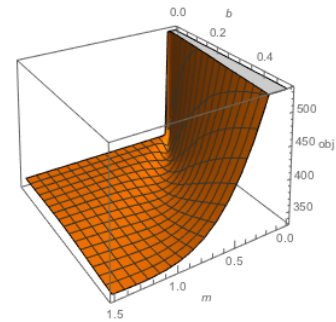


Fig. 13

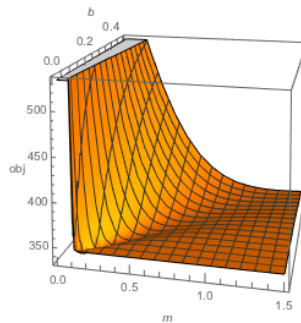


Fig. 14

A.4 Gender bias worldwide

Countries with a strong son preference are mainly South Asian, East Asian, Central Asian, and Balkan countries (Guilmoto (2015)). Table 5 shows sex ratios at birth during 2008-2014 in a country aggregate level for both problematic countries and countries with biological normal values. A counter-example of high sex ratios at birth is sex ratios below the value of 1. An example of this is Minangkabau in Indonesia. This region has a preference for daughters. After marriage, the new couple moves to the house of the wife. A Minangkabau who gives birth to a boy will, on average, have a second child more quickly than one who gives birth to a girl.

Table 5 – Sex Ratio at birth 2008-2014. *Source: Guilmoto (2015)*

Country	SRB	Year	Source
China	115.9	2014	National Bureau of Statistics
South Korea	105.3	2013	Birth Registration
Hong Kong	109.3	2013	Birth Registration
India	110.0	2011-2013	Sample registration System
India	110.1	2012	Birth Registration
Singapore	107.0	2013	Birth Registration
Taiwan	107.4	2012	Birth Registration
Vietnam	112.2	2013-2014	Intercensal Survey
Azerbaijan	115.6	2013	Birth Registration
Armenia	114.0	2012-2013	Birth Registration
Georgia	108.0	2012-2015	Birth Registration
Albania	109.0	2012-2013	Birth Registration
Kosovo	110.4	2011-2013	Birth Registration
Macedonia (northwest)	110.4	2009-2013	Birth Registration
Germany	105.3	2013	Birth Registration
Brazil	104.8	2012	Birth Registration
France	104.8	2013	Birth Registration
USA	104.7	2012	Birth Registration
Japan	105.2	2012	Birth Registration
Russia	105.7	2013	Birth Registration
Turkey	105.8	2013	Birth Registration

A.5 Demographic indicators and gender bias in Albania

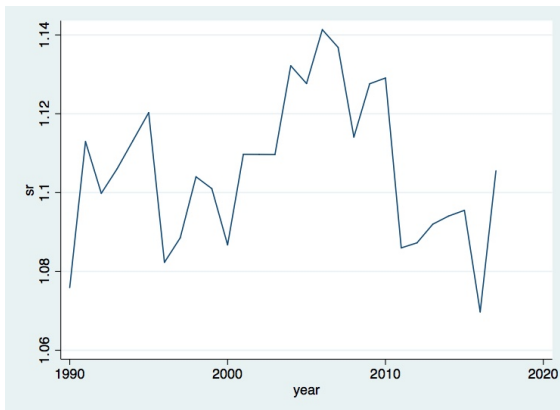


Fig. 15 – Sex ratio at birth

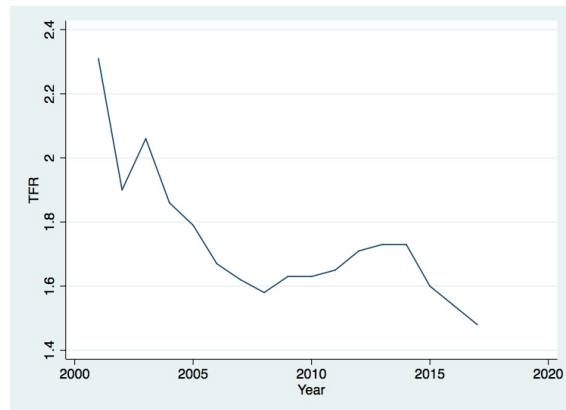


Fig. 16 – Total fertility rate

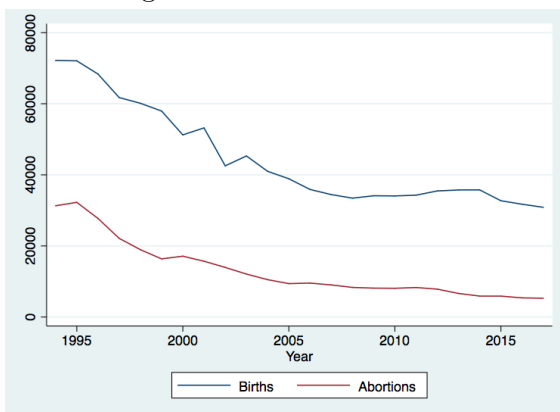


Fig. 17 – Births and Declared Abortions 1994-2017

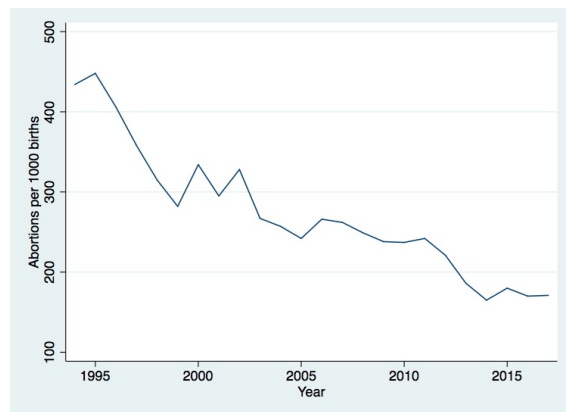


Fig. 18 – Declared Abortions per 1000 births

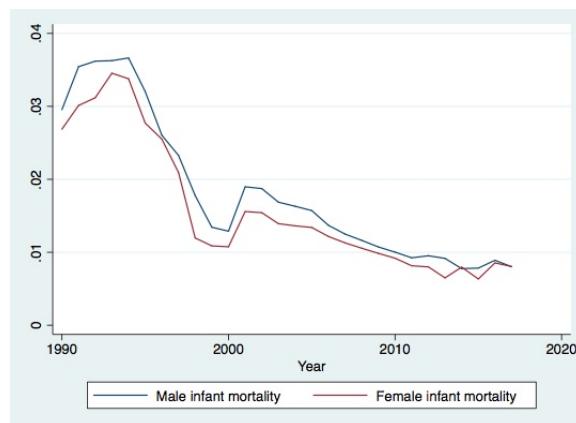


Fig. 19 – Mortality of male and female children under 1 year old

- Figure 15 and 16 show Sex Ratios at birth and TFR in Albania.¹⁷ A low TFR has been observed in countries with skewed sex ratios. When fertility drops, sex selection is a technique to control for the preferred fertility.
- Figure 17 shows data on total births and declared abortion during 1994-2017. Figure 18 shows declared abortion per 1000 birth for the same years.
- Figure 19 shows infant female and male mortality. There is a convergence of the two throughout the years. Infant mortality is measured as the total number of male infants under 1 year old that have died divided by the total number of male children born that year. Since males outnumber females at birth, the decrease in male infant mortality leads to an increase in the sex ratios at a higher age, if the female infant mortality remains constant. In 2018 they are equal, leading to a higher number of males compare to female babies.

A.6 Gender empowerment in Albania

There are still considerable differences between men and women in terms of their access to education, prenatal care, economic possibilities, and social standing despite the years of improvement. Albania's northern regions are seen to be more traditional, conservative, and patriarchal.¹⁸ The Albanian greeting "May it be a son" is customary due to the nation's predilection for sons. Women who follow these customs are under pressure to have boys. If a woman has daughters rather than males, she can possibly experience abuse or desertion. This may have its origins in the 500-year-old Kanun of Leke Dukagjini, a traditional code of conduct, and in which women's primary responsibilities are to care for their children and their homes. Females who were widowed or who desired equal rights with men had the option of swearing virginity in order to get full male privileges in return for their gender. By "taking an oath of virginity," these women may assume the position of the male head of the household, which would provide them the same privileges as males. This takes into account the freedom to behave like a man, to carry weapons, to own property, to move around freely, to dress like a man, to take on a man's name if they so choose, to assert their independence, to avoid being forced into marriage, and to associate with men while being treated as a man.

Under Albania's communist administration, gender equality advanced. They began encouraging equal roles and responsibilities for men and women, although this didn't end until the change of administrations in 1990. Women had less representation in the parliament than males in the first democratic election after the fall of communism. In the previous parliament of communist Albania, there were 75 female lawmakers. Today, there are just 9. The communist government carried out an effective literacy drive that reached even the most isolated areas. Although precise statistics

17. Source: Albanian Institute of Statistics INSTAT

18. de Haan *et al* (2006). *Biographical Dictionary of Women's Movements and Feminisms in Central, Eastern, and South Eastern Europe: 19th and 20th Centuries*

are lacking, the majority of Albania's pre-war population lived in rural areas, where illiteracy was widespread. By the late 1980s, more than 90% of people were literate. Greater access to educational options helped women. Women were expected to maintain their function in the home while maintaining their loyalty to the party, just like men were. Due to the lack of birth control and the high fertility rate of 2.3 in the 1980s, women were expected to have children. Women were left to deal with the economic suffering brought on by the shift from a command economy to capitalism after communism.¹⁹

A.7 Sex Ratios Historically

There is an increasing interest in the literature on historical sex ratios. Some of the reasons behind these historical imbalances in sex ratios are urbanization, conflict, and the economic value of children in an agrarian society. European society during the 16th to the 19th centuries has been characterized by the intensive disadvantaging of girls leading to the actual death of female infants and children. Industrialization and economic modernization certainly produced greater participation of women in the labor force but that did not change the disadvantages of females (Lynch (2011)).

Some interesting findings come from Minasyan and Mavisakalyan. They study if a societal preference for male births may be reinforced at the individual level due to gender-biased perceptions about group defenders such that fear of war and if this is associated with son preference. They rely on baptism data, where male baptisms, outnumber females. Another study is from Beltran-Tapia and Marco-Garcia. They show that baptism records exhibited exceptionally high sex ratios at birth, especially during the 19th century. On the other hand, having no previous male siblings increased both the probability of male baptisms and female mortality during the first day of life. Additionally, Beltran-Tapia and Raftakis argue that son preference resulted in gender discriminatory practices that unduly increased female mortality rates in infancy and childhood in Greece during the late 19th and early 20th centuries. In terms of spatial studies, Espana-Eljaiek and Fuentes-Vasquez show a structural deficit for the girl-boy ratios in the rural areas, especially during the first half of the 20th century, by considering a higher economic value of boys in agrarian economic activities. This raise in the interest in historical sex ratios comes from better historical data access. The importance and contribution of this studies are on disentangling the cultural, financial, and religion drivers behind the biased sex ratios.²⁰

19. Human Rights Watch 1996 *Human Rights in Post Communist Albania* and Suad Joseph; Afsana Nagmabadi (2003). *Encyclopedia of Women and Islamic Cultures: Family, Law and Politics*

20. References for this section are working papers from the Sex Ratios Seminar Series:

- i) Minasyan and Mavisakalyan, "*The Role of Conflict in Sex Discrimination: The Case of Missing Girls*"
- ii) Beltran-Tapia and Marco-Garcia Death, "*Sex and fertility: Female infanticide in rural Spain, 1750-1950*"
- iii) Beltran-Tapia and Raftakis, "*All little girls, the bad luck! Sex ratios and gender discrimination in 19th and early 20th century Greece*"
- iv) Barbiera, Castiglioni, and Dalla Zuanna, "*Missing Women in the Italian Middle Ages? Data and Interpretation*"
- v) Espana-Eljaiek and Fuentes-Vasquez, "*The Economic Value of Girls: Urban and rural gaps in sex child ratio during 20th century*"

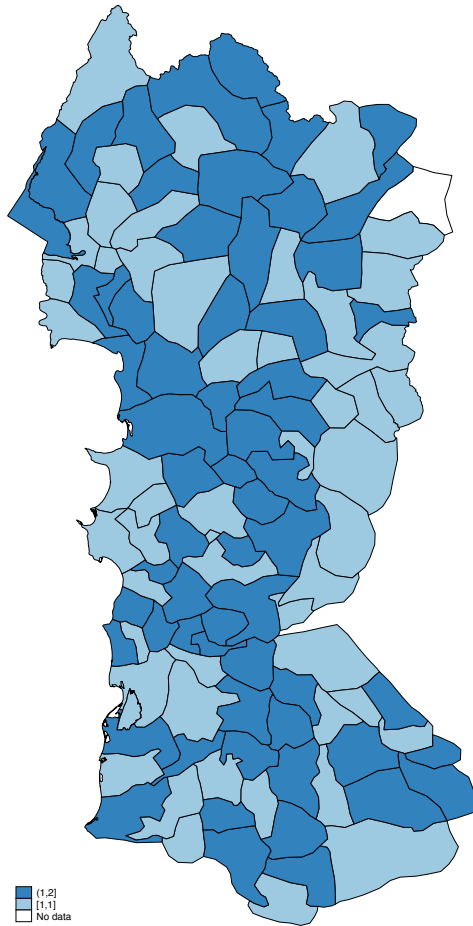


Fig. 20 – Sex Ratio in Albania in 1918, Source of data: Mosaic Cencus

In Figure 20, the map of Albania under the Austro Hungarian Regime, with the biological (normal values, below 1.05) sex ratio in light blue and the distorted sex ratio (above 1.05) in dark blue. The dark blue colored provinces are in line with the mountainous map of Albania, which is also known for being more patriarchal (they used their own set of laws called Kanun). Sex selection techniques were not present in the day, but neglecting to register a child was common. Under registration of children was the main cause of biased sex ratios at birth. There was no echography and sex detection in 1918 so sex-selective abortion is excluded as a possible reason but this bias. Difficult infrastructure in terms of mobility, patriarchal norms, children preference can be some of the reasons behind the under-registration of female children in these areas.

INSTITUT DE RECHERCHE ÉCONOMIQUES ET SOCIALES

Place Montesquieu 3
1348 Louvain-la-Neuve

ISSN 1379-244X D/2023/3082/03