

The Sexual Activity and Birth Control Use of American Teenagers

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I. INTRODUCTION

Pregnancies among America's teenagers have caught the nation's attention as one of our greatest troubles. A Gallup poll conducted on May 23 and 24 of 1999 found that 7 percent of those surveyed reported that youth/teen pregnancy was "the most important problem facing this country today" (Gallup Organization, 1999). It was the fifth most common specific problem reported. The concern about teen pregnancy has even led to national goals regarding its reduction. The first family planning objective stated in *Healthy People 2000*, written in 1990 is to "reduce pregnancies among females aged 15-17," and additional goals include increased abstinence along with reduced activity and increased contraceptive use among those adolescents who do engage in intercourse (U.S. Department of Health and Human Services, 1999a). Similar goals have been proposed for the next decade in *Healthy People 2010* (U.S. Department of Health and Human Services, 1999b).

In fact, statistics regarding teen pregnancy are quite startling. Each year, roughly 10 percent of women between the ages of 15 and 19 and 6 percent of women between the ages of 15 and 17 get pregnant (Henshaw, 1999). Approximately half of these women who become pregnant give birth. The share of teen women who become pregnant per year is considerably higher than that which exists in other developed countries. Rates in England and Canada are one half the level and rates in Japan are one-tenth the level of the United States (Alan Guttmacher Institute, 1998). The high rate of teen pregnancy is a particularly American problem and rules out the possibility that teens are simply too young to control their sexual activity and/or too shortsighted to use contraception. Social factors must come in to play.

Researchers from many academic disciplines, including anthropology, demography, developmental psychology, and sociology, have contributed to the literature attempting to identify

the factors that lead to teen pregnancy. Economists have also examined the problem, but to a lesser extent to date. Nevertheless, economic analysis can contribute to this discussion by providing a focus on the costs and benefits of decision-making and by providing more sophisticated statistical techniques to the study of these topics.

The purpose of this paper is to review the theory and empirical evidence regarding sexual activity and birth control use of teens with an emphasis on the contributions of economic analysis. In the next section I present a series of descriptive statistics designed to document recent trends in these activities for the population as a whole and for racial/ethnic subgroups. The third part of the paper will present a review of prior research, including both theoretical contributions across disciplines and well as previous empirical work that has estimated models of the determinants of sexual activity and birth control use. The fourth section will report an analysis of two data sets that are designed to accomplish two different goals. First, examination of cross-section data can provide correlational evidence regarding who engages in sexual activity and uses birth control. Second, I use state-level data over time attempting to identify whether changes in "prices" affect these activities, where prices are measured by economic conditions, AIDS incidence, welfare generosity, and the restrictiveness of abortion policy. The results of this analysis indicates that some prices do indeed matter; if engaging in sexual activity is "more expensive" through, say, an improved labor market or an increased probability of contracting AIDS, then teenage women are less likely to have sex and/or more likely to use contraception. The following section of the paper will review the evidence on the impact of teen child-bearing on the subsequent well-being of women. I conclude by discussing the implications of this analysis for public policy.

II. RECENT TRENDS

A. PREGNANCIES, ABORTIONS, AND BIRTHS

Perhaps part of the recent public attention paid to the sexual activity of teens may be attributable to the rather unusual trends that have occurred over the past decade or so in birth, abortion, and pregnancy rates. As reported in Figure 1A, after years of slowly declining teen birth rates the late 1980s saw a rather sudden reversal in which the rate of births to women aged 15 to 19 jumped from about 50 per thousand women in this age group to a level of 62 by 1991. Just as suddenly, that trend reversed and teen birth rates have fallen back to about the level observed before the increase, at 51 births per 1,000 women aged 15 to 19 in 1998. The use of abortion, on the other hand, used to follow inversely the trend in births; decreases in teen birth rates through the late 1980s were matched by increases in the use of abortion services for these women. Over the last decade or so, however, abortions have become less and less common for teens, indicating that since 1991, both abortions and births have fallen simultaneously. If fewer women are aborting and fewer women are giving birth, then it must be the case that pregnancies are falling even more rapidly. In fact, a constructed pregnancy rate, which simply adds the birth and abortion rate, for teens shows a dramatic decline since 1991, falling from 115 to 97 pregnancies per 1,000 teenage women in 1996, a 16 percent decline over only five years. Figure 1B shows that similar trends are observed among 15 to 17 year old women.

Although data on abortions are not available by race/ethnicity, patterns in birth rates are quite different across different groups. Figures 2A and 2B show birth rates for 15 to 19 and 15 to 17 year old women, respectively, by race and ethnicity. Any trends in these figures within groups are overshadowed by the huge disparity in teen birth rates across groups. In the peak years of the early

1990s, black, non-Hispanic teens were three times as likely to give birth as white, non-Hispanic teens. Since then, birth rates for all groups have fallen, but the decline for black, non-Hispanic teens has been precipitous. In 1991, 119 teen births per 1,000 women in this group were recorded; in just six years that level had fallen to 91 in 1997, a 24 percent decline. An even greater relative decline occurred for younger black, non-Hispanic teens. In 1990, there were 87 births per 1,000 15 to 17 year old women in this group and this level fell by 28 percent to 63 births. Declines are also observed for Hispanic and white, non-Hispanic teen women over the last few years, but nothing as dramatic as that witnessed for black, non-Hispanic teens.

The public concern about the level of teen pregnancies and births is perhaps attributable to the fact that the ratio of teen births that take place outside of marriage has skyrocketed over the past several decades. Figure 3 shows that the only 15 percent of teen births in 1960 were to unmarried mothers, but that rate rose to 78 percent by 1997. Moreover, virtually all births to black teens are nonmarital.¹

These statistics on teen pregnancies, abortions, and fertility stand in stark contrast to the experiences of other developed countries. Figure 4 reports trends in teen (15-19) fertility rates for the United States, Canada, France, and Japan going back to 1975. Clearly, a high birth rate for teenage women is a particularly American phenomenon. Even in 1975, the teen birth rate in the United States was high, at over 55 births per 1,000 teenage women, relative to the other countries. Canada was the next highest with a rate of only 35 and in Japan there were only four births per 1,000 teenage women. Over the next two decades, however, downward trends are apparent in Canada and

¹Statistics for whites and blacks are inclusive of Hispanics. Data for white and black, non-Hispanics are only available for the last decade or so and are not reported to provide a longer time series.

France, while Japan remained at a very low level. By 1997, the teen birth rate in the United States still stood at about 52 while Canada's rate had fallen to less than half that at 25. Teen births in France became as uncommon as in Japan over the period. Consistent with these trends, abortions and pregnancies are considerably lower in these other developed countries compared to the United States. Figure 5 shows that pregnancies among teens in the United States are more than twice as common as in Canada and ten times more likely than in Japan. The abortion rate is also three times or more greater than that observed in these other countries, but births still remain considerably higher.

B. SEXUAL ACTIVITY AND BIRTH CONTROL USE

These trends in births and pregnancies among teens suggest that changes must be occurring in levels of sexual activity and/or birth control use over time. In fact, public pronouncements of such "accomplishments" have been put forth by the U.S. Department of Human Services over the last few years. In 1997, Donna Shalala, the Secretary of this Department proclaimed that: "The long-term increase in teenage sexual activity may finally have stopped" (National Center for Health Statistics Press Office, 1997). In 1998, she went further and stated that: "For the first time in two decades, fewer young people are engaging in sexual behavior... It is truly good news for all of us involved in the lives of America's teenagers" (Centers for Disease Control Press Office, 1998). Both press releases also cite evidence of increased contraceptive use.

Although evidence of such trends does exist, it is not quite as transparent as one would expect based on these assessments. Two main sources of data are used to track trends in sexual activity and birth control use for American teens. The National Survey of Family Growth (NSFG)

is administered to all women of childbearing age, but is large enough that separate analysis of teens (15 to 19 as well as 15 to 17) to track national trends is feasible. Comparable surveys were conducted in 1982, 1988, and 1995.² The second source of data is the Youth Risk Behavior Survey (YRBS), which has been administered biannually starting in 1991 to a nationally representative sample of roughly 15,000 9th through 12th grade boys and girls. The estimates reported will pertain only to the girls in the YRBS. All of the statistics displayed in the figures below can be found in Table 1.

These data, however, do not show widespread trends towards lower sexual activity and birth control use.³ Figure 6A displays the available evidence on the percentage of teens that have engaged in sexual activity in the preceding three months. Although Secretary Shalala's assessment is technically correct that "fewer young people are engaging in sexual behavior," the evidence is not particularly strong. Among those 15 to 19 in the NSFG data (the evidence used to support her assertion), a large decline was observed between 1988 and 1995, which followed a large increase between 1982 and 1988. But the 1995 level is only 0.2 percentage points lower than the 1982 level. Moreover, evidence from the same source showed virtually no recent change among those 15 to 17; between 1988 and 1995 the percentage that engaged in sexual activity fell by 0.2 percentage points. Estimates from the YRBS data shows that girls in high school became more sexually active through 1995 before decreasing their activity between 1995 and 1997.

²Earlier NSFG surveys conducted in the 1970s are not comparable because the survey was only administered to married women.

³All of the estimates reported here have been computed by the author, but those reported by Abma and Sonenstein (1998) and Terry and Manlove (1999) are comparable.

Broad evidence of general declines in sexual activity is also weak when one considers whether or not teens have ever engaged in sexual activity. Figure 6B shows that the YRBS data does indicate a decrease between 1995 and 1997 and the 1997 level is lower than that observed in any of the previous years. But the NSFG data shows that a very slight decrease in the percentage of ever sexually active women among 15 to 19 year olds, but the rate in 1995 is still almost five percentage points higher than that observed in 1982. Moreover, younger teens continue to be increasingly likely to have ever engaged in sexual activity through 1995.

Estimates of the use of birth control also provide mixed findings for the population as a whole. All statistics regarding birth control use are reported here as the fraction who did not use contraception at a particular incident rather than the more traditionally reported figures of those who did use contraception. This decision was made because it is the failure to use contraception that places the woman at risk of becoming pregnant and that is the focus of this paper. Figure 7A displays the available evidence on the likelihood of failing to use contraception at the last intercourse in the past three months.⁴ Data from the YRBS shows decreases through the 1990s. On the contrary, although this information is not available for the NSFG data for 1982, these data show an increase between 1988 and 1995. A reconciliation is perhaps possible if a dramatic upward trend in the late

⁴It is evident that estimate from the YRBS data are substantially lower rate than that from the NSFG samples. A potential explanation for this finding rests in the particular questions asked in the two surveys. The YRBS appears quite specific in indicating that some form of birth control should have been used by asking, "The last time you had sexual intercourse, what one method did you or your partner use to prevent pregnancy?" Estimates from the NSFG are derived from a less-directed approach where respondents are asked whether or not they used a series of contraception types and may have been better able to illicit a response that no form was used. Another potential explanation is that the YRBS is conducted in school while the NSFG is conducted in home and that difference may affect the reporting of sensitive behaviors. Regardless of the differences in levels, estimates over time should still provide trends that can legitimately be compared.

1980s followed a sharp rebound in the early 1990s; neither dataset provides sufficient information to test this hypothesis.⁵

The reported increase in the failure to use birth control based on the NSFG data is particularly surprising in light of recent advances in contraceptive technology. Highly effective, longer-term contraceptive methods, including Norplant and Depo Provera, have recently become available which provide additional mechanisms for women who want to engage in sexual activity, but avoid pregnancy.⁶ Although these new methods have been adopted by a significant number of teens, their use has largely been among those who might have used “the pill” otherwise. Figure 7B shows the methods used at last intercourse by women 15 to 19 who have engaged in sexual activity in the past three months. It indicates that 7.7 percent of these women used either Norplant or Depo Provera in 1995 (these methods were not listed as options in 1988). Most other forms of contraception were used at roughly the same rate with the important exception of the pill. In 1988, 41.5 percent of teenage women used this effective form of contraception, but that level fell to 23.3 percent in 1995. This fall was not compensated by the increased use of new contraceptive methods; the difference is made up by those not using any method at all based on these data.

⁵I have spoken with representatives of the CDC about this apparent contradiction. Although they have confirmed finding similar patterns in their own analyses, they also have not been able to resolve the apparent inconsistency across data sources.

⁶This discussion ignores the introduction of the “morning after pill,” otherwise known as emergency contraception because such methods were not approved for use by the U.S. Food and Drug Administration until February 1997, beyond the date for which statistics are being reported in this paper. Nevertheless, its use is still uncommon. A recent survey found that only one percent of all women of reproductive age has ever used emergency contraception and that only 11 percent even knew about its existence and that it is available for use (Kaiser Family Foundation, 1997).

On the other hand, fewer and fewer teens appear to undertake their first sexual encounter without using contraception. Figure 7C reports these data for both age groups of the NSFG data (no comparable data is available in the YRBS); the reduction has been dramatic. In 1982 more than half of teens in both age groups did not use any contraception at first intercourse. In 1995, however, only about one-quarter failed to do so. Although this trend is important, it is probably not as good a predictor of the risk of becoming pregnant as sexual activity at last intercourse, since the latter is probably a better gauge of typical practices for a larger proportion of sexual activity.

To approximate the risk of pregnancy that a typical teen faces at a point in time, the data on sexual activity in the past three months along with the failure to use contraception at the last intercourse in the past three months are combined to create a statistic representing the joint probability of the two behaviors. This statistic, which I refer to as the “pregnancy risk,” constitutes the probability that in the past three months a teenage girl has sex and does not use contraception, placing her at risk of becoming pregnant. It is a useful statistic because it incorporates abstinence as a form of contraception. The estimated pregnancy risk across samples over time are reported in Figure 8. As one would expect based on the earlier patterns of sexual activity in the past three months and contraceptive use at the last intercourse over that period, trends in pregnancy risk conflict between the two surveys. The NSFG data indicates an increase in pregnancy risk between 1988 and 1995, but the YRBS shows a decline between 1991 and 1997. Again, these findings may not be inconsistent if an upward trend in the late 1980s reversed in the early 1990s. Nevertheless, they do not present a clear picture regarding changes over time in the risk that teens face in becoming pregnant.

These results for sexual activity, birth control use, and pregnancy risk do not appear to coincide with the evidence on pregnancies and births presented earlier. The rapid decline in these outcomes through the 1990s would certainly suggest that a reduction in sexual activity and an increase in contraceptive use should be readily apparent in these data, but they are not.

To reconcile these findings one needs to recall that the trends in births were considerably stronger for blacks compared to whites and Hispanics. In fact, evidence consistent with these trends by race/ethnicity are observed, as reported in Table 1. Several measures of sexual activity for black, non-Hispanic women have decreased rather dramatically, while similar statistics for white, non-Hispanic and Hispanic teenage women show no such patterns. For instance, estimates from the NSFG indicate that the share of black, non-Hispanic women aged 15 to 19 who have been sexually active in the past three months fell from 53.6 percent in 1982 to 50.8 percent in 1988 to 45.8 percent in 1995. Similar findings are observed for those 15 to 17 in the NSFG and for school-age girls from the YRBS. Results are less supportive of this trend when considering whether the women has ever engaged in sexual activity, but that measure is probably less indicative of the risk of pregnancy than sexual activity in the past three months. On the other hand, little evidence of decreased sexual activity among white, non-Hispanic and Hispanic women is observed in any of the data (if anything, evidence of an increase in activity exists for Hispanics).

Moreover, fewer black, non-Hispanic women engage in sexual activity without using contraceptives. At first intercourse, rates of use have jumped significantly for all demographic groups. But contraceptive use at the last intercourse in the past three months have risen strongly only for black, non-Hispanic women. In the YRBS, for instance, one-quarter of school-age women in this group failed to use birth control at their last intercourse in 1991, but that rate fell continuously to 18

percent by 1997. Perhaps most striking is the evidence on the constructed pregnancy risk measure. For both the younger teens from the NSFG between 1988 and 1995 and for the school-age teens in the YRBS between 1991 and 1997, the risk of pregnancy was almost cut in half. Based on all of the above findings, one can see that the national trend towards lower teen birth rates is largely driven by a reduction in births to black, non-Hispanic women and the trend for that group is consistent with their reduction in sexual activity and increased reliance on contraception, reducing their risk of becoming pregnant.

III. REVIEW OF THE LITERATURE ON TEEN SEXUALITY

The models of the determinants of teen sexuality and use of contraception that economists have put forward are considerably different than those introduced by those in the other social sciences. This section will provide a brief overview of these perspectives and offer a framework for succinctly characterizing their differences. I will then describe recent advances in the field of behavioral economics that can provide something of a synthesis of the two contrasting approaches. Finally, I will briefly review the empirical literature conducted to date that attempts to identify those factors that are related to sexual activity and contraceptive use.

A. ALTERNATIVE THEORETICAL PERSPECTIVES

The models to which noneconomists subscribe tend to be very intricate and factor in the effect of a multitude of potential components that affect developmental outcomes, like teen sexuality, and may well affect each other (c.f. Brooks-Gunn and Furstenberg, 1989; Hardy and Zabin, 1991; Brooks-Gunn and Paikoff, 1997). For instance, Hardy and Zabin (1991) present a life course model

in which these factors are broadly decomposed into those which are biological or health related and those which pertain to one's environment or family. Each of these categories contain a large number of factors. Within biological/health factors, indicators of the child's health go back from before birth (i.e. mother's nutritional status, drug use, etc.), through infancy and childhood (i.e. congenital deficits, accidents, nutrition, etc.) and into adolescence (i.e. sexual maturation, mental health, etc.). Family and environmental factors include characteristics of the individual's parents and family (i.e. parent's education, parenting skills, family composition, etc.), available resources (i.e. economic, support networks, etc.), community characteristics (i.e. crime, education quality, family patterns, etc.) and peers and the media (i.e. friends' characteristics, exposure to movies/TV, etc.). These factors are allowed to interact with each other. Beyond this extensive set of characteristics, other factors, such as stressful life events, are also included in the model. All of these components contribute to a complex process by which developmental outcomes of children, such as teen sexual activity, are determined.

Economic models, in contrast, rely upon the rationality of the individual decision-maker; decisions are made based upon a comparison of the benefits and costs of the alternatives (c.f. Leibowitz, et al., 1986; Lundberg and Plotnick, 1995; and Kane and Staiger, 1996).⁷ Interestingly, specific models of sexual activity and birth control use are rarely provided. The literature on fertility, in general, and for teens, in particular, traditionally includes models that begin with the decision to become pregnant, simply treating abstinence from sex as the ultimate form of contraception as a means of avoiding an undesirable pregnancy. Within this framework women "choose" to become

⁷Akerlof, Yellen, and Katz (1996) provide an alternative type of economic model that describes bargaining power between men and women within relationships to propose an explanation for the growth in non-marital births over the past few decades.

pregnant if the benefits of a pregnancy are greater than its costs. These costs typically involve what one gives up by becoming pregnant, which are lower if, for instance, welfare benefits are higher or labor market conditions are weaker. A similar approach of comparing costs and benefits may be applied to the specific decision to engage in sexual activity or to use contraception among those who are sexually active.

This framework is best represented in the form of a “game tree,” as shown in Figure 9. Women are presented with a set of decisions that must be made and each decision leads to a new “branch” of the tree in which additional decisions are required. In the context of fertility behavior, women must choose whether or not to engage in sexual activity. For those who do so, they must decide whether or not to use contraception. Their decision at this stage leads to varying probabilities of becoming pregnant (defined here to be p_1 and p_2 where $p_2 > p_1$), but in both cases it is possible that a pregnancy would result.⁸ If pregnant, the woman must decide whether or not to abort her pregnancy or carry it to term and chooses to give birth with probability p_b . A more complicated version could also include the decision to get married, which enter the decision tree at various points (for instance, before the decision to engage in sexual activity or after a pregnancy results).

This representation of the decision-making process is not exclusive to economics since the diagram itself may be thought of as simple sequencing of events. The difference between economics and other disciplines is that economists associate with each outcome a particular cost and benefit that individuals take into consideration in their decision-making. In fact, the costs and benefits incurred

⁸In the decision tree represented in Figure 9, the actual payoff if one engages in sexual activity and becomes pregnant is the same regardless of whether or not contraception was used (equal to B). One could argue that psychic costs would be greater if birth control was used, but this simplification does not affect the analytical framework and is maintained here. Similar arguments could be made regarding the actual payoffs to giving birth or aborting (equal to C or D).

at the later stages are assumed to be taken into consideration when decisions are made at the earlier stages of the game tree. For example, if abortion policy becomes more restrictive and, hence, more expensive to teens, then these costs should be incorporated into the decision regarding whether to engage in sexual activity.

B. COMPARISON AND SYNTHESIS OF MODELS

An important distinction between the two types of models involves the degree to which an adolescent girl has the ability to make rational decisions (Lowenstein and Furstenberg, 1991). Developmental models of sexuality describe a series of stages in which girls age through puberty, adolescence, and their later teenage years with a greater ability to make such decisions. For most girls, in their earlier teenage years this ability is limited, according to these models, and sexual encounters tend to be spontaneous. These beliefs are expressed by Moore, et al. (1995), who write:

There is abundant evidence ... that sex is irrational, in the sense that it is often not planned, but impulsive. This is especially true for first sexual experience. Another way that the data seem to support a 'sex as irrational' premise is the pattern of time inconsistency, in which teens (and others) often plan to 'just say no' but end up saying 'yes,' and most teens think the best age to begin having sex is later than the age when they began." (p. 11)

The economics literature may express concern regarding teens' abilities to make rational decisions, but typically circumvent the problem by arguing that the difference between teens and adults is that teens have a "higher rate of time preference," through which the benefits incurred at the moment are

valued more highly than the (potentially) high costs that may be incurred some time in the future (c.f. Leibowitz, et al. 1986).

Recent advances in the field of behavioral economics may provide an appropriate middle ground in which the two sets of models may be reconciled. For instance, O'Donahue and Rabin (1999) present a model of behavior in which rational individuals make decisions based on the relevant benefits and costs, but may still choose to act in ways that appear to be spontaneous. In their model, the benefits and costs that are incurred in the future are discounted in the same way as they would in standard economic models, but that individuals place heightened value on those rewards received right at the moment. Based on such a model, engaging in unprotected sexual activity today would be more likely since today's benefit is disproportionally weighted even in the face of potentially large future costs. On the other hand, teens may still prefer not to engage in sexual activity at some future point because the heavy weight placed on immediate gratification would be absent. This sort of model maintains the assumption of rationality in that individuals are maximizing their utility, but it also allows for a form of spontaneity. In fact, such a model would yield additional predictions that are consistent with those from other fields. One would expect that as teens get older and gain experience regarding their sexuality, they may be able to make more forward-looking decisions (like acquiring birth control) so that they are not placed in a position where immediate desires overrule longer-term costs.

C. EMPIRICAL CORRELATES

An extensive review of the literature on teen sexual activity, contraceptive use, and fertility is available in Moore, et al. (1995). Their review uncovers a multitude of factors that have been

found to be correlated with the initiation of sexual activity including: older age, age at menarche, pubertal status, frequent church attendance, supportive family relationships, educated parents, school performance, living in a single parent household, using alcohol or other drugs, dating young and having sexually active siblings and friends. Similar characteristics are related to contraceptive use at first intercourse. The emphasis on factors such as these are consistent with non-economists' models of teen sexual activity in that a complex array of inter-related factors that affect a child's development should also be related to their sexual behavior.

Unfortunately, econometric difficulties plague the interpretation of many of the results as being causal. In particular, many of the variables considered are either jointly determined with sexual activity and contraceptive use or are correlated with other unobservable factors that may also be related to these behaviors, preventing a causal interpretation. For example, the factors that influence drug and alcohol use are also likely to influence decisions to engage in sexual activity and use birth control.⁹ Therefore, finding a positive relationship between drug or alcohol use and, say, sexual activity does not imply that drinking may lead one to have sex. Alternatively, children raised in families that invest less in them (in the form of time or other resources) may be more likely to become sexually active and to perform worse in school. Such a relationship would invalidate a causal interpretation of the effect of school performance on sexual activity.

Economists have rarely conducted empirical studies regarding sexual activity and contraceptive use, but have more commonly studied the determinants of fertility with a particular emphasis on the impact of policies that alter the costs of having children. This emphasis is

⁹Recent work by Dee (1999), however, has specifically dealt with the econometric problems in this particular example.

consistent with an economic model that emphasizes rationality and the fact that one might expect to observe behavioral responses to changes in the incentives facing individuals. I will focus this review on those costs that will be considered below as determinants of sexual activity and contraceptive use, including labor market conditions, AIDS incidence, abortion access, and welfare policies.

Regarding labor market conditions, Butz and Ward (1979) and Macunovich (1995) estimated the relationship between the gains from work for women and their level of fertility, although neither of these papers focuses specifically on teenage women. Although Butz and Ward report evidence supporting the proposition that the timing of child-bearing is negatively correlated with changes in earnings, Macunovich disputes this finding because of data and econometric problems. In particular, she argues that wage changes bring about both income and substitution effects that make it difficult to predict the optimal response to a change in the wage. A higher wage increases the return to work (the substitution effect), but also provides additional income that can enable one to “consume” more (the income effect). Below, I will evaluate the responsiveness of fertility to changes in the unemployment rate, not the wage. Since the impact of labor market conditions on the decision to bear children for those without jobs is solely a function of the substitution effect, one might predict that an improved labor market would lower the teen fertility rate.

The impact of the AIDS epidemic on sexual behavior was not considered to be within the domain of economics until the work of Philipson and Posner (1993). These authors argue quite forcefully that economics studies the response of individuals to incentives and AIDS provides a strong incentive for those potentially at risk of AIDS to alter their sexual practices in response. They provide some data and review other studies which all indicate that those at-risk of contracting AIDS

(homosexuals and unmarried heterosexuals with multiple partners) have indeed become more likely to engage in safe sex. Although they do not focus specifically on teens, the fact that most teen sexual activity occurs outside of marriage and potentially with multiple partners, one could easily extend their analysis to indicate that teens should either become more likely to practice abstinence or to become more likely to use condoms should they be sexually active.

Research on the effects of abortion access on fertility behavior has grown considerably over the past few years (c.f. Levine, et al., 1996; Kane and Staiger, 1996, and Matthews, et al. 1997). Other research on abortion access had restricted its focus to the effect on abortion demand, and the results generally supported the notion that the demand curve for abortion services is downward sloping; an increase in the cost reduces the demand (c.f. Blank, et al., 1996; and Haas-Wilson, 1996). The major advance in more recent work is that it provides empirical tests of the proposition that changes in abortion access could also affect the likelihood of pregnancy. Results typically confirmed that restricted abortion access lowered the demand for abortion services, but found no evidence of an increase in births, which must mean that pregnancies declined. One could then infer the sexual activity and/or contraceptive use was affected, but no direct test of these behaviors was provided due to data limitations.

Economists have long been contributors to the research on the effects of welfare generosity on non-marital fertility; that literature is reviewed by Moffitt (1998). He states that the conventional wisdom based on the existence evidence earlier in the decade was that welfare receipt had no impact on fertility behavior, but that more recent work suggests that a relationship may indeed exist. Little of this work is directly specifically at teenagers, but a disproportionate share of welfare recipients began their spells by giving birth as a teen, suggesting we may expect to see some effect for teens

as well. To date, relatively little research has examined the impact of welfare reform on teen fertility. Most of the recent that has been conducted has focused on the results of one particular provision among many reforms instituted simultaneously, the family cap. The family cap eliminates the benefit increase that otherwise would result if a woman on welfare had an additional child. Research on the family cap has also provided mixed evidence regarding its impact (Argys, et al., forthcoming; Fairlie and London, 1997; O'Neill, 1994; and Camasso, et al., 1999). The only work of which I am aware that has examined the impact of a wide-ranging set of welfare reforms is that by Horvath and Peters (1999), who find that the introduction of reforms led to declines in non-marital fertility among teens. Additional research supporting this finding would be required, however, before one could make strong conclusions regarding the effect of welfare reform on teen fertility.

IV. EMPIRICAL ANALYSIS

A. ANALYSIS OF DEMOGRAPHIC CORRELATES

This part of the paper will employ cross-sectional data to analyze the individual factors that are related to sexual activity and use of contraception among those who have engaged in sexual activity. The data to be employed here is the first wave of the National Longitudinal Survey of Adolescent Health ("Add Health"), which was conducted in 1994/1995. The public release version of these data contains information on 6,504 boys and girls in grades 7 through 12. Tremendous detail is available on these individuals, including demographics, scores on a test of cognitive ability (the Peabody Picture Vocabulary Test, or PPVT), grades in school, characteristics of the child's mother and household, and extensive attitudinal variables, which will be used here to determine the

correlates of teen sexual activity and use of contraception.¹⁰ For the purposes of this analysis, the sample is limited to the 3,208 girls between the ages of 12 and 18 in this survey, both to be consistent with earlier data presented and because they are the ones that bear the largest risk should a pregnancy occur.

Estimates of sample means from the Add Health data are reported in Table 2. The first row of the table reports the percentage of respondents engaging in sexual activity, failing to use contraception among the sexually active, and facing a risk of pregnancy. Among those in the sample, 37.6 percent have ever had sexual intercourse and 35.0 percent have done so in the past three months. Roughly one-third of sexually active girls failed to use contraception at first intercourse as well as in their last sexual encounter in the past three months. The risk of pregnancy based on the behaviors of women in the past three months is estimated to be 12.4 percent. A comparison of these statistics with those reported in Table 1 finds differences that are generally consistent with the differences in ages across samples.

Several characteristics of these students and their families are correlated with sexual activity, use of contraception, and pregnancy risk. As expected, those girls who have had sex are older than those who have not, but age differences between those who fail to use contraception and those who do not are minimal. Students who refrain from sexual activity, use contraception if they engage in sexual activity, and are not at risk of becoming pregnant perform better in school and higher on aptitude tests. Differences in behavior across girls who live in households with higher incomes,

¹⁰Characteristics of mothers were obtained from a separate parental questionnaire for whom interviewers were clearly informed to attempt to gather information from the respondent's mother (or other mother-type figure), not the father. The vast majority of parents responding to this part of the survey were mothers so in all analyses we focus on them.

whose mothers received more education, or whose mothers are married are consistent with these patterns as well.

Differences are also apparent in responses to more qualitative measures, such as expectations for the future, perceptions of risk, and attitudes of the respondents and their parents, which are reported for those girls age 15 to 18.¹¹ Those girls who have abstained from sexual activity and, if active, used contraception are considerably more likely to be planning to go to college and to view a current pregnancy as one of the worst things that can happen to them. For instance, of those who have not had sexual intercourse ever or in the last three months, over 90 percent reported that getting pregnant would be one of the worst things that could happen, but only about 75 percent of those who have been sexually active reported this belief. Mother's opinions also are highly correlated with sexual activity, but less so for contraceptive use. Of those who have not engaged in sexual activity, over 90 percent report that their mothers would not approve of such behavior compared to only about 65 percent of sexually active girls. Differences by use of contraception are much smaller than that. Perhaps those girls who have violated their mother's preference for abstinence are less likely to accept their opinions regarding contraception. Interestingly, although risk perceptions do appear to be correlated with sexual activity and birth control use, the relationship is not very strong. Those girls who have had sex recently or ever are only a few percentage points more likely to view a pregnancy as unlikely (regardless of the frequency of activity) compared with those who had abstained. Perhaps the main notable difference regarding contraceptive use involves the likelihood

¹¹Some of these questions were only asked of girls age 15 and over in this group and, for the purposes of consistency, I have imposed this sample restriction for all of the reported estimates.

of viewing a pregnancy as unlikely after a single act; those who used contraception at their first intercourse were 10 percentage points less likely to feel the probability of pregnancy was small.

Table 3 examines these relationships in a multivariate context. Two separate models are estimated here for each of the five different outcomes. The first includes the full sample of girls and includes just demographics and mother's/household characteristics, which are more likely to be exogenous to the behaviors being studied. Responses to attitudinal/expectational questions are also considered in the second model, but the sample is restricted to those between the ages of 15 and 18 since many of these questions were only asked of this older group.¹² These variables are examined separately because girls' responses to these questions may be influenced by their behavior (that is, they are endogenous).

Estimates from models of sexual activity are quite similar regardless of whether the activity relates to the past three months or ever. Many of the girls' characteristics are significantly related to sexual activity, which is more likely among those who are older, in a higher grade, perform worse in school, are a religion other than Catholic, and who do not attend religious services on a weekly basis. An additional year of age and of schooling increases the likelihood of having sex by 6 to 9 percentage points depending upon the measure of sexual activity and the age composition of the sample. Every additional point in a girl's GPA reduces her likelihood of sexual activity by 11 to 16 percent. On the other hand, once one controls for the girl's own characteristics, none of the attributes of her mother or household are significantly related to sexual activity.

¹²Table A1 reports models for those aged 15 to 18 excluding the attitudinal/expectational variables for purposes of comparison with the first set of models in Table 3.

In models that include potentially endogenous variables representing attitudes, expectations, and risk perceptions, these variables are also observed to be significantly related to the likelihood of sexual activity. Girls who report that getting pregnant would be one of the worst things to happen to them are roughly 20 percentage points less likely to engage in sexual activity. Both measures of parental disapproval yield similar estimates. On the other hand, those who view little or no risk of pregnancy from sexual activity over an entire month are 13 percentage points more likely to have sex. Of course, the concern regarding interpretation of these relationships as being causal is that, for instance, women who regularly engage in sex may downplay their concerns regarding a pregnancy, the level of their parents' disapproval, or their perceived risk of pregnancy to be consistent with their own behavior.

In contrast to models of sexual activity recently or ever, results from models of contraceptive use do indicate some differences in the factors that are correlated with a girl's behavior. In fact, in a multivariate context, very little is significantly related to contraception at first intercourse. Black, non-Hispanic girls are less likely to fail to use contraception, as are those who score higher on the available aptitude test score. Those who report no religion are significantly less likely to have failed to use contraception. In models that include attitudinal/expectational measures, girls who reported their mothers disapproved of birth control use and those who perceived there to be little or no probability of getting pregnant after a single act were more likely to have failed to use contraception as well. Among the multitude of other characteristics reported, none of the others are found to be significantly related to contraceptive use at first intercourse. Ironically, girls who report that getting pregnant would be one of the worst things that could happen to them were no more likely to use contraception than others.

Models of failure to use contraception at last intercourse, on the other hand, find that many personal and family background characteristics are important correlates. Test scores, religion, mother's education, receipt of public assistance, and family income are all found to contribute to the failure to use contraception at last intercourse. Many of the attitudinal/expectational variables are significant as well. In fact, those women who report that getting pregnant would be the worst thing that could happen to them are 20 percentage points less likely to have failed to use contraception (i.e. more likely to use contraception) at their last intercourse.

A potential explanation that would be consistent with the divergent findings between the two measures of contraceptive use could involve the spontaneity of the act. If first intercourse is more likely to be an unplanned event, then contraceptives would be more likely to be used randomly. On the other hand, once girls begin having sex more frequently, the activity becomes more planned and appropriate precautions may be more likely to be used by those who want to take them. Such an interpretation is consistent with the earlier discussion of the contribution of economics to modeling sexual activity in that spontaneity does not need to be ruled out, but once the activity becomes repeated one would expect a greater degree of rationality.

The final set of models reported in Table 3 report the factors related to a teenage girl's "pregnancy risk," which I have defined as the likelihood that a girl has had sexual intercourse in the past three months and did not use contraception at her last intercourse over that period. Econometric models of pregnancy risk have important advantages compared to the more traditional approach of separately examining sexual intercourse and the use of birth control. First, estimates of the relationship between a personal characteristic and sexual activity may contradict the estimated relationship between that characteristic and the use of contraception, making it more difficult to

determine whether a girl with that trait is more or less likely be at risk of becoming pregnant. For instance, among the full sample of Add Health respondents, those who attend religious services at least once per week are less likely to have engaged in sexual activity in the past three months (reducing their pregnancy risk), but for those that did have sex, they were less likely to use contraception (increasing their pregnancy risk). Estimates from the pregnancy risk models can summarize which of the two effects dominates, or if the two are perfectly offsetting.¹³

Moreover, estimates from models of contraceptive use among the sample of respondents engaging in sexual activity are subject to sample selection bias. For instance, suppose that the AIDS epidemic led many risk-averse individuals to choose abstinence over sexual activity with some form of contraception. If the less risk-averse did not change their behavior, the sample of sexually active girls would contain a larger fraction of those who do not use contraception and one might inappropriately conclude that AIDS reduces the use of birth control. A model of pregnancy risk for which the target population is all teenage girls avoids this selection problem.

¹³Of course, one could also derive the impact of the two separate effects on the pregnancy risk. To see this, define the share of respondents who have had sexual intercourse in the last three months to be: $P(\text{sex}) = S/N$ where S is the number having sex and N is the sample size. Then define the probability of failing to use contraception conditional on having sex as: $P(\text{fail}) = F/S$ where F is the number failing to use contraception. Then the risk of pregnancy, $P(\text{preg}) = P(\text{sex}) * P(\text{fail}) = F/N$. The derivative of $P(\text{preg})$ with respect to any variable, X , is obtained by the product rule:

$$\frac{\partial[P(\text{preg})]}{\partial X} = P(\text{fail}) * \frac{\partial[P(\text{sex})]}{\partial X} + P(\text{sex}) * \frac{\partial[P(\text{fail})]}{\partial X}.$$

Standard errors for these estimates would have to be calculated using the delta method. Defining a pregnancy rate and then estimating models of its determinants directly is much simpler. Estimates from these pregnancy risk models may differ slightly from the formula just derived because Probit derivatives are estimated at the value of the sample mean for each variable, rather than estimating separate derivatives for each person and then taking the mean.

Results from these models are reported in the final two columns of Table 3. For the full sample they indicate that pregnancy risk increases with age, having a working mother, and having a mother who receives public assistance, and falls with school performance, being Catholic, and being at the top of the income distribution. In the model of older teens that include potentially endogenous variables, the results further indicate that pregnancy risk is lower for those who view a pregnancy as one of the worst things that could happen to them and whose mothers disapprove of them having sex at this time. The perception that pregnancy is unlikely is positively associated with pregnancy risk, but the estimate is not statistically significant.

B. ANALYSIS OF "PRICES"

This section of the paper will examine the impact of increases in costs associated with becoming pregnant and giving birth on teenage girls' patterns of sexual activity, contraceptive use, and pregnancy risk. These costs can be thought of as an increase in the price of having sex and/or failing to use contraception and can be monetary or otherwise in nature. The hypothesis that is being examined here is that increases in the cost will reduce the likelihood of having sex and increase the likelihood of using contraception.

The specific costs that I will use in this analysis include labor market conditions, the incidence of AIDS, the generosity of the welfare system, and abortion restrictions in place in a teenage girl's state of residence.¹⁴ Labor market conditions represent a price in the form of an

¹⁴Another potential policy variable that could be important in determining sexual activity and contraceptive use is sex education in schools, which could reduce information deficiencies for teens making these decisions. For instance, Oettinger (1999) uses data on individual enrollment in sex education classes and finds that taking such a class increases the likelihood of becoming sexually active earlier, but has only a weak effect on the likelihood of an earlier pregnancy. I have chosen not

opportunity cost. In periods when unemployment rates are high and job opportunities are limited, the cost of becoming pregnant is lower because the opportunity cost associated with a reduced ability/willingness to work is lower at that time. The incidence of AIDS represents a clear cost since greater levels of sexual activity without using, specifically, a condom can impose substantial health risks. If welfare benefits are more generous and/or easier to get, the cost of a pregnancy is lower because the government will pay some modest living expense in that event. Finally, restricted abortion access may reduce one's ability to abort an unwanted pregnancy, making it more costly to become pregnant in the first place. The impact of these costs on fertility behavior based on past research was reviewed earlier. To the extent that they are related to fertility, they may also be related to sexual activity and birth control use, yet no previous research of which I am aware examines these relationships.

To determine whether sexual activity and birth control use are related to their costs, I use 1991, 1993, 1995, and 1997 YRBS data, described previously. Although personal characteristics of the respondents in these data are quite limited, its particular advantage for the present purpose is the availability of state of residence identifiers for each respondent. This information allows me to link state level data for the relevant year on the costs examined. State level unemployment data can easily be obtained from the U.S. Bureau of Labor Statistics. The data on AIDS incidence comes from the Centers for Disease Control and represents the number of AIDS cases per 100,000 population

to consider sex education in the present analysis for two reasons. First, I am unable to identify enrollment in sex education classes for individuals in the YRBS data and I have been unable to piece together state-level data for sex education requirements for all the survey years available. Second, as described below geographic identification using the YRBS data is limited because of the number of states repeatedly covered by the survey, suggesting that a more parsimonious specification may be preferable.

in the state (c.f. U.S. Department of Health and Human Services, Public Health Service, Centers for Disease Control, various issues).

Data on welfare generosity takes two forms. First, I use the maximum welfare benefit for a family of two under the AFDC or TANF program depending upon which was in place in each year; these data were obtained from the *Green Book* (U.S. House of Representatives, various years). Second, I create an indicator variable that identifies whether or not a state has a “reformed” welfare system. These reforms could have come about either through waivers requested by states and granted from the federal government before national welfare reform in 1996 or by the state implementing a valid TANF plan after national welfare reform.¹⁵ These data were obtained from the Council of Economic Advisers (1999).

The final set of variables represent a series of three indicator variables that represent whether or not a particular type of abortion restriction was in place in a particular state and year. The three specific restrictions I consider are Medicaid funding restrictions (which largely prohibit the use of public funds for abortions), parental consent/notification laws (which require a minor to either notify or obtain consent from a parent before obtaining an abortion), and mandatory waiting period laws (which requires a woman seeking an abortion to wait, typically, 24 or 48 hours before having an abortion performed after notifying a provider of her intent to abort). These data were obtained from the National Abortion and Reproductive Rights Action League (NARAL) Foundation (various years).

¹⁵The determination of whether a waiver was in place is based upon the waiver’s implementation date, not the date the waiver was requested. For those years in which a waiver or a TANF plan was implemented in the middle of the year, I use the fraction of the year in which the reform was in place.

I estimate econometric models of the form:

$$P(Y_{ist} = 1) = \beta_0 + \beta_1 X_{ist} + \beta_2 P_{st} + \gamma_s + \gamma_t + \epsilon_{ist} \quad (1)$$

where Y represents the sexual activity/contraceptive use measures described earlier, X represents a (limited) series of demographic characteristics, and P represents a vector of prices as just defined. The two parameters, γ_s and γ_t , represent state and year fixed effects, respectively, that control for unspecified differences across states and over time. In such a specification, the identification of price effects is obtained by comparing changes between states over time. Because the dependent variable is discrete in nature, a Probit specification is used to estimate this model and all reported results represent the value of the derivatives estimated at the sample mean of the independent variables.

Although the YRBS is the best-suited dataset to estimate such a model because of its multiple survey years and available state identifiers, it does have some limitations. In particular, the survey is school-based and, although the sample is relatively large (between about 5,000 and 8,000 girls per year) and is chosen to be nationally representative, its school-based nature leads the respondents to be more concentrated geographically. In fact, in any given year only about half of the states are represented. Of course, the larger states like California and New York are represented in each survey, some of the smaller states appear much less frequently, if at all. For instance, over the four survey years, only 41 states (including the District of Columbia) are included at all and 13 more states are only represented once. In a model with state fixed effects, this latter group of states offers no additional identification because no change can be observed within the state over time. In fact, only 11 states are represented in each survey year.¹⁶ To examine the impact of the findings from

¹⁶These states are: California, Colorado, Florida, Georgia, Michigan, Mississippi, New York, Ohio, Pennsylvania, Texas, and Washington.

using an unbalanced sample, Appendix Table 2 presents the results of estimating equation (1) for just the 11 states that are represented in each survey year.

Moreover, a model with state fixed effects is only identified based on changes within states over time. For those policy variables that are discrete in nature, such as abortion restrictions, the power of the analysis may be limited because so few changes have taken place over the sample period within these states.¹⁷ Although continuous cost measures like the unemployment rate and AIDS incidence, provide greater variation, the power of an analysis of welfare generosity may also be limited in that very few states substantially changed the nominal value of their benefits over the sample period in the available states. This caveat should be kept in mind in interpreting the results reported subsequently.

Before presenting the estimates from multivariate models, I first present Table 4, which reports descriptive statistics from these data where the sample has been split according to different categories of sexual activity and contraceptive use. Comparisons of demographic characteristics are similar to those obtained from the Add Health data reported in Table 2. For instance, black, non-Hispanic respondents are over-represented among those who have had sexual intercourse ever and in the past three months and among those who did not use contraception at their last intercourse in the past three months. As a result, they are much more likely to be found in the category of those at risk of pregnancy. Older students and those in higher grades are also more likely to engage in sexual activity, although their use of contraceptives among the sexually active is not much different from their younger counterparts. Differences in geography are correlated to differences in sexual

¹⁷In only three, seven, and six states are changes observed between the first and last available survey year available in Medicaid funding restrictions, parental consent/notification laws, and mandatory waiting periods, respectively.

activity and contraceptive use as well, although it is difficult to interpret such differences without controlling for long-term differences across states and national patterns over time (i.e. state and year fixed effects).

Estimates of equation (1) are presented in Table 5. Models were estimated separately for four different indicator variables of sexual activity, birth control use, and pregnancy risk. For each of these dependent variables, separate models were estimated for the full sample as well as those age 16 and over, and those under age 16. I split the sample by age because psychologists have posited that younger teens may be less able to factor in the consequences of their actions in their decision making and because some factors, like the unemployment rate, would be predicted to have differential impacts on older and younger respondents. Estimated coefficients for the demographic variables are consistent with those obtained in the analysis of Add Health data.

Among the geographic variables representing differences in prices, estimated effects of differences in the unemployment rate provide strong support for the hypothesis that prices matter. A one percentage point rise in the unemployment rate (which represents a reduction in the cost of a pregnancy) is predicted to increase the likelihood of sexual activity ever or in the past three months by about 4 percentage points (columns 1 and 4). The likelihood of failing to use contraception is estimated to rise by 1.6 percentage points (column 7). Combining these two effects, the risk of pregnancy is estimated to rise by 1.1 percentage points (column 10). With an average risk of pregnancy of 6.2 percent as a base, a predicted 1.1 percentage point rise is quite large. Moreover, this pattern is only observed for those age 16 and over (columns 2, 5, 8, and 11) as one would expect since those under age 16 are not affected by changes in labor market conditions since they largely are restricted from working. None of the estimates for those under age 16 are significantly different

from zero and many of the point estimates are very close to zero (columns 3, 6, 9, and 12). These patterns are precisely what one would expect if these estimates were attributable to a causal effect of a price change.

Some support for a price effect is also found in the estimates of the effect of AIDS incidence. Here, results indicate that AIDS is negatively and significantly related to the likelihood of ever having sexual intercourse (i.e. positively related to abstinence) for those age 16 and over, but not for younger respondents. Abstinence is the strongest response one could have to the fear of contracting AIDS. For those who are sexually experienced, I find estimated effects on sexual activity in the past three months and contraceptive use that have coefficients of the hypothesized sign, but are not statistically significant. One might suspect these effects to be weaker than that regarding abstinence since once one decides to engage in sexual activity in the presence of AIDS, they may be less likely to substantially reduce that activity. Moreover, among women using contraception, they may have been more likely to switch to condoms, but this does not represent an increase in the use of contraception and would not be captured by this model. In terms of pregnancy risk, estimates in Table 5 suggest that greater AIDS incidence in a girl's state reduces her risk, but not significantly. On the other hand, when the sample is restricted to the 11 states for which data are available for all 4 survey years, estimates indicate that a 10 case per 100,000 increase in AIDS incidence reduces the probability of pregnancy risk by 1.1 percentage points (see Appendix Table 2). Since this analysis is based upon 11 of the largest states, this sample may be more representative of the locations where AIDS is a greater threat.

The results regarding abortion restrictions find little evidence that the imposition of a restriction has any effect on teen girl's sexual activity, use of birth control, or pregnancy risk. A

potential explanation for this finding is the lack of power inherent in the statistical methodology, as described earlier. This problem may be attributable to the limited sample of states and the pattern of changes of abortion restrictions across states. Of the three types of restrictions considered, there were relatively few changes made over the sample period and those changes were more likely to occur in smaller states that were not in the sample each possible year. Therefore, the ability to obtain precise before and after differences to compare to other states is limited and may have contributed to the general weakness in the findings along this dimension.

Perhaps the most puzzling findings are observed for the welfare variables. For instance, girls residing in states that reformed their welfare system were more likely to engage in sexual activity than girls in other states. Almost universally, welfare reform in a state meant increased difficulty for women to collect benefits, which would have been predicted to reduce sexual activity. No significant effect on birth control use is observed and the overall impact on pregnancy risk is positive, but only marginally significant. One potential explanation for these findings is that the reform initiatives may have been endogenous in that the states that were experiencing the biggest increases in teen sexuality were the ones most concerned about the potential caseload growth in the future and, therefore, were more likely to crack down sooner on welfare receipt.

The estimated effects of the generosity of welfare benefits are somewhat confusing as well. Higher welfare benefits are associated with a reduction in sexual activity in the past three months, particularly for those over age 16. Again, this finding is counterintuitive. On the other hand, higher welfare benefits are also associated with an increased propensity to engage in sexual intercourse without using contraception. Surprisingly, however, this effect is only statistically significantly different from zero for those teens under age 16. Combining these two effects and considering the

risk of pregnancy, estimates indicate that greater welfare generosity does increase the risk of pregnancy, as predicted, but only for those under age 16. No obvious explanation is available for these findings.

I have also estimated a model analogous to that in equation (1) that includes interaction terms between each price variable and the race/ethnicity of each respondent. Since trends in sexual activity and contraceptive use differed so dramatically by race/ethnicity (and particularly for black, non-Hispanics), one might expect these price effects to have differential impacts as well. Table 6 reports the results of this analysis when all observations are used in the analysis and separately for those 11 larger states that are present in each survey year. In the subset of states, labor market conditions have a much stronger effect for black, non-Hispanics with regard to sexual activity and in this subset as well as all states, a similar finding is apparent for contraception use and pregnancy risk. These findings indicate that a one percentage point rise in the unemployment rate increases pregnancy risk for whites by 0.8 percentage points but increases pregnancy risk for black, non-Hispanics by 1.6 to 2.1 percentage points, depending upon the sample used. Some evidence of a larger impact of blacks of AIDS is also observed. In the subset of states, I find that AIDS has a significantly larger impact on sexual activity and pregnancy risk (which is marginally significant), but not contraceptive use. In these states a 10 per 100,000 rise in AIDS incidence lowers pregnancy risk by 0.9 percentage points for whites and by 1.3 percentage points for blacks. Differences between Hispanics and white, non-Hispanics are rarely significant and no systematic pattern is found for any of the other price effects by race/ethnicity.

What can these results tell us about the potential determinants of recent trends in teens' sexual activity and contraceptive use? Recall that these trends are most clearly evident for black,

non-Hispanics. For these teens, the pregnancy risk fell by nearly half, from 14.7 percent to 8.4 percent between 1991 and 1997 based on YRBS data. The main potential predictor of a decline in that level based on the above results would be labor market conditions. Between 1991 and 1997, the unemployment rate fell from 6.8 percent to 4.9 percent. The results presented in Table 6 indicate that for this demographic group, a 1.9 percentage point decline in the unemployment rate would be predicted to lower the risk of becoming pregnant by 2.5 percentage points. AIDS incidence may have also played a role, but AIDS cases only grew through 1993 and have fallen back since then so that the 1997 level of 21.8 per 100,000 population is not much higher than that in 1991, 17.2 per 100,000 population. Even based on the larger estimate from the subset of 11 states available in each survey year, this would only be predicted to lower the pregnancy risk for black teens by an additional 0.6 percentage points. These two factors combined could only explain about half of the 6.3 percentage point decline in the level of pregnancy risk for blacks over that period. It would be difficult to attribute much causal impact of either changes in abortion or welfare policies based on the evidence provided earlier, either because of insignificant or counterintuitive estimates. Taken as a whole, it would appear that a great deal of the decline in pregnancy risk among black, non-Hispanics that may have contributed to the dramatic decline in teen fertility among this group, cannot be explained by these factors.

V. TEEN MOTHERHOOD AND SUBSEQUENT OUTCOMES

The previous analysis considered the factors related to the risk of becoming pregnant, but the risk itself has not yet been defined. In particular, if a teen becomes pregnant and goes on to have a child, what costs does that impose upon her in the remainder of her life? This section will evaluate

the literature examining the impact of becoming a teen mother on her labor market outcomes and receipt of public assistance.

Earlier research on this topic is well-summarized by Hofferth (1987). Results from this work identify some important life-cycle patterns in the labor market activity of teen mothers. Soon after giving birth, teen mothers face significant disadvantages compared to women who have delayed childbirth, but are similar in some other dimensions. Teen mothers have significantly lower rates of labor force participation in the years immediately following teen childbirth. This difference is eliminated or even reversed by the time the women are in their late 20s, when those women who delayed childbearing are more likely to be caring for very young children. Little research has compared teen mothers with those who delayed childbearing until even later in life, but the available evidence suggests that teen mothers are somewhat less likely to work after their childbearing years, but that difference is small.

Regardless of the point in the life-cycle, teen mothers earn less and have lower incomes than women who delay childbirth, even after controlling for several background characteristics. The fact that teen mothers also acquire significantly less education is strongly related to their lower earnings. Lower earnings also contributes to the higher rate of welfare receipt through the child-bearing years, although some evidence indicates that the greater relative rate of welfare receipt diminishes over time as well.

The focus of more recent research has been to introduce alternative methodologies intended to compare teen mothers with other women who are identical on all relevant characteristics. For instance, even among women who grew up in low-income, inner-city households, they may have been raised in very different family circumstances. One woman may have parents who place a heavy

emphasis on education; another woman may have grown up in a household where domestic violence was prevalent. Ethnographic studies that track the lives of a relatively small number of women might be able to identify such differences. But this research can seldom be generalized to larger groups of women. Statistical analysis that relies upon large samples of individuals cannot hope to control for these “unobservable” characteristics. More recent research in this area has applied innovative methods of identifying comparison groups across which even these differences are more likely to be held constant.

Geronimus and Korenman (1992) provide one example of this type of research. They compared the outcomes (including income, employment, and welfare receipt) of sisters, one who gave birth as a teen and one who did not. Of course, sisters differ in many ways, and Geronimus and Korenman control for differences between them in many of the same types of characteristics considered in first-generation studies. Since sisters generally share a common family background, however, differences in outcomes between them probably cannot be attributable to these characteristics that would otherwise be unobservable in this type of study. The results of this study provide little evidence of a substantial detrimental effect of teen motherhood once these other factors are controlled for. Although the authors acknowledge that small sample sizes which lead to imprecision in their estimates limit the power of their analysis, they conclude that their results should lead one to be more cautious in attributing causality between teen motherhood and subsequent outcomes.

This research has led to a healthy exchange of papers, including replication exercises and alternative interpretations of the findings (Hoffman, et al. 1993a; Geronimus and Korenman, 1993; and Hoffman, et al. 1993b), and the controversy has led to subsequent analysis by others. For

instance, Hotz, McElroy, and Sanders (1996) provide another attempt to identify a sample of women who differ only by their status as teen mothers. These authors compare women who gave birth as teenagers to teens who became pregnant, but miscarried. They report that roughly 10 percent of first teen pregnancies result in a miscarriage and that those who miscarry postpone subsequent childbearing three to four years, on average. If a miscarriage can be thought of as occurring "by chance," then it acts as a means of random assignment that separates pregnant teenagers into a pseudo-control and treatment group that can be compared using similar techniques to a controlled experiment.¹⁸ Within their quasi-experimental framework, these authors find few negative labor market consequences or greater welfare receipt brought about by a teen birth.

Angrist and Evans (1996) introduce another quasi-experimental technique, using the legislative history of abortion liberalization to identify groups of women who are similar except for their status as teen mothers. They use the fact that the timing of abortion legalization in the early 1970s differed across states. In those states where abortion was legalized earlier, women, and teens in particular, may have responded by having relatively fewer children than women in states where abortion was not legalized until the 1973 Roe v. Wade Supreme Court decision. If a teen birth leads to differences in subsequent outcomes, the teenage women in these early abortion legalization states should have had different outcomes within this window compared to teenage women living in states that did not liberalize their abortion laws until 1973. Angrist and Evans show few effects, if any, from differences in abortion laws. They identify a reduction in the probability of work among adult black women who gave birth as teens, but not for whites. Moreover, even for blacks, the estimated

¹⁸Hotz, McElroy, and Sanders recognize that this assumption is not perfectly accurate and control for observable differences between the two groups in their analysis.

effect is very imprecise, so it is difficult to conclusively determine whether the effect is large or small.

One last paper, by Grogger and Bronars (1993), uses a quasi-experimental design to identify relevant comparison groups. In this paper, women who have a first birth as a teen are differentiated by whether they gave birth to twins or to a single child. Viewing the occurrence of twins as a “chance” event, having twins acts as a means of random assignment where women in a pseudo-control group have one child and women in a pseudo-treatment group have two. Comparing these groups can identify the independent effect of having an additional teen birth on the subsequent outcomes of these women.¹⁹ Results indicate that having an additional child out-of-wedlock has no significant negative effect on employment, but a small positive effect on welfare receipt for white women. For black women, the impact is larger.

It is clear that differences in outcomes between teen mothers and women who delay their childbearing are not entirely attributable to the birth of the child. Based on the evidence provided by recent research, it may even be an open question whether any economic disadvantage is “caused” by teen motherhood (except, perhaps, for blacks). Based on the narrow categories of women upon which the estimates from this research are based and the general imprecision in estimated effects, however, it would be premature to definitively draw such a conclusion.

¹⁹It is important to recognize that this exercise is not completely analogous to that conducted in the previous papers discussed, which attempted to estimate the impact of becoming a teen mother (with, most likely, one child) compared to delaying childbirth.

VI. DISCUSSION

The prevalence of teen sexual activity without the use of contraception is clearly a concern of the American public (despite the fact that empirical research has been unable to provide convincing evidence that the cost of a teen birth is large). This paper has documented that the level of such behavior is high by international standards and that little evidence indicates that it is declining rapidly (except, perhaps, for blacks). That leaves us with the question of what can be done to help reduce this level. The analysis presented in this paper can potentially provide a mechanism to help evaluate possible policy responses.

The policies most commonly advocated to reduce the level of unprotected sexual activity by teens generally differs by political persuasion. From the right, advocacy of abstinence ("just say no") is the proposed response. From the left, expansion of sex education and increased funding for family planning is typically proposed. Within the framework of the analysis provided here, both sets of proposals are not likely to be particularly effective.

First, consider the calls for greater use of sex education and additional funding for family planning. If teen sexual activity is dictated by the developmental process and specific acts occur spontaneously, then the benefit of providing greater information about contraception and the availability of low-cost family planning services may be quite small. As teens age and reach a developmental level where they are able to respond to perceived risks, or on the basis of an economic model where costs are always weighed against the benefits, greater information and lower costs are potentially useful tools. Their usefulness depends upon the extent of misinformation and the extent to which these costs are altered by the policy. On this basis, their effectiveness may be limited.

Evidence from a recent survey of high school students conducted by the Kaiser Family Foundation (1999) may be brought to bear on this question. The survey indicates that 95 percent of teenage girls know they can become pregnant at first intercourse, 80 percent know they can buy condoms in drug stores without their parent's permission, and 80 percent know they qualify for free or low-cost contraception at family planning clinics. Although relatively high percentages report wanting even more information, the vast majority seem to know the minimum required to avoid getting pregnant.²⁰ Although some gains may certainly result from increased information, it seems unlikely to provide substantial reductions in teen pregnancy. Moreover, if the cost of teen pregnancy is as high as is often claimed, small changes in the price of birth control (such as providing free condoms) also seems unlikely to significantly shift the balance and cause people to use contraception who otherwise would not.

Promoting abstinence has similar problems. If younger teens have not sufficiently developed to make rational decisions, then they will be unable to respond to such calls. If they are making rational decisions based on the relative costs and benefits of the activity, then "just say no" policies will be ineffective without any reference to either part of this comparison.

If none of the conventional proposals seem likely to have a significant impact on the sexual behavior of teens, what sorts of policies are likely to be effective? From a rational decision making framework, only one set of alternatives is really possible. Since it would be difficult to alter the

²⁰For instance, survey results indicate that 61 percent of girls mistakenly believe they need their parents' permission to get birth control pills and that 51 percent would like to have more information about birth control. These results suggest that increased sex education and family planning would still provide benefits for teens through greater choices and a more thorough understanding of their decisions. Nevertheless, most appear to have sufficient knowledge to make decisions that would prevent them from getting pregnant should they so desire.

perceived benefits of sexual activity, one would have to focus on the costs. To yield a significant reduction the perceived cost would have to be elevated considerably. This could take many forms. For instance, perhaps sex education should amend its focus away from health-related issues and add to the curriculum the economic risks that teen pregnancy poses. A thorough understanding of the potentially lifelong implications of one's decisions as a teen to accept the risk of becoming pregnant could shift the balance. However, this would require teens to place sufficient weight on future costs compared to present benefits; models of such activity by behavioral economists in which tremendous weight may be placed on activity today would work against a large impact. Moreover, it is unclear whether a teen birth does impose a large cost based on the recent empirical evidence reviewed above.

Other policies that actually do change the cost (as opposed to the perceived cost) of giving birth may also be effective. Based on the evidence provided earlier, strengthening labor market opportunities for teens may increase the opportunity cost of childbearing and reduce its incidence. Improving those opportunities over the long-term (rather than relying strictly on cyclical fluctuations), however, is a difficult task. The analysis provided earlier also suggested that AIDS incidence had some impact in reducing risky sexual behavior, but given its enormous cost to teens and others no one could conceivably propose limiting the fight against AIDS solely for this purpose. More stringent welfare policies, like those imbedded in welfare reform, could also provide such costs through a greatly diminished value of benefits, provisions that limit benefit increases resulting from additional births, forcing teen mothers to live with their parents, and the like.²¹ Yet, the evidence presented earlier regarding the impact of welfare policies on sexual activity is mixed. Beyond

²¹Welfare reform legislation also provided incentives to states to reduce the level of teen births, but it allows the states to introduce its own specific policies.

options such as these, it becomes clear that lowering the level of risky sexual practices for teens that lead to lower birth rates is a very difficult exercise. In fact, if one takes the perspective that such activity is largely spontaneous and irrational, it would be virtually impossible for any intervention to have much impact.

One additional avenue that should be considered which has been given less attention in the literature and ignored here is the behavior of men. For teenage men, the risk associated with unprotected sexual activity is quite low and may be limited to the risk of contracting a sexually transmitted disease.²² If teenage men are rational decision makers, then the positive benefit combined with very little cost means they should be willing to undertake such behavior regardless of its potential outcome. In fact, Akerlof, Yellen, and Katz (1996) argue that the changes in contraceptive availability and abortion legalization in the late 1960s and early 1970s are responsible for the current trend towards increasing non-marital births because the cost to men for engaging in sexual activity became so low. To the extent that policies could be designed that hold teenage men more accountable for their actions in this regard, they might be effective in helping to reduce the rate of risky sexual behavior.

²²One could argue that an additional cost for a teenage man is the probability that a woman gets pregnant and successfully identifies him as the father, potentially leaving him liable for child support payments. Given their low earnings capacity at that stage of life, however, even this cost is likely to be quite small. This also works against the effectiveness of a policy strengthening the enforcement of child support awards.

Table 1: Sexual Activity and Contraceptive Use, by Race/Ethnicity

	National Survey of Family Growth: Ages 15-19			National Survey of Family Growth: Ages 15-17			Youth Risk Behavior Survey			
	1982	1988	1995	1982	1988	1995	1991	1993	1995	1997
SEXUAL ACTIVITY EVER										
All	46.9	52.5	51.1	32.2	37.7	38.0	50.8	50.1	52.1	47.7
White	44.4	52.2	59.0	29.7	35.5	35.3	47.1	47.4	49.0	44.0
Black	58.9	61.0	60.0	44.1	50.5	48.3	75.9	70.4	67.0	65.6
Hispanic	49.9	46.9	56.5	34.4	34.1	50.4	43.3	48.3	53.3	45.7
SEXUAL ACTIVITY IN PAST 3 MONTHS										
All	40.0	46.1	39.8	26.8	30.9	27.7	38.2	37.5	40.4	36.5
White	37.1	43.1	39.3	25.2	27.8	25.9	35.9	35.2	38.5	35.1
Black	53.6	50.8	45.8	38.8	39.5	33.9	55.3	53.2	50.6	47.3
Hispanic	42.2	31.5	45.2	22.0	20.4	39.0	32.8	37.9	39.3	33.2
NO CONTRACEPTIVE USE AT FIRST INTERCOURSE										
All	51.8	34.9	24.6	59.8	31.8	24.1	NA	NA	NA	NA
White	44.1	30.6	18.9	51.8	25.7	19.0	NA	NA	NA	NA
Black	64.1	46.6	31.7	68.8	45.0	28.0	NA	NA	NA	NA
Hispanic	77.1	44.5	42.7	87.7	39.0	38.5	NA	NA	NA	NA
NO CONTRACEPTIVE USE AT LAST INTERCOURSE IN PAST THREE MONTHS										
All	NA	22.9	30.6	NA	26.8	33.2	18.1	16.2	17.3	14.9
White	NA	20.2	28.2	NA	22.7	29.6	13.6	13.7	13.1	12.9
Black	NA	32.0	29.7	NA	41.4	27.1	26.9	22.7	18.3	17.8
Hispanic	NA	32.1	44.4	NA	30.9	53.7	29.0	23.1	34.9	30.3
"PREGNANCY RISK" (sexually active in past three months and no contraceptive use at last intercourse)										
All	NA	9.8	12.2	NA	7.7	9.2	6.9	6.0	6.9	5.4
White	NA	8.7	11.1	NA	6.3	7.7	4.9	4.8	5.0	4.5
Black	NA	16.3	13.6	NA	16.3	9.2	14.7	12.0	9.1	8.4
Hispanic	NA	10.1	20.1	NA	6.3	21.0	9.5	8.7	13.7	10.0

Source: Author's calculations from the 1982, 1988, and 1995 National Surveys of Family Growth and the 1991, 1993, 1995, and 1997 Youth Risk Behavior Survey.

Notes: Race/Ethnic groups are mutually exclusive. Sample weights were used in estimation so that all statistics are representative for the particular subgroup of the nation's population. Due to sample size limitations, some estimates (particularly those for birth control use for Hispanics and for the younger age category) are somewhat imprecise.

Table 2: Sample Means from the National Longitudinal Survey of Adolescent Youth,
by Sexual Activity, Birth Control Use, and Pregnancy

Variable	Sexual Intercourse Ever		Intercourse in Past 3 Months		Failure to Use Contraception at First Intercourse		Failure to Use Contraception at Last Intercourse in Past 3 Months		"Pregnancy Risk"	
	No (1)	Yes (2)	No (3)	Yes (4)	No (5)	Yes (6)	No (7)	Yes (8)	No (9)	Yes (10)
Weighted Percentage Engaging in Activity	37.6		35.0		32.4		35.7		12.4	
<u>Student's Characteristics</u>										
Age	14.7	16.3	14.7	16.3	16.5	16.1	16.4	16.2	15.2	16.2
% Black, non-Hispanic	12.9	20.9	13.4	20.5	21.5	20.0	19.5	22.3	15.0	22.3
% Hispanic	13.2	10.8	13.4	10.4	8.9	14.0	8.6	13.5	12.2	13.5
Grade in School	8.9	10.4	8.9	10.4	10.6	10.1	10.5	10.2	9.3	10.2
Picture Vocabulary Test, standardized score	101.1	99.5	100.5	99.9	101.3	96.2	101.7	96.8	100.8	96.8
GPA (if computable)	3.04	2.73	3.02	2.74	2.78	2.62	2.79	2.64	2.96	2.64
Catholic	26.9	20.9	26.7	20.9	22.7	17.3	22.8	17.5	25.7	91.3
No Religion Reported	10.1	13.6	10.0	13.9	11.5	17.7	11.1	18.7	10.3	18.7
Attends Religious Services at least Once per Week	47.3	28.6	46.7	28.2	28.3	29.5	26.9	30.4	41.7	30.4
<u>Mother's/Household Characteristics</u>										
Mother's Age	41.1	41.7	41.1	41.7	42.0	41.0	42.1	41.0	41.3	41.0
Mother HS Graduate	42.3	44.3	42.5	44.4	41.8	49.3	42.1	48.5	42.4	48.5
Mother Attended Some College	17.3	19.4	17.0	19.9	21.3	16.0	20.9	18.0	18.0	18.0
Mother College Graduated	24.9	17.8	24.5	17.7	19.5	14.4	19.4	14.6	23.2	14.6
Mother Worked in Past Year	77.4	79.9	76.8	81.0	80.0	79.8	81.3	80.4	77.9	80.4
Mother Married	75.9	65.0	75.7	64.7	66.6	61.8	67.5	59.7	73.7	59.7
Mother's Age at First Marriage (if Married)	21.0	20.2	21.0	20.2	20.3	19.8	20.4	19.9	20.8	19.9
Mother Receiving Public Assistance	8.3	11.8	8.6	11.4	9.3	16.5	8.4	17.0	8.5	17.0
HH Income less than \$10,000	6.3	10.8	6.5	10.6	10.1	12.0	9.4	14.0	7.4	14.0
HH Income between \$10,000 and \$30,000	26.7	29.6	26.9	29.4	26.8	35.2	27.4	32.6	27.0	32.6
HH Income between \$50,000 and \$100,000	32.2	28.1	31.8	28.6	31.2	21.9	32.5	21.6	31.9	21.6
HH Income greater than \$100,000	7.5	5.1	7.3	5.1	6.2	2.9	6.8	1.9	7.1	1.9
<u>Own Attitudes/Expectations/Knowledge (Age 15+)</u>										
Friends Respect you More if You Have Sexual Intercourse	4.2	4.1	4.2	4.2	4.2	3.8	4.5	3.6	4.3	3.6
Partner Loses Respect for You if You Have Sexual Intercourse	29.8	12.0	29.6	11.2	11.1	14.2	10.3	13.0	22.3	13.0
Getting Pregnant Would be One of the Worst Things that Could Happen	91.6	74.7	90.3	74.6	77.1	69.2	81.8	61.2	87.1	61.2

Likely to go to College	82.8	71.9	80.9	72.5	76.8	62.3	77.2	63.6	79.5	63.6
Percent Correct on Knowledge Quiz	50.9	57.6	50.1	58.1	58.7	55.5	59.3	55.8	53.5	55.8
<u>Parents' Attitudes (Age 15+)</u>										
Mother Disapproves of Having Sex at this Time	92.4	64.9	91.2	64.9	65.2	63.9	67.0	60.8	82.4	60.8
Mother Disapproves of Using Birth Control at this Time	53.8	21.9	52.5	21.7	19.8	26.2	20.3	24.6	40.7	24.6
<u>Risk Perceptions (Age 15+)</u>										
Little or No Probability of Pregnancy in Single Incident without Contraception	15.2	17.6	15.9	17.1	14.7	24.0	15.3	20.5	15.7	20.5
Little or No Probability of Pregnancy over Entire Month without Contraception	12.4	19.5	13.3	19.0	17.2	24.1	17.7	21.7	14.9	21.7
<u>SAMPLE SIZE</u>										
full sample	2,040	1,227	2,142	1,154	826	396	741	412	2,883	412
mother's characteristics	1,707	954	1,785	897	654	298	585	311	2,370	311
age 15+	1,075	1,083	1,152	1,023	750	328	670	352	1,822	352

Source: Author's calculations from Wave I of the National Longitudinal Survey of Adolescent Health.

Notes: The sample is restricted to respondents between the ages of 12 and 18 (except where noted). Sample sizes for some variables are smaller than those reported due to missing data. In columns 5 and 6, the universe is restricted to those women who have ever engaged in sexual intercourse. In Columns 7 and 8, the universe is restricted to those women who have had intercourse in the past three months.

Table 3: Correlates of Teen Sexual Activity and Contraception
(Probit Derivatives, Standard Errors in Parentheses)

Variable	Sexual Intercourse Ever		Sexual in Past Three Months		No Contraception at First Intercourse		No Contraception at Last Intercourse		"Pregnancy Risk"	
	full sample	age 15+	full sample	age 15+	full sample	age 15+	full sample	age 15+		
Student's Characteristics										
Age	0.079 (0.017)	0.063 (0.026)	0.076 (0.016)	0.056 (0.026)	-0.022 (0.026)	0.032 (0.030)	-0.014 (0.027)	0.003 (0.031)	0.026 (0.009)	0.019 (0.014)
Black, non-Hispanic	0.098 (0.032)	0.066 (0.043)	0.098 (0.031)	0.044 (0.043)	-0.114 (0.039)	-0.073 (0.044)	-0.058 (0.043)	-0.018 (0.050)	0.019 (0.018)	0.016 (0.025)
Hispanic	-0.012 (0.039)	-0.044 (0.051)	-0.021 (0.038)	-0.053 (0.049)	0.092 (0.062)	-0.019 (0.063)	0.103 (0.063)	0.092 (0.067)	0.029 (0.025)	0.027 (0.031)
Grade in School	0.071 (0.017)	0.074 (0.024)	0.061 (0.017)	0.070 (0.024)	-0.019 (0.026)	-0.041 (0.029)	-0.010 (0.027)	-0.018 (0.029)	0.007 (0.009)	0.005 (0.013)
Picture Vocabulary Test, standardized score (x10)	-0.001 (0.009)	-0.002 (0.013)	0.013 (0.009)	0.003 (0.012)	-0.055 (0.015)	-0.033 (0.017)	-0.052 (0.015)	-0.024 (0.017)	-0.007 (0.005)	-0.004 (0.007)
GPA (if computable)	-0.118 (0.016)	-0.135 (0.023)	-0.105 (0.015)	-0.120 (0.022)	-0.040 (0.024)	-0.014 (0.027)	-0.037 (0.025)	-0.014 (0.028)	-0.042 (0.008)	-0.035 (0.012)
Catholic	-0.069 (0.027)	-0.049 (0.036)	-0.060 (0.026)	-0.061 (0.035)	-0.067 (0.042)	-0.059 (0.043)	-0.071 (0.044)	-0.085 (0.044)	-0.037 (0.013)	-0.050 (0.018)
No Religion Reported	-0.042 (0.033)	-0.046 (0.055)	-0.027 (0.033)	-0.040 (0.054)	0.120 (0.055)	0.145 (0.064)	0.127 (0.056)	0.122 (0.063)	0.031 (0.023)	0.048 (0.036)
Attends Religious Services at least Once per Week	-0.138 (0.022)	-0.062 (0.032)	-0.130 (0.022)	-0.060 (0.032)	0.056 (0.039)	0.023 (0.042)	0.083 (0.040)	0.048 (0.044)	-0.016 (0.012)	0.005 (0.019)
Family Background										
Mother's Age (x10)	-0.004 (0.020)	0.013 (0.028)	-0.003 (0.020)	0.016 (0.027)	-0.006 (0.030)	-0.044 (0.039)	-0.007 (0.030)	-0.017 (0.035)	-0.002 (0.012)	-0.009 (0.017)
Mother HS Graduate	-0.009 (0.039)	0.007 (0.052)	-0.018 (0.037)	-0.016 (0.051)	0.079 (0.059)	0.098 (0.066)	0.133 (0.061)	0.147 (0.066)	0.037 (0.022)	0.054 (0.033)
Mother Attended Some College	0.019 (0.045)	0.082 (0.059)	0.017 (0.044)	0.079 (0.058)	0.032 (0.068)	0.020 (0.074)	0.142 (0.072)	0.130 (0.078)	0.044 (0.030)	0.068 (0.043)
Mother College Graduated	-0.018 (0.045)	0.039 (0.062)	-0.043 (0.043)	0.017 (0.061)	0.042 (0.074)	0.068 (0.082)	0.090 (0.076)	0.126 (0.084)	0.015 (0.027)	0.057 (0.043)
Mother Worked in Past Year	0.037 (0.032)	0.038 (0.044)	0.064 (0.029)	0.055 (0.044)	0.030 (0.052)	-0.031 (0.058)	0.044 (0.053)	-0.006 (0.057)	0.033 (0.016)	0.011 (0.026)
Mother Married	-0.047 (0.031)	-0.078 (0.043)	-0.049 (0.031)	-0.063 (0.042)	0.003 (0.045)	-0.046 (0.048)	-0.003 (0.046)	-0.014 (0.049)	-0.011 (0.018)	-0.011 (0.025)
Mother's Age at First Marriage	-0.003 (0.021)	-0.006 (0.003)	-0.004 (0.002)	-0.005 (0.003)	-0.002 (0.003)	-0.004 (0.003)	-0.001 (0.003)	-0.002 (0.003)	-0.001 (0.001)	-0.001 (0.002)
Mother Receiving Public Assistance	0.030 (0.051)	0.048 (0.067)	0.034 (0.050)	0.089 (0.065)	0.059 (0.071)	-0.020 (0.071)	0.179 (0.076)	0.095 (0.081)	0.069 (0.036)	0.083 (0.051)

HH Income less than \$10,000	0.033 (0.057)	0.027 (0.078)	0.044 (0.056)	0.004 (0.077)	-0.028 (0.074)	-0.077 (0.073)	-0.087 (0.073)	-0.143 (0.071)	-0.009 (0.027)	-0.061 (0.031)
HH Income between \$10,000 and \$30,000	-0.031 (0.035)	-0.081 (0.049)	-0.023 (0.035)	-0.062 (0.048)	0.033 (0.055)	-0.025 (0.058)	-0.017 (0.056)	0.015 (0.062)	-0.012 (0.019)	-0.011 (0.027)
HH Income between \$50,000 and \$100,000	-0.046 (0.032)	-0.048 (0.045)	-0.028 (0.031)	-0.031 (0.044)	-0.040 (0.052)	-0.059 (0.052)	-0.074 (0.050)	-0.086 (0.053)	-0.031 (0.016)	-0.040 (0.023)
HH Income greater than \$100,000	-0.071 (0.049)	-0.105 (0.072)	-0.057 (0.049)	-0.107 (0.069)	-0.077 (0.086)	-0.105 (0.080)	-0.166 (0.077)	-0.165 (0.078)	-0.055 (0.020)	-0.085 (0.023)
<u>Own Attitudes/</u>										
<u>Expectations/Knowledge</u>										
Friends Respect you More if You Have Sexual Intercourse	-0.012 (0.074)			0.007 (0.072)		0.106 (0.070)		-0.035 (0.091)		-0.024 (0.039)
Partner Loses Respect for You if You Have Sexual Intercourse	-0.139 (0.038)			-0.159 (0.037)		0.082 (0.060)		0.087 (0.063)		-0.021 (0.022)
Getting Pregnant Would be One of the Worst Things	-0.195 (0.039)			-0.170 (0.040)		-0.032 (0.044)		-0.208 (0.047)		-0.147 (0.031)
Likely to go to College	-0.064 (0.041)			-0.060 (0.040)		-0.062 (0.047)		-0.042 (0.048)		-0.033 (0.025)
Percent Correct on Knowledge Quiz	0.004 (0.001)			0.005 (0.001)		-0.001 (0.001)		-0.003 (0.001)		0.0001 (0.001)
<u>Parents' Attitudes</u>										
Mother Disapproves of Having Sex at this Time	-0.227 (0.039)			-0.201 (0.039)		-0.020 (0.040)		-0.084 (0.041)		-0.080 (0.026)
Mother Disapproves of Birth Control Use at this Time	-0.202 (0.031)			-0.186 (0.031)		0.150 (0.050)		0.091 (0.050)		-0.025 (0.019)
<u>Risk Perceptions</u>										
Little or No Probability of Pregnancy in Single Incident	-0.003 (0.042)			-0.009 (0.041)		0.177 (0.055)		0.125 (0.056)		0.049 (0.028)
Little or No Probability of Pregnancy over Entire Month	0.132 (0.041)			0.102 (0.042)		0.029 (0.048)		0.007 (0.050)		0.028 (0.027)
SAMPLE SIZE	3,023	1,830	3,050	1,836	1,107	874	1,049	831	3,050	1,836

Source: Author's calculations from Wave 1 of the National Longitudinal Survey of Adolescent Health.

Notes: The models estimated also include dummy variables indicating whether grade data were available to compute GPA, whether household income was reported, and whether maternal characteristics are available. In columns 7 through 9, the universe is restricted to those women who have ever engaged in sexual intercourse. In Columns 10-12, the universe is restricted to those women who have had intercourse in the past three months.

Table 4: Sample Means from the Youth Risk Behavior Survey
by Sexual Activity, Birth Control Use, and Pregnancy Risk

Variable	Sexual Intercourse Ever		Intercourse in Past Three Months		Failure to Use Contraception at Last Intercourse in Past Three Months		“Pregnancy Risk”	
	No (1)	Yes (2)	No (3)	Yes (4)	No (5)	Yes (6)	No (7)	Yes (8)
<u>Student's Characteristics</u>								
Age	15.8	16.4	15.9	16.5	16.5	16.5	16.1	16.5
% Black, non-Hispanic	8.9	20.1	11.3	19.7	18.4	25.8	13.7	25.8
% Hispanic	10.0	9.1	9.9	9.0	7.7	15.9	9.1	15.9
% Other Race	10.6	8.3	10.3	8.1	8.3	7.2	9.6	7.2
Grade in School	10.3	10.8	10.3	10.9	10.9	10.7	10.5	10.7
<u>Geographic Variables</u>								
Unemployment Rate	6.1	6.2	6.1	6.1	6.1	6.3	6.1	6.3
Maximum AFDC/TANF for a Family of 3 (1997\$)	376	355	372	354	386	352	381	352
% Reformed Welfare System	37.8	38.4	37.9	38.5	38.6	38.1	38.1	38.1
Aids Rate per 100,000 Population	24.9	23.8	24.8	23.6	23.5	23.8	24.4	23.8
% Medicaid Funding Restrictions	61.9	67.3	62.8	67.6	67.5	68.0	64.4	68.0
% Parental Consent/Notification Required for Abortion	35.0	38.4	35.3	29.0	38.9	39.6	36.5	39.6
% Mandatory Waiting Period for Abortion	6.7	6.2	6.3	6.6	6.5	7.1	6.4	7.1
SAMPLE SIZE	13,136	14,001	16,527	10,610	8,410	2,200	24,937	2,200

Source: Author's calculations from the 1991, 1993, 1995, and 1997 Youth Risk Behavior Survey.

Notes: A girl is defined to be at-risk of getting pregnant if she had sexual intercourse in the last three months and no contraception was used. The population for this variable is all girls, not just those who engaged in sexual activity (as in columns 5 and 6).

Table 5: The Relationship between Geographic Factors and Teen Sexual Activity, Contraception, and Pregnancy
(Probit Derivatives, Standard Errors in Parentheses)

Variable	Sexual Intercourse Ever			Sexual Intercourse in Past Three Months			No Contraception Used at Last Intercourse in Past 3 Months			"Pregnancy Risk"		
	All (1)	Age 16+ (2)	Age < 16 (3)	All (4)	Age 16+ (5)	Age < 16 (6)	All (7)	Age 16+ (8)	Age < 16 (9)	All (10)	Age 16+ (11)	Age < 16 (12)
Student's Characteristics												
Age	0.101 (0.008)	0.086 (0.010)	0.124 (0.020)	0.087 (0.008)	0.074 (0.012)	0.104 (0.019)	0.028 (0.009)	0.025 (0.010)	-0.044 (0.032)	0.023 (0.003)	0.022 (0.005)	0.010 (0.009)
Black, non-Hispanic	0.211 (0.018)	0.170 (0.018)	0.264 (0.029)	0.137 (0.016)	0.111 (0.018)	0.170 (0.023)	0.075 (0.012)	0.100 (0.016)	-0.006 (0.024)	0.053 (0.007)	0.067 (0.009)	0.028 (0.007)
Hispanic	0.030 (0.016)	0.003 (0.016)	0.075 (0.030)	0.028 (0.014)	0.015 (0.017)	0.044 (0.026)	0.140 (0.022)	0.144 (0.026)	0.138 (0.061)	0.054 (0.010)	0.065 (0.012)	0.036 (0.015)
Other Race	0.003 (0.023)	-0.029 (0.024)	0.061 (0.036)	-0.005 (0.024)	-0.039 (0.029)	0.054 (0.034)	0.022 (0.031)	0.028 (0.034)	-0.015 (0.047)	0.005 (0.011)	0.004 (0.015)	0.006 (0.013)
Grade in School	0.020 (0.011)	0.015 (0.012)	0.035 (0.018)	0.023 (0.011)	0.020 (0.012)	0.030 (0.017)	-0.042 (0.010)	-0.046 (0.011)	-0.041 (0.032)	-0.013 (0.004)	-0.017 (0.005)	-0.007 (0.008)
Geographic Variables												
Unemployment Rate	0.046 (0.009)	0.062 (0.011)	0.014 (0.015)	0.039 (0.008)	0.061 (0.008)	-0.001 (0.013)	0.016 (0.006)	0.021 (0.007)	0.002 (0.013)	0.011 (0.002)	0.018 (0.003)	0.001 (0.003)
Log Maximum AFDC/TANF Benefit for a Family of 2	0.019 (0.149)	-0.036 (0.157)	-0.005 (0.036)	-0.189 (0.105)	-0.337 (0.097)	0.178 (0.196)	0.250 (0.068)	0.053 (0.092)	0.822 (0.180)	0.062 (0.028)	-0.028 (0.036)	0.215 (0.047)
Reformed Welfare System	0.092 (0.031)	0.134 (0.035)	-0.005 (0.036)	0.067 (0.022)	0.095 (0.024)	0.007 (0.029)	0.017 (0.019)	0.009 (0.024)	0.024 (0.043)	0.015 (0.008)	0.017 (0.011)	0.009 (0.010)
Aids Rate per 100,000 Population (x 100)	-0.233 (0.115)	-0.297 (0.141)	-0.040 (0.122)	-0.075 (0.079)	-0.083 (0.100)	-0.043 (0.098)	-0.119 (0.084)	-0.110 (0.090)	-0.003 (0.176)	-0.047 (0.034)	-0.054 (0.047)	-0.023 (0.038)
Medicaid Funding Restrictions	0.005 (0.084)	0.006 (0.100)	-0.004 (0.057)	0.001 (0.069)	0.002 (0.062)	-0.006 (0.075)	-0.070 (0.052)	-0.083 (0.059)	-0.071 (0.093)	-0.019 (0.023)	-0.036 (0.027)	0.002 (0.024)
Parental Consent/Notification Required for Abortion	-0.026 (0.048)	-0.046 (0.057)	-0.008 (0.037)	-0.006 (0.033)	-0.020 (0.045)	0.015 (0.030)	0.041 (0.023)	0.045 (0.021)	0.078 (0.068)	0.015 (0.012)	0.018 (0.013)	0.015 (0.018)
Mandatory Waiting Period for Abortion	0.008 (0.057)	0.004 (0.065)	0.012 (0.049)	0.010 (0.042)	0.002 (0.052)	0.005 (0.037)	-0.012 (0.030)	-0.006 (0.025)	0.056 (0.070)	-0.004 (0.014)	-0.004 (0.015)	-0.006 (0.017)
Mean of Dependent Variable	0.496	0.580	0.333	0.376	0.453	0.228	0.165	0.165	0.166	0.062	0.075	0.038
Sample Size	27,137	18,338	8,799	27,137	18,338	8,799	10,610	8,497	2,113	27,137	18,338	8,799

Source: Author's calculations from the 1991, 1993, 1995, and 1997 Youth Risk Behavior Survey.

Table 6: The Relationship between Geographic Factors and Teen Sexual Activity, Contraception, and Pregnancy,
by Race and Ethnicity
(Probit Derivatives, Standard Errors in Parentheses)

Geographic Variables	Sexual Intercourse Ever		Sexual Intercourse in Past Three Months		No Contraception Used at Last Intercourse in Past 3 Months		"Pregnancy Risk"	
	All (1)	Subset of States (2)	All (3)	Subset of States (4)	All (5)	Subset of States (6)	All (7)	Subset of States (8)
Unemployment Rate	0.047 (0.010)	0.034 (0.010)	0.038 (0.008)	0.032 (0.007)	0.009 (0.007)	0.012 (0.007)	0.008 (0.003)	0.008 (0.003)
* Black, non-Hispanic	0.003 (0.017)	0.040 (0.019)	0.008 (0.012)	0.030 (0.014)	0.018 (0.009)	0.026 (0.008)	0.008 (0.004)	0.013 (0.004)
* Hispanic	-0.022 (0.016)	-0.024 (0.016)	-0.007 (0.009)	-0.009 (0.015)	0.006 (0.016)	-0.024 (0.020)	0.002 (0.006)	-0.008 (0.007)
Log Maximum AFDC/TANF Benefit for a Family of 2	-0.015 (0.145)	0.147 (0.134)	-0.207 (0.099)	-0.120 (0.097)	0.293 (0.075)	0.261 (0.098)	0.078 (0.029)	0.084 (0.039)
* Black, non-Hispanic	0.077 (0.056)	0.146 (0.084)	0.002 (0.045)	0.072 (0.074)	0.008 (0.031)	0.028 (0.038)	0.007 (0.014)	0.018 (0.018)
* Hispanic	0.054 (0.052)	0.047 (0.083)	0.020 (0.046)	0.045 (0.072)	-0.010 (0.061)	-0.117 (0.108)	-0.002 (0.022)	-0.032 (0.037)
Reformed Welfare System	0.087 (0.033)	0.100 (0.034)	0.064 (0.025)	0.083 (0.027)	0.007 (0.021)	0.011 (0.027)	0.012 (0.009)	0.019 (0.012)
* Black, non-Hispanic	-0.015 (0.039)	0.003 (0.040)	-0.020 (0.031)	-0.009 (0.031)	0.046 (0.026)	0.048 (0.035)	0.014 (0.011)	0.012 (0.014)
* Hispanic	0.023 (0.028)	0.027 (0.030)	0.012 (0.025)	-0.002 (0.028)	0.019 (0.037)	0.030 (0.037)	0.011 (0.013)	0.009 (0.014)
Aids Rate per 100,000 Population (x 100)	-0.180 (0.125)	-0.252 (0.122)	-0.050 (0.088)	-0.036 (0.087)	-0.102 (0.091)	-0.283 (0.112)	-0.039 (0.036)	-0.089 (0.135)
* Black, non-Hispanic (x 100)	-0.029 (0.092)	-0.288 (0.136)	-0.037 (0.077)	-0.231 (0.101)	0.042 (0.068)	-0.009 (0.071)	0.010 (0.027)	-0.040 (0.023)
* Hispanic (x 100)	-0.001 (0.068)	-0.025 (0.136)	0.056 (0.057)	0.011 (0.056)	-0.151 (0.103)	-0.049 (0.117)	-0.042 (0.038)	-0.016 (0.041)
Medicaid Funding Restrictions	-0.002 (0.089)	0.161 (0.217)	0.012 (0.071)	-0.176 (0.161)	-0.100 (0.060)	-0.078 (0.098)	-0.027 (0.027)	0.073 (0.057)
* Black, non-Hispanic	0.038 (0.056)	0.164 (0.068)	-0.032 (0.044)	0.078 (0.082)	0.115 (0.048)	0.127 (0.071)	0.040 (0.024)	0.059 (0.035)
* Hispanic	-0.017 (0.053)	-0.044 (0.097)	-0.032 (0.043)	-0.030 (0.089)	-0.045 (0.048)	-0.131 (0.046)	-0.018 (0.017)	-0.042 (0.016)
Parental Consent/Notification Required for Abortion	-0.032 (0.051)	0.157 (0.078)	-0.011 (0.037)	0.116 (0.065)	0.049 (0.025)	0.056 (0.061)	0.017 (0.013)	0.040 (0.034)
* Black, non-Hispanic	0.040 (0.045)	-0.047 (0.058)	0.031 (0.039)	-0.057 (0.042)	-0.024 (0.020)	-0.035 (0.039)	-0.006 (0.009)	-0.018 (0.013)
* Hispanic	-0.051 (0.042)	-0.061 (0.095)	-0.008 (0.039)	-0.001 (0.086)	-0.085 (0.031)	0.090 (0.163)	-0.030 (0.011)	0.021 (0.058)
Mandatory Waiting Period for Abortion	0.025 (0.064)	-0.083 (0.074)	0.018 (0.050)	-0.045 (0.055)	-0.002 (0.035)	0.019 (0.055)	0.000 (0.018)	-0.002 (0.025)
* Black, non-Hispanic	-0.080 (0.052)	-0.026 (0.063)	-0.053 (0.064)	0.008 (0.053)	-0.042 (0.021)	-0.016 (0.035)	-0.017 (0.011)	-0.006 (0.017)
* Hispanic	-0.049 (0.057)	0.003 (0.101)	-0.053 (0.064)	-0.109 (0.097)	0.260 (0.157)	-0.053 (0.070)	0.079 (0.071)	-0.023 (0.023)

Source: Author's calculations from the 1991, 1993, 1995, and 1997 Youth Risk Behavior Survey.

Notes: Subset of states refers to those 11 states for whom observations are present in each of the four survey years. All specifications include the same additional control variables as those reported in Table 5.

Appendix Table 1: Correlates of Teen Sexual Activity and Contraception for Those Age 15+
(Probit Derivatives, Standard Errors in Parentheses)

	Sexual Activity Ever	Sexual Activity in Past 3 Months	No Contraception at First Intercourse	No Contraception at Last Intercourse in Past 3 Months
<u>Student's Characteristics</u>				
Age	0.088 (0.023)	0.079 (0.023)	-0.004 (0.029)	0.009 (0.029)
Black, non-Hispanic	0.074 (0.039)	0.076 (0.038)	0.071 (0.042)	0.048 (0.046)
Hispanic	-0.090 (0.046)	-0.099 (0.045)	-0.073 (0.064)	-0.085 (0.066)
Grade in School	0.082 (0.022)	0.077 (0.022)	0.019 (0.027)	0.011 (0.028)
Picture Vocabulary Test, standardized score (x10)	0.010 (0.011)	0.028 (0.011)	0.042 (0.015)	0.047 (0.016)
GPA (if computable)	-0.156 (0.020)	-0.136 (0.020)	0.038 (0.026)	0.037 (0.026)
Catholic	-0.059 (0.035)	-0.061 (0.035)	0.048 (0.043)	0.063 (0.045)
No Religion Reported	-0.031 (0.045)	-0.020 (0.045)	-0.157 (0.058)	-0.146 (0.058)
Attends Religious Services at least Once per Week	-0.155 (0.029)	-0.148 (0.029)	-0.068 (0.041)	-0.066 (0.042)
<u>Family Background</u>				
Mother's Age (x10)	-0.031 (0.025)	-0.032 (0.025)	0.035 (0.034)	0.037 (0.033)
Mother HS Graduate	-0.015 (0.049)	-0.050 (0.048)	-0.096 (0.063)	-0.135 (0.065)
Mother Attended Some College	0.031 (0.057)	0.019 (0.056)	-0.013 (0.071)	-0.100 (0.077)
Mother College Graduated	0.013 (0.060)	-0.032 (0.059)	-0.068 (0.079)	-0.088 (0.080)
Mother Worked in Past Year	0.070 (0.039)	0.096 (0.039)	0.041 (0.056)	0.005 (0.057)
Mother Married	-0.119 (0.039)	-0.105 (0.039)	0.011 (0.047)	-0.006 (0.049)
Mother's Age at First Marriage	-0.006 (0.003)	-0.006 (0.003)	0.002 (0.003)	-0.000 (0.003)
Mother Receiving Public Assistance	0.035 (0.066)	0.025 (0.064)	-0.030 (0.077)	-0.131 (0.083)
HH Income less than \$10,000	0.026 (0.075)	0.032 (0.074)	0.089 (0.072)	0.131 (0.074)

HH Income between \$10,000 and \$30,000	-0.088 (0.044)	-0.056 (0.044)	0.089 (0.072)	-0.005 (0.059)
HH Income between \$50,000 and \$100,000	-0.046 (0.044)	-0.024 (0.043)	0.006 (0.057)	0.071 (0.052)
HH Income greater than \$100,000	-0.117 (0.067)	-0.106 (0.066)	0.092 (0.082)	0.166 (0.080)
SAMPLE SIZE	1,969	1,985	966	920

Source: Author's calculations from Wave I of the National Longitudinal Survey of Adolescent Health.

Notes: The models estimated also include dummy variables indicating whether grade data were available to compute GPA, whether household income was reported, and whether maternal characteristics are available. In columns 7 through 9, the universe is restricted to those women who have ever engaged in sexual intercourse. In Columns 10-12, the universe is restricted to those women who have had intercourse in the past three months.

Appendix Table 2: The Relationship between Geographic Factors
and Teen Sexual Activity, Contraception, and Pregnancy: Subset of States with Complete Data
(Probit Derivatives, Standard Errors in Parentheses)

	Sexual Intercourse Ever	Sexual Intercourse in Past Three Months	No Contraception Used at Last Intercourse in Past 3 Months	"Pregnancy Risk"
Variable	All	All	All	All
<u>Student's Characteristics</u>				
Age	0.100 (0.009)	0.084 (0.011)	0.025 (0.012)	0.021 (0.004)
Black, non-Hispanic	0.205 (0.023)	0.131 (0.020)	0.070 (0.017)	0.051 (0.009)
Hispanic	0.033 (0.020)	0.040 (0.018)	0.132 (0.025)	0.053 (0.011)
Other Race	0.009 (0.029)	0.006 (0.032)	-0.018 (0.027)	-0.007 (0.009)
Grade in School	0.021 (0.013)	0.021 (0.014)	-0.042 (0.014)	-0.011 (0.005)
<u>Geographic Variables</u>				
Unemployment Rate	0.040 (0.008)	0.038 (0.006)	0.021 (0.006)	0.012 (0.002)
Log Maximum AFDC/TANF Benefit for a Family of 3	0.145 (0.137)	-0.107 (0.092)	0.187 (0.093)	0.063 (0.038)
Reformed Welfare System	0.110 (0.031)	0.089 (0.022)	0.020 (0.025)	0.022 (0.010)
Aids Rate per 100,000 Population (x 100)	-0.342 (0.134)	-0.097 (0.082)	-0.331 (0.119)	-0.114 (0.049)
Medicaid Funding Restrictions	0.083 (0.213)	-0.185 (0.146)	-0.116 (0.105)	0.034 (0.057)
Parental Consent/Notification Required for Abortion	0.119 (0.080)	0.074 (0.067)	0.034 (0.049)	0.023 (0.029)
Mandatory Waiting Period for Abortion	-0.080 (0.070)	-0.037 (0.051)	0.011 (0.045)	-0.004 (0.021)
SAMPLE SIZE	15,608	15,608	5,935	15,608

Source: Author's calculations from the 1991, 1993, 1995, and 1997 Youth Risk Behavior Survey.

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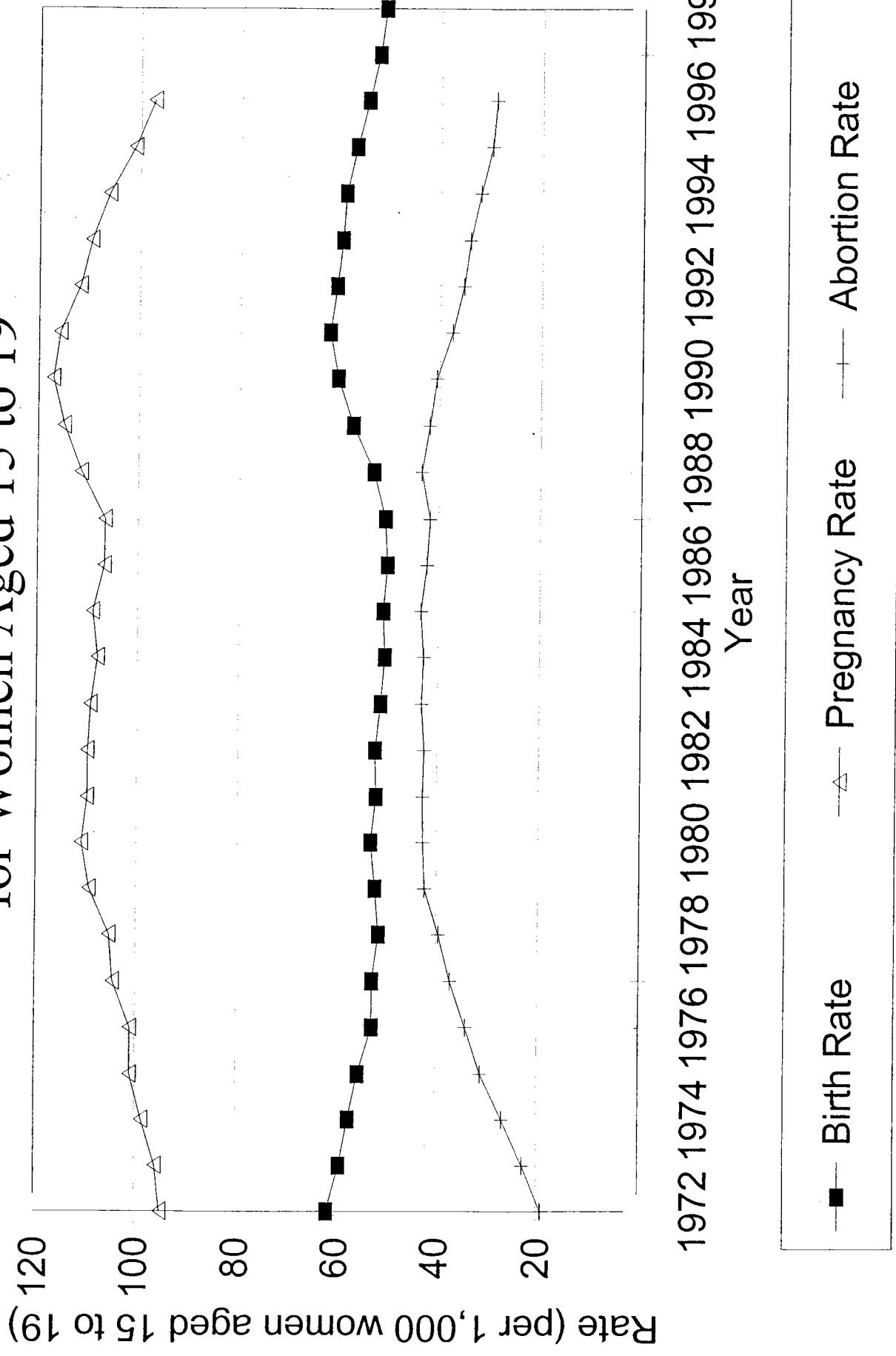
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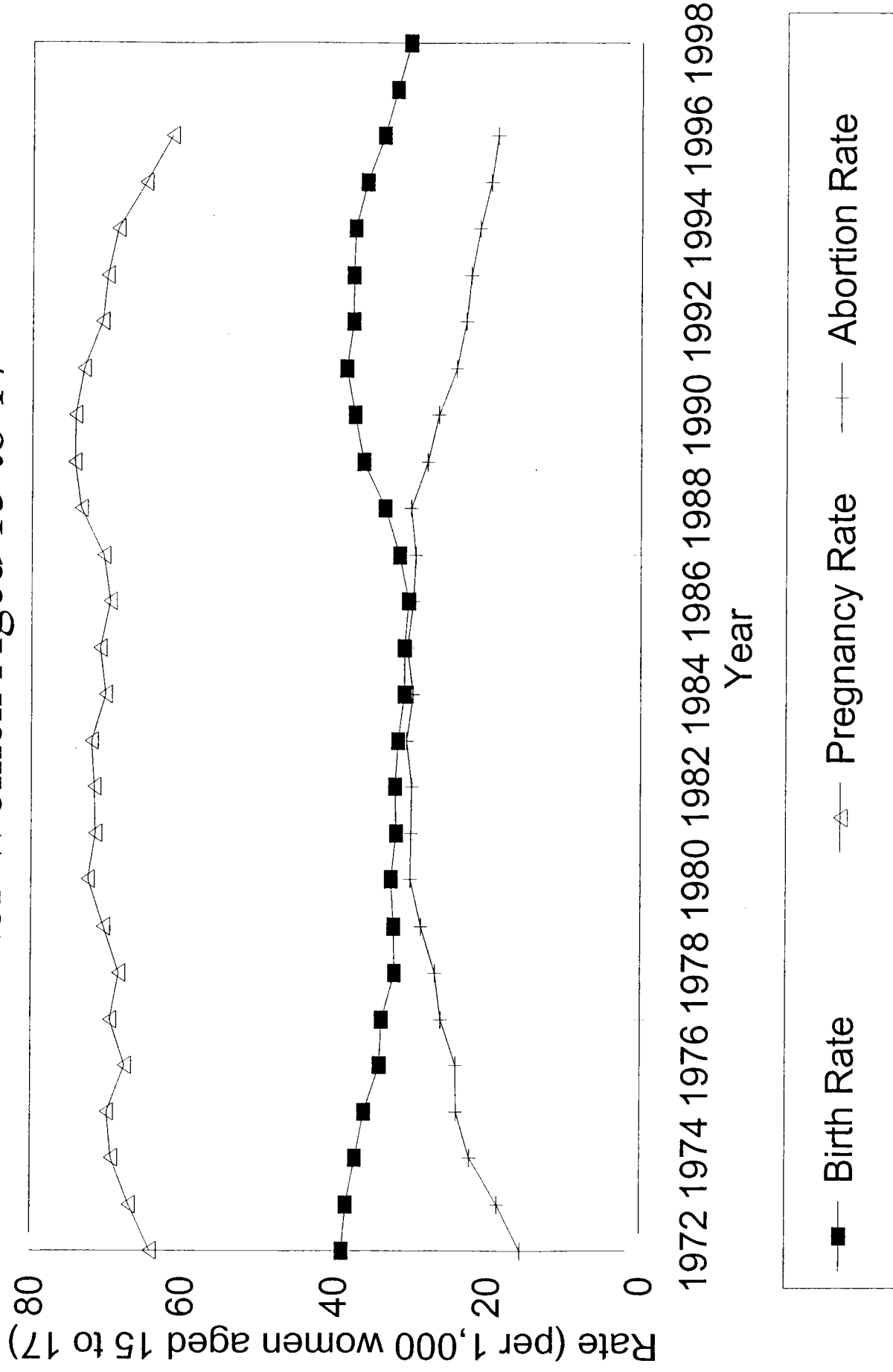
Ventura, Stephanie J., T. J. Matthews, and Sally C. Curtin. "Declines in Teenage Birth Rates, 1991-1998: Update of National and State Trends." *National Vital Statistics Reports*. Vol. 47, No. 26 (October 25, 1999b).

Figure 1A: Birth, Pregnancy, and Abortion Rates
for Women Aged 15 to 19



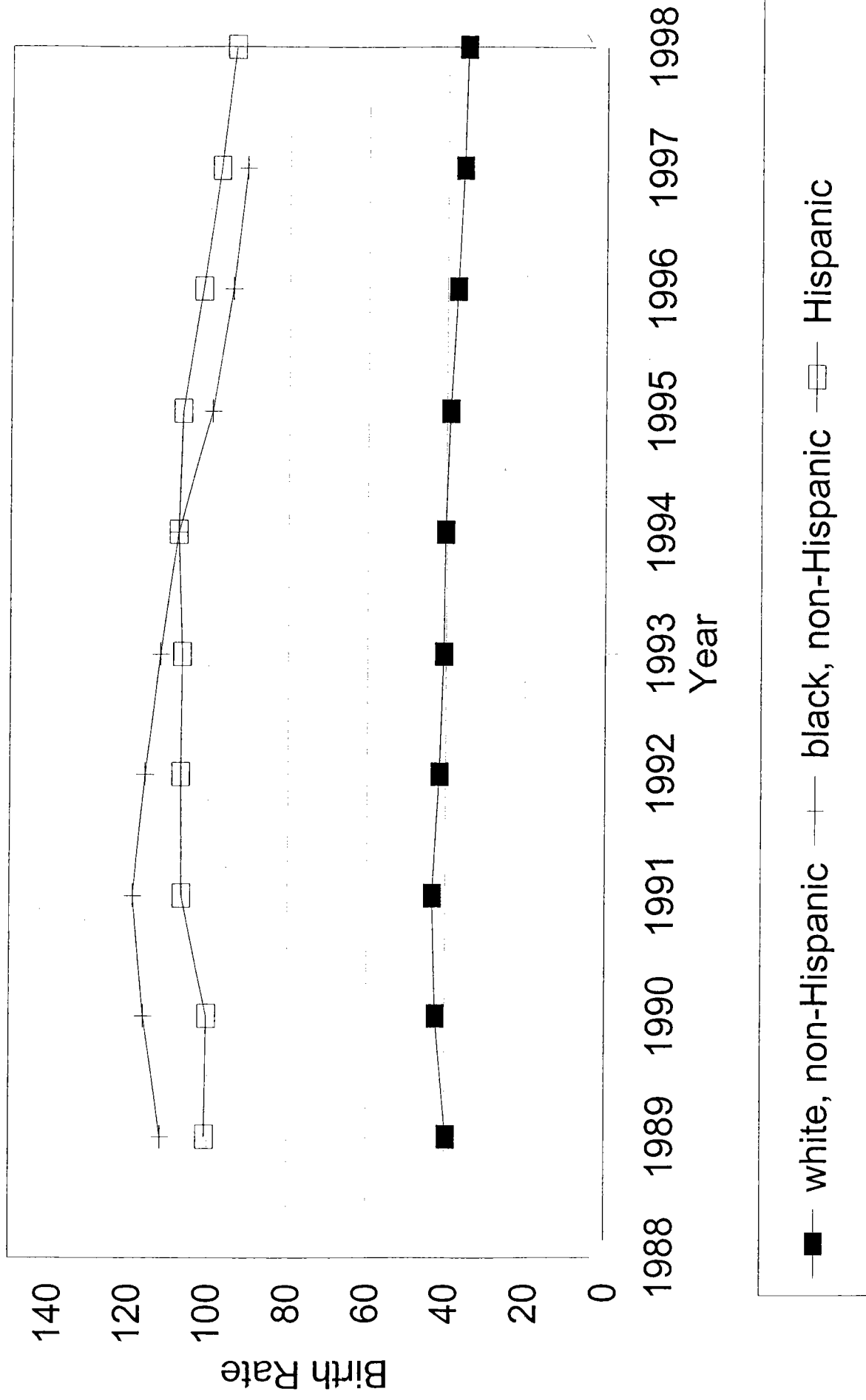
Source: Henshaw (1999) and Ventura 1999b.

Figure 1B: Birth, Pregnancy, and Abortion Rates
for Women Aged 15 to 17



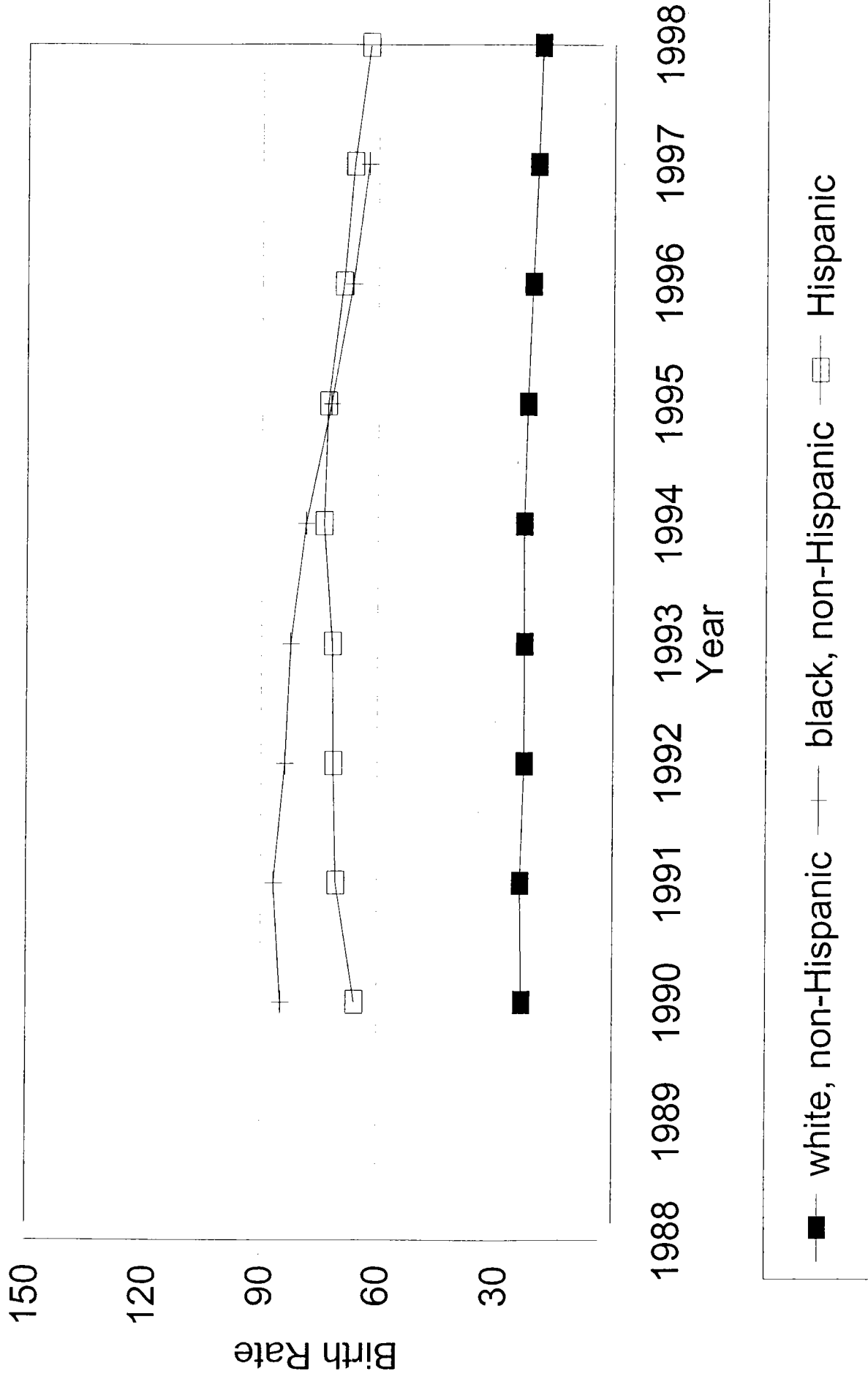
Source: Henshaw (1999) and Ventura 1999b.

Figure 2A: Birth Rates for Women Aged 15-19,
by Race/Ethnicity



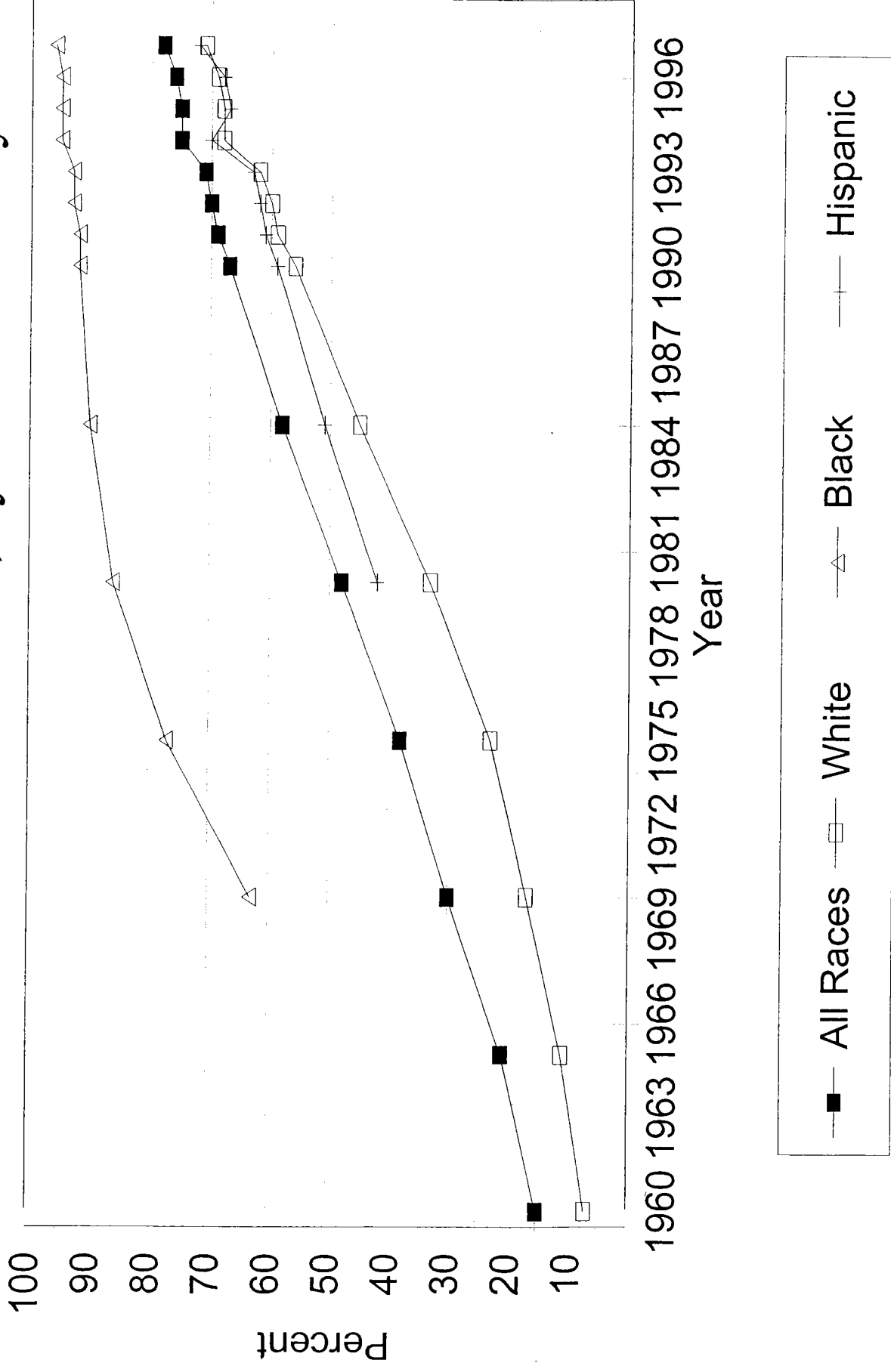
Source: Ventura, et al., 1999a and 1999b.

Figure 2B: Birth Rates for Women Aged 15-17,
by Race/Ethnicity



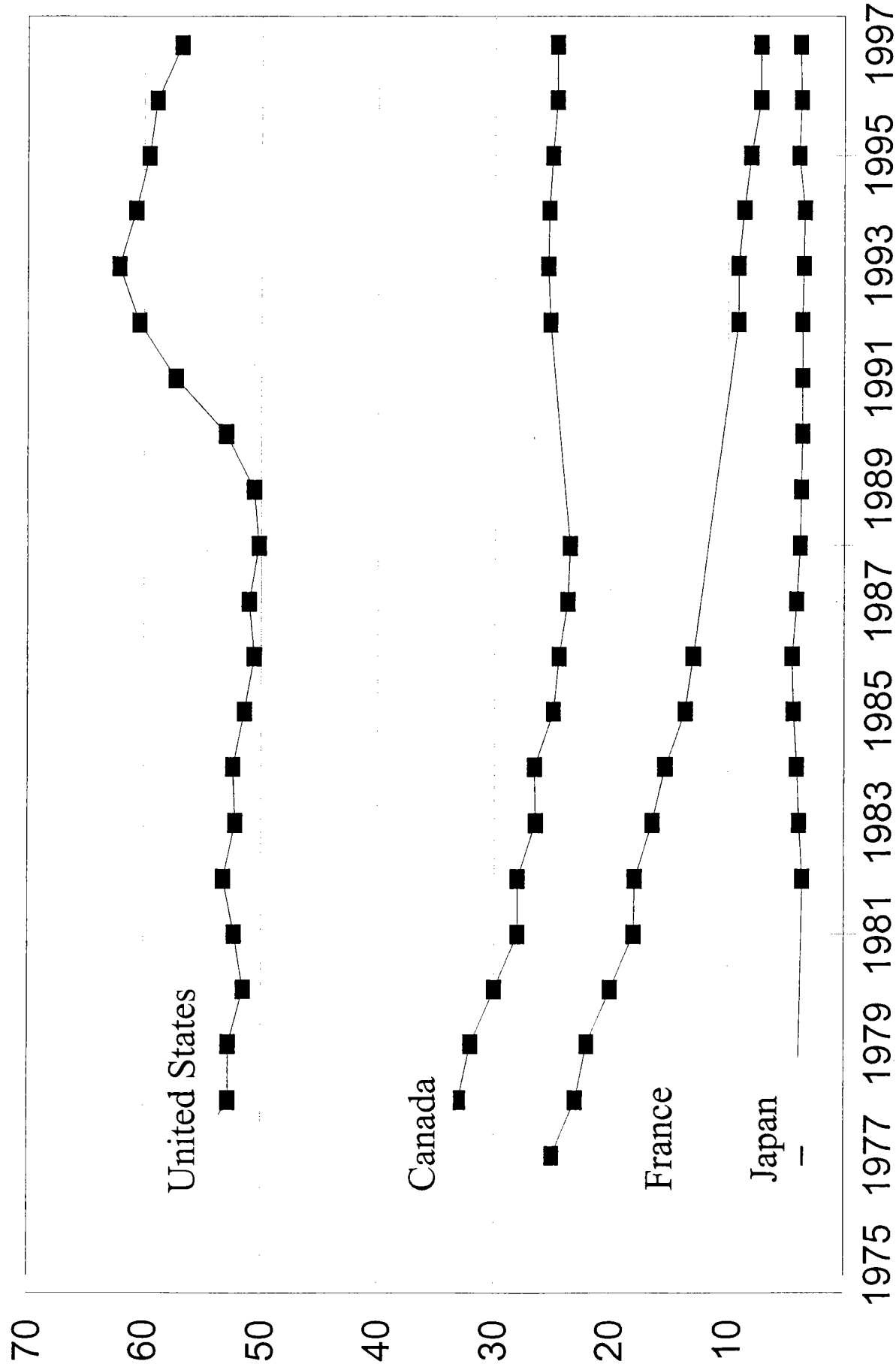
Source: Ventura, et al., 1999a and 1999b.

Figure 3: Percentage of Teen Births to Unmarried Mothers, by Race/Ethnicity



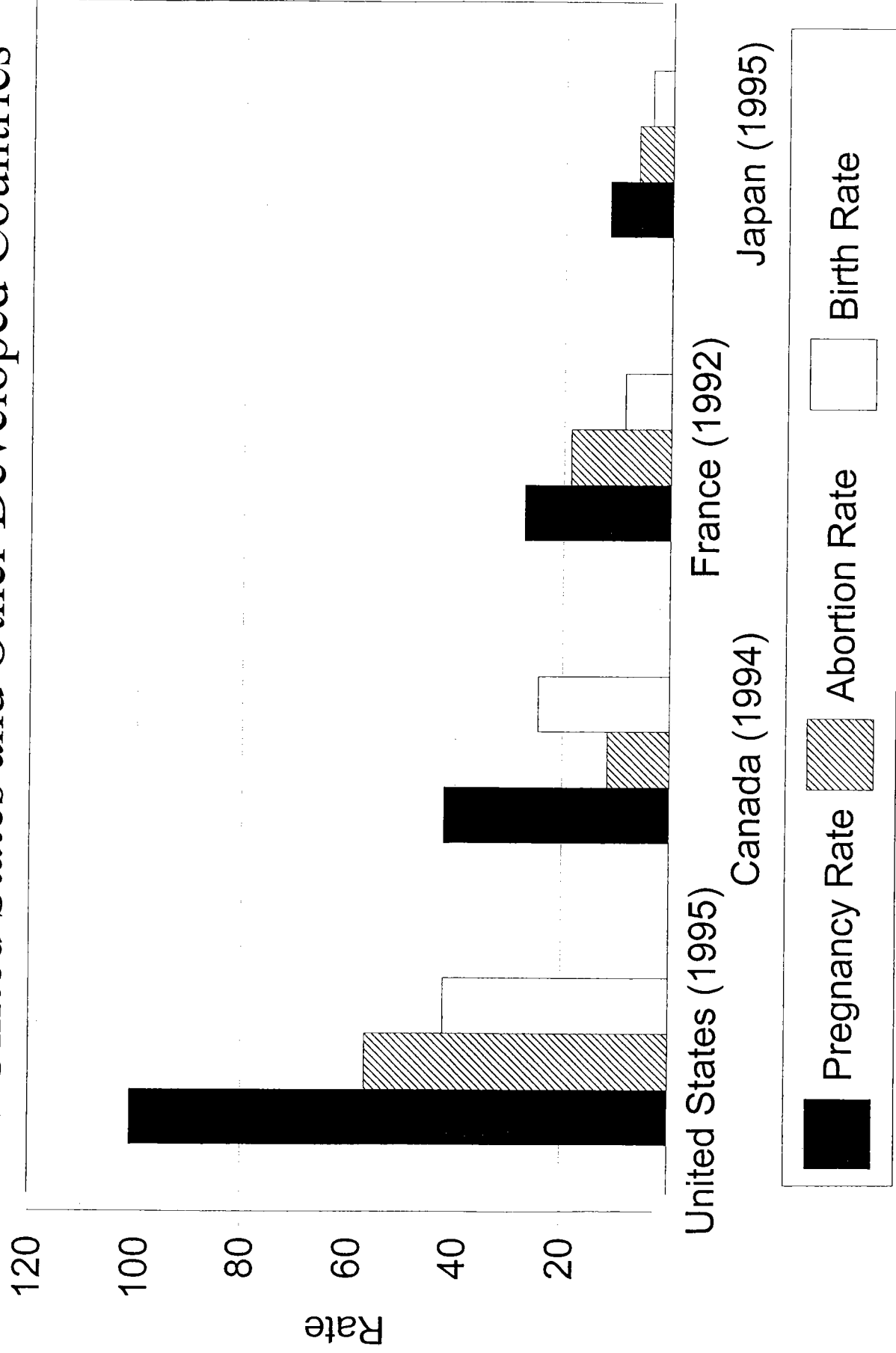
Sources: U.S. Department of Health and Human Services, 1998; and Ventura, et al. 1999.

Figure 4: Teen Fertility Rates in the United States and Other Industrialized Countries



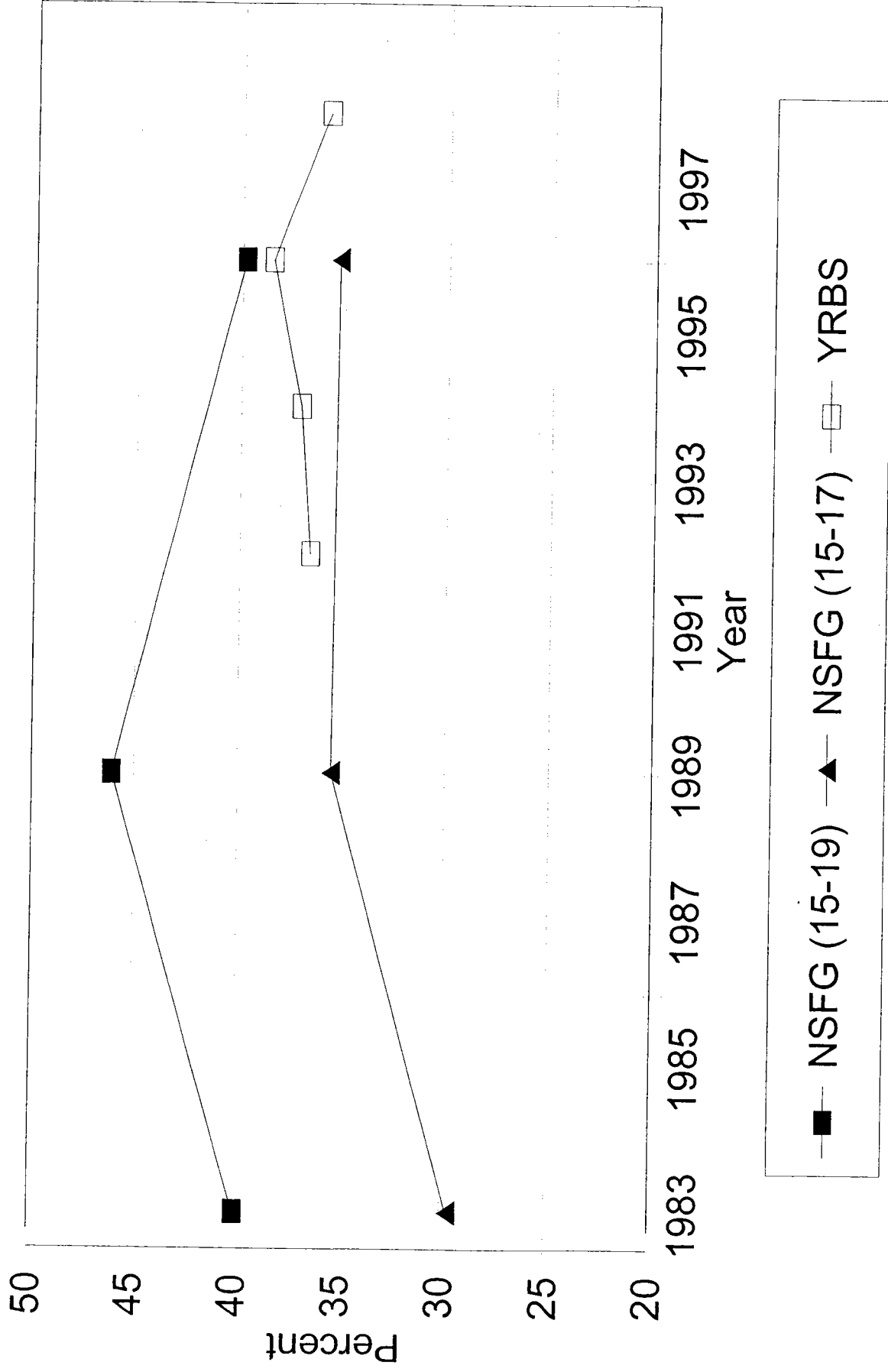
Source: U.S. Bureau of the Census, International Data Base.

Figure 5: Birth, Abortion, and Pregnancy Rates in the United States and Other Developed Countries



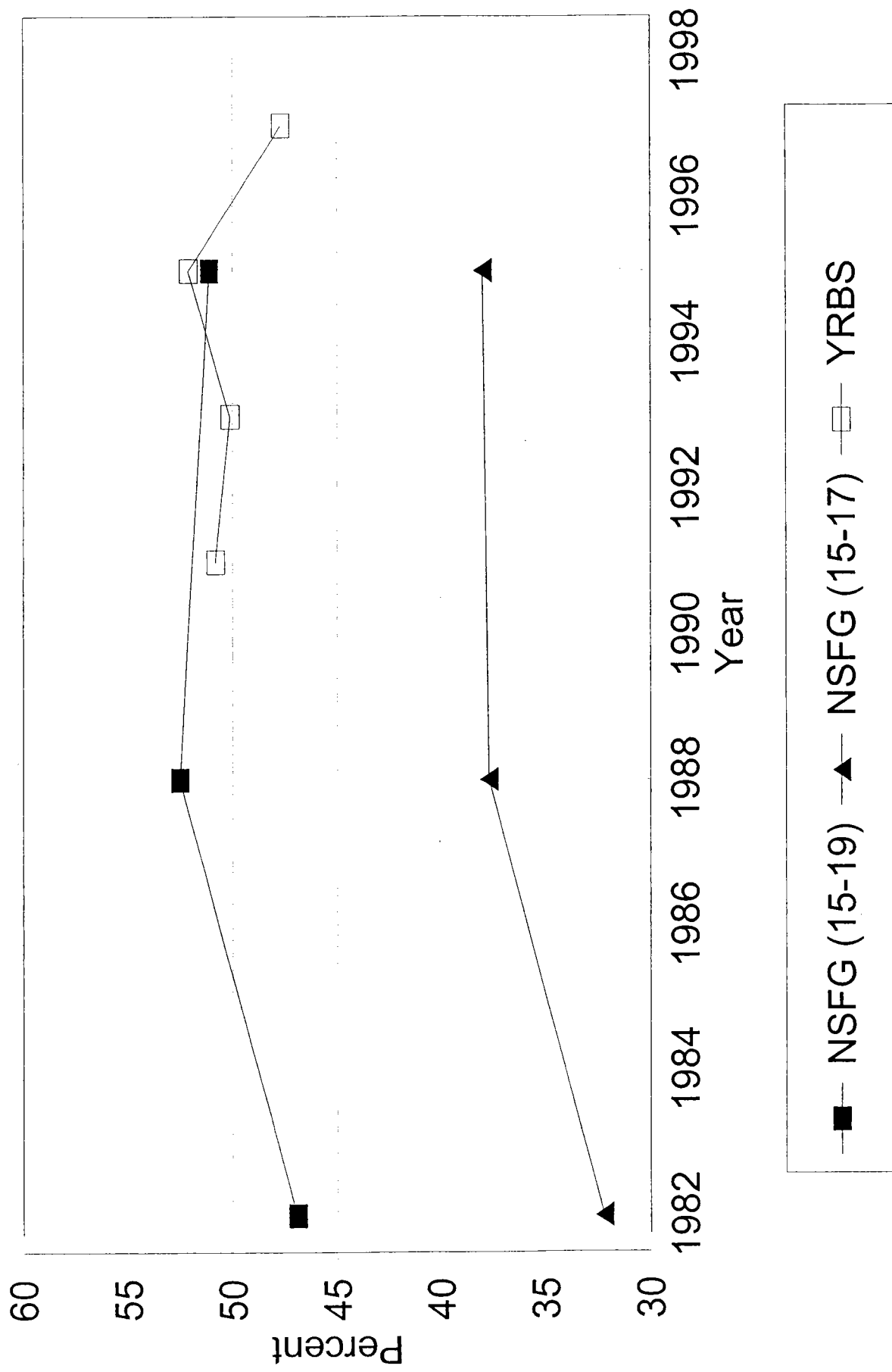
Source: United Nations, Department of Economic and Social Affairs, Statistical Office, various years

Figure 6A: Percentage of Teens that Have Had Sexual Intercourse in the Last 3 Months



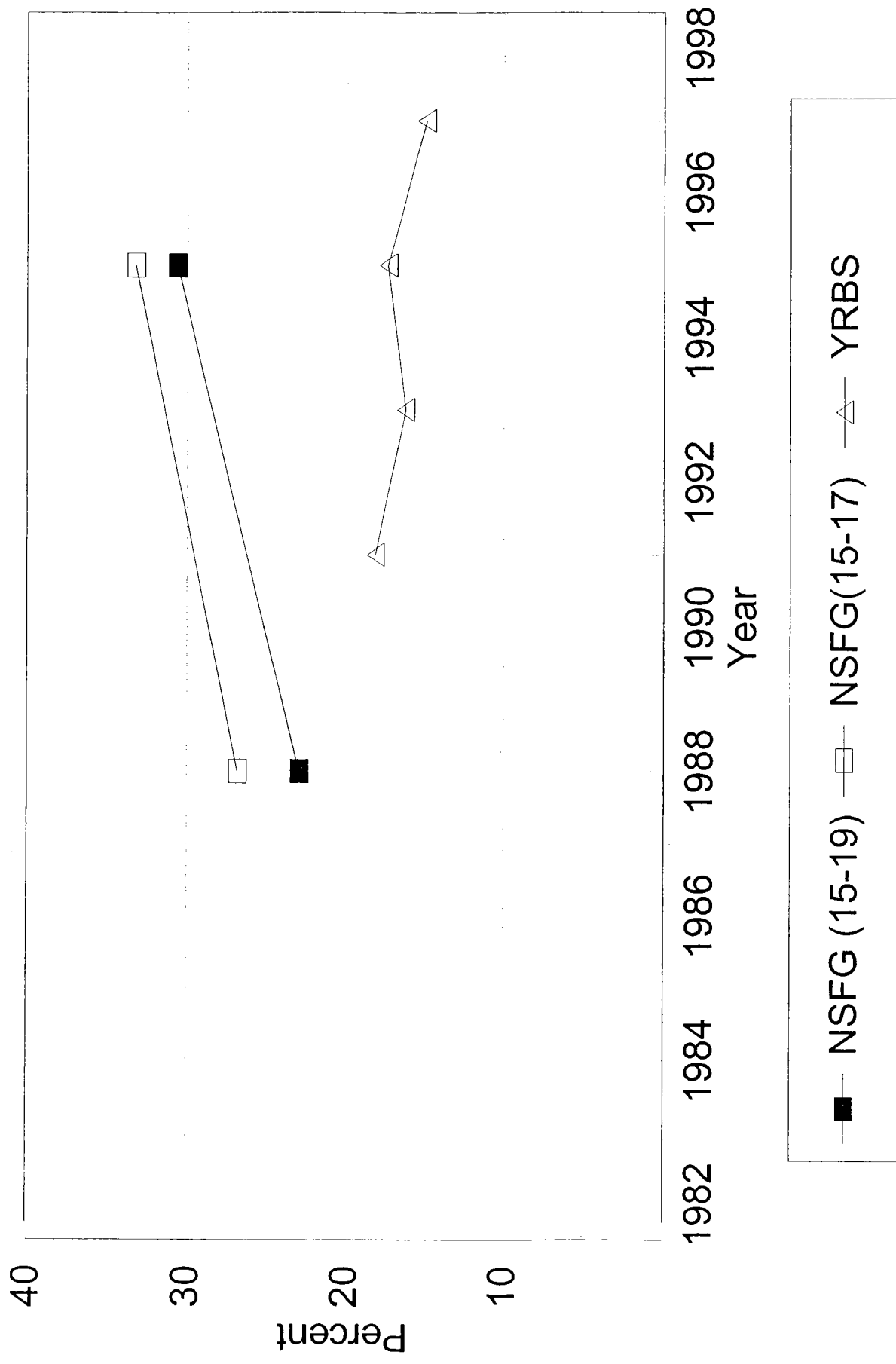
Source: Author's calculations from the NSFG and YRBS.

Figure 6B: Percentage of Teens
that Have Ever Had Sexual Intercourse



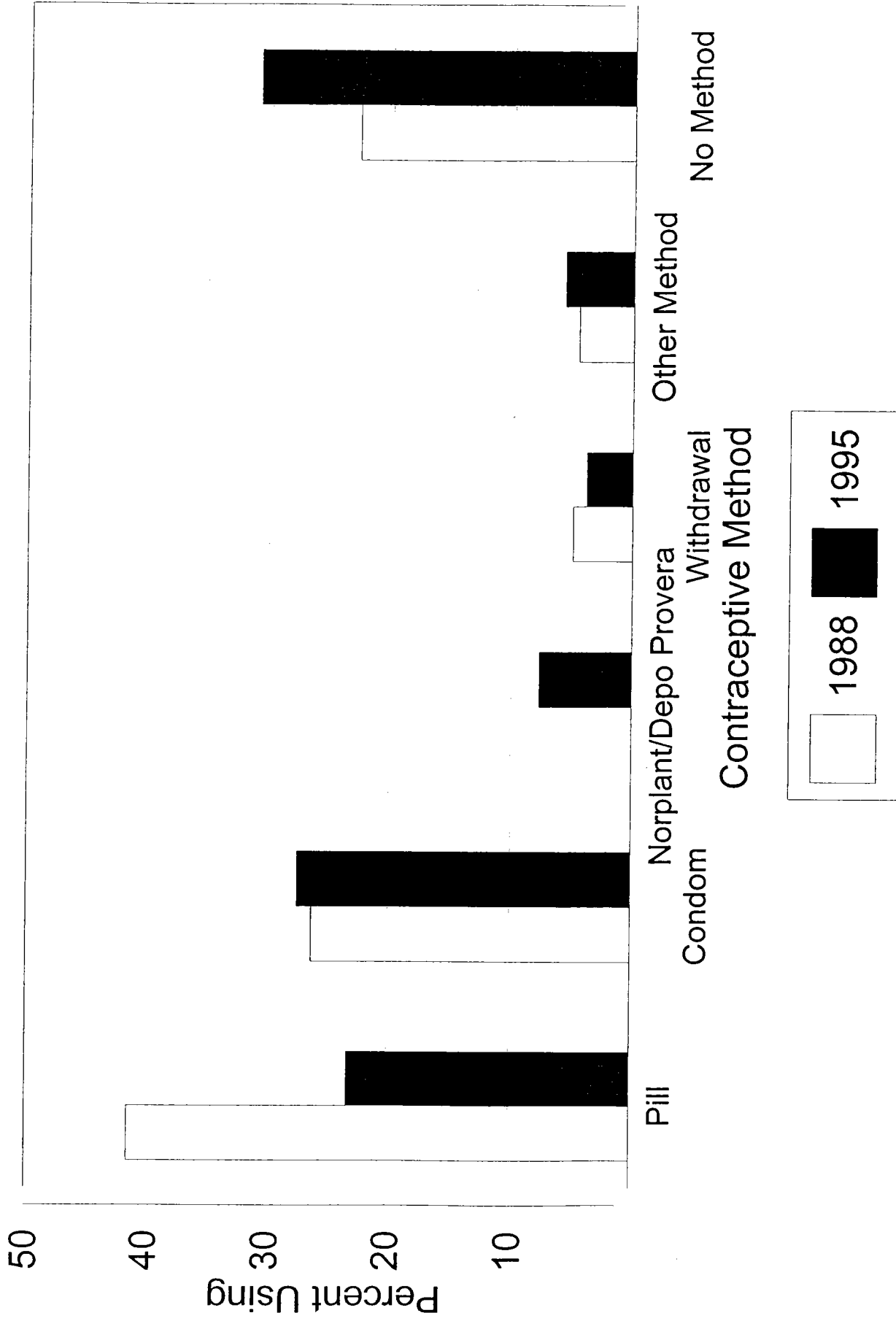
Source: Author's calculations from the NSF and YRBS.

Figure 7A: Percentage of Teens Who Failed to Use Contraception at Last Intercourse in Past 3 Months



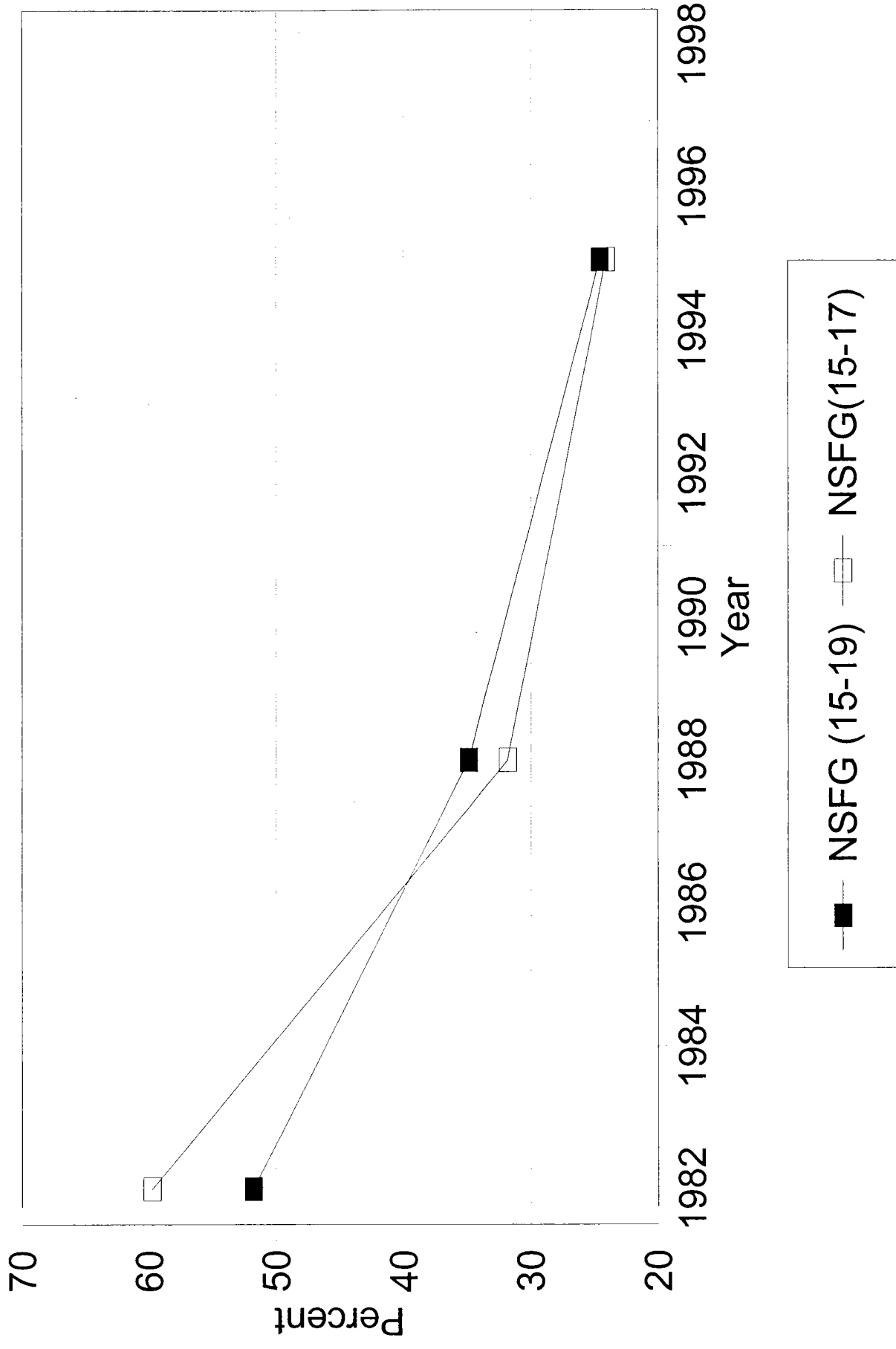
Source: Author's calculations from the NSFG and YRBS.

Figure 7B: Contraceptive Methods Used at Last Intercourse by 15 to 19 Year Old Women



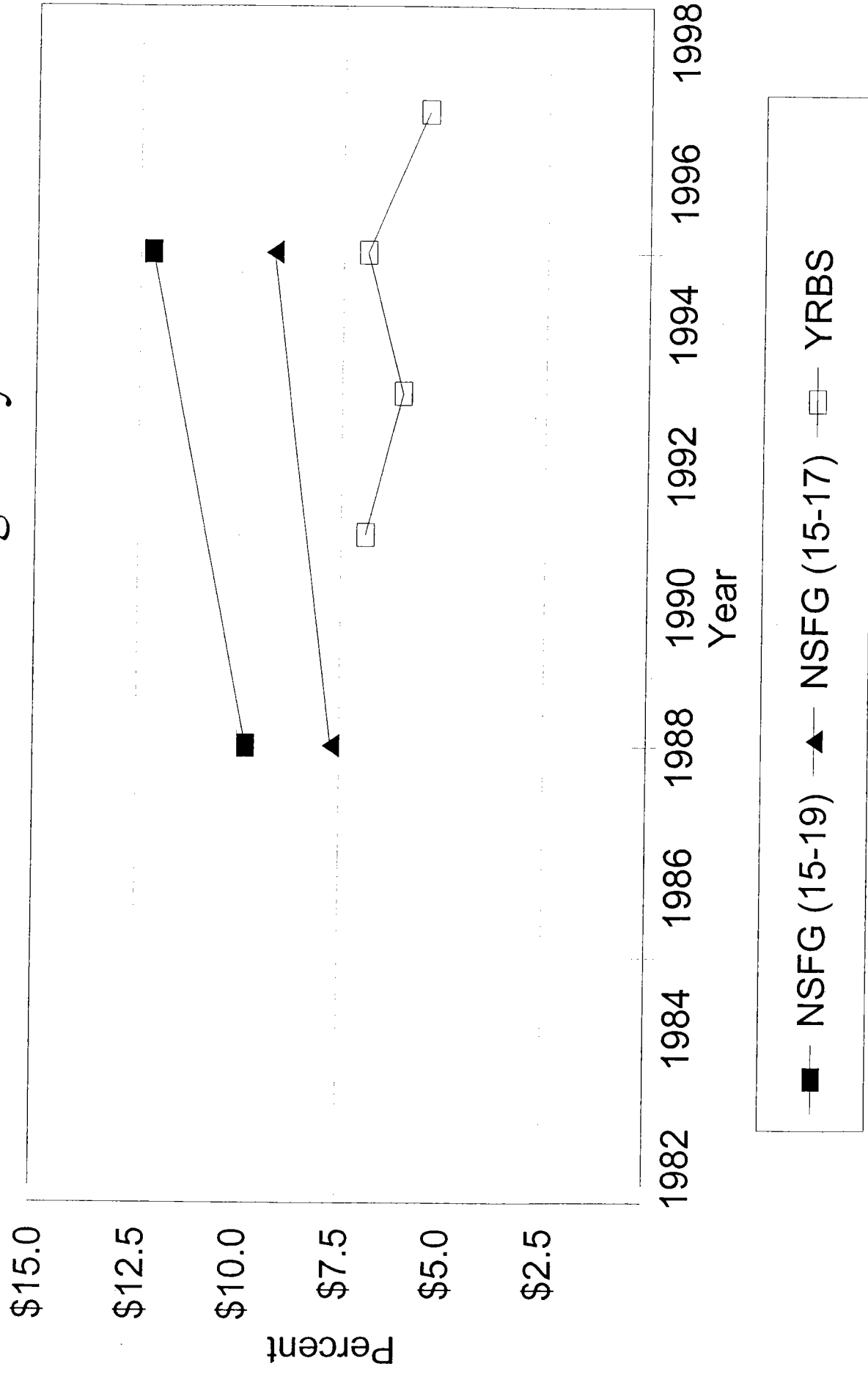
Source: Terry and Manlove, 1999

Figure 7C: Percentage of Teens Who Failed to Use Contraception at First Intercourse



Source: Author's calculations from the NSFG.

Figure 8: Percentage of Teens that are
"At-Risk of Pregnancy"



Source: Author's calculations from the NSFG and YRBS.

Figure 9: Teen Sexuality Decision Tree

(expected payoffs in brackets)

