

ECON742: Questionnaire 3
The Impact of Legalized Abortion on Crime

The questions are based on Donohue, J. and Levitt, S. (2001), "The Impact of Legalized Abortion on Crime" *Quarterly Journal of Economics* 116 (2), 379-420.

1. Explain why legalizing abortion could affect the crime rate? What are the possible mechanisms that could link abortion to crime rates? Do you find these mechanisms credible? What conditions should be met for there to be a causal link between legalized abortion and crime rates? Why is the age profile of criminals so central to the identification strategy?
2. List the advantages and disadvantages of the different databases used by Donohue and Levitt to identify the effects of the legalization of abortion on crime rates. Explain exactly how the "effective" abortion rate is constructed? What does this measure capture? Do you have any suggestions to improve this measure?
3. Referring to tables IV and V, explain what Donohue and Levitt found regarding the relationship between the state level "effective" abortion rates and state level crime rates. Write down the estimation equation they use. What factors are taken into account in the analysis as controls? What are the remaining problems that could prevent us from interpreting the relationship as causal?
4. Explain why Donohue and Levitt's research also focuses on the link between the legalization of abortion and arrests. What are the main results? What does it add to the analysis?
5. Study the criticism of Foote and Goetz (2005) "Testing Economic Hypotheses with State-Level Data: A Comment on Donohue and Levitt (2001)". What are the problems in the analysis of Donohue and Levitt?