Family Comes First: Reproductive Health and the Gender Gap in Entrepreneurship

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Abstract

Better access to reproductive healthcare increases women's propensity to become entrepreneurs. Access correlates positively with female entrepreneurial activity and negatively with female entrepreneurial age. Examining firm size and personal income suggests it also improves survival and success of female-led businesses. None of these results hold when tested on men, women above 40, or other placebo professions. To establish causality, I exploit the Roe v. Wade landmark decision, the staggered enactment of state laws restricting abortion providers, and an index tracking state-level regulation of reproductive care. All three analyses suggest that policies securing better reproductive care enable more women to become entrepreneurs.

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1 Introduction

The gender gap in entrepreneurship, commonly defined as the difference in the propensity for men and women to engage in entrepreneurial activity (Vossenberg et al., 2013), has recently attracted the attention of many scholars (Tracy, 2011; Welter et al., 2014; Caliendo et al., 2014; Gompers and Wang, 2017; Luo, 2017; Markussen and Røed, 2017; Ewens and Townsend, 2019, to name a few). While the gender gap in overall employment has narrowed over the past several decades (Goldin, 1983; Gompers and Wang, 2017), the gender gap in entrepreneurship has persisted.[1]

In this paper, I study how access to reproductive health services affects female entrepreneurial activity. I find that better access to reproductive care is positively correlated with female entrepreneurship. Furthermore, better access allows women to enter entrepreneurship at a younger age and grow larger firms. I exploit two natural experiments and an index that follows regulatory changes in reproductive rights to show a causal relationship between access to reproductive health services and the probability that a woman becomes an entrepreneur.

I focus on abortion as my main measure of reproductive healthcare due to its central role in a wide variety of social and economic phenomena for women.[2] The availability of abortions has been shown to have a major impact on outcomes including reduced birthrates (Levine et al., 1999; Bloom et al., 2009), delayed family formation (Myers, 2017), improved living conditions for children (Gruber et al., 1999; Foster et al., 2018), better employment opportunities, higher income (Russo and Zierk, 1992), higher likelihood of college graduation, lower usage of welfare, and lower odds of being a single parent (Ananat et al., 2009). Moreover, according to a survey by Finer et al. (2005), the most frequently cited reason for having an abortion (74 percent of respondents) was that having a child at that time would interfere with education, work, or ability to care for dependents, affirming the importance of abortions to women's career choices. This is the first paper to show that access to abortion services helps reduce the gender gap in entrepreneurship.

Entrepreneurship has a unique compensation profile. Entrepreneurial decisions involve the cre-

[1] Women are half as active as men in starting new businesses and make up a smaller share of business owners. Women represent only 35 percent of total entrepreneurial activity and women-owned businesses are one-third as likely to grow to have more than $1 million in revenues as men-owned businesses (Mitchell, 2011; Fairlie et al., 2015; Luo, 2017).

[2] In 2011, 45 percent of pregnancies in the U.S. were unintended and 19 percent of pregnancies, excluding miscarriages, ended in abortion. The standard deviation of the abortion ratio across states is 7.5 percent. Moreover, nearly one in four women in the United States (23.7 percent) will have an abortion by age 45 (Finer and Zolna, 2016; Jones and Jerman, 2017b).

ation or identification of opportunities previously undetected or under-utilized by market participants. Unlike salaried professions, entrepreneurial opportunities disappear if they are not exploited quickly because of competition, potential leakage of sensitive business information, and other market forces (Eckhardt and Shane, 2003). Consequently, an exogenous event that interferes in the entrepreneurial process such as an unplanned pregnancy poses a crucial risk to the survival probability of an entrepreneurial venture, disproportionately affecting female entrepreneurs. Therefore, by reducing the risk of such a shock, access to reproductive care increases the survival rate of female led ventures.

In my empirical tests, I first establish an economically large, positive correlation between the annual state level abortion ratio and a woman's propensity to become an entrepreneur. This result survives the inclusion of micro and macro level controls, as well as state, year, age, and industry fixed effects. Importantly, I find a small and statistically insignificant correlation between my measures of reproductive care in the sub-samples of men, women above 40 years old, or when examining other, non-entrepreneurial, placebo professions. The state level abortion ratio is also negatively correlated with the age of female entrepreneurs, suggesting that access to reproductive services allows women to enter the world of entrepreneurship at a younger age. The baseline correlation is driven by the middle tercile of the income distribution. Entrepreneurship at the lowest tercile of wealth is driven by necessity and therefore might react differently to changes in surrounding conditions (Schoar, 2010), while individuals in the highest tercile of wealth are less financially constrained when an abortion is needed. In other words, a woman in a lower socioeconomic class might be pushed into entrepreneurship due to lack of other options, while a woman in a higher socioeconomic class can likely afford travel to another state to receive an abortion if her home state has more restrictive abortion laws.

I conclude this set of tests by showing that the correlation is driven by women who own larger businesses, and by documenting a positive correlation between abortion ratios and income among women in general and female entrepreneurs in particular. These results suggest that better access to reproductive health services improves firm survival more so than the decision to become an entrepreneur.

The state-level abortion ratios reflects both the supply and demand for these services. Variation in demand, however, may reflect hard-to-observe characteristics such as local religiosity,

conservative values, and social stigmas that might affect both a woman's probability of becoming an entrepreneur and her probability of getting an abortion. To address this identification concern, I exploit three empirical strategies to focus on the supply of reproductive services.

First, I exploit the 1973 Roe v. Wade Supreme Court decision which lifted abortion restrictions in 45 states. The five states which had already lifted restrictions prior to Roe v. Wade serve as the control group. I find a significant increase in women's propensity to become entrepreneurs in the years following the Roe v. Wade decision relative to the control group. Second, I exploit the staggered adoption of state level Target Regulation of Abortion Providers (TRAP laws) from 1977-2008 to examine how restrictions to reproductive care affect female entrepreneurship.[3] I find that the enactment of a TRAP law results in a decline in female entrepreneurship relative to the control group. Finally, I utilize an index that measures accessibility to a broad set of reproductive health services in each state between the years 2006 and 2017. The index is constructed from 17 categories found to affect reproductive care accessibility by the National Abortion and Reproductive Rights Action League (NARAL) and reported in their annual "Who Decides?" reports (NARAL, 2006-2017). Consistent with the two previous results, I find that improved accessibility (a higher index) translates into an increased likelihood of women becoming entrepreneurs.

These three analyses complement each other by providing a broad overview of how changes to reproductive health services affect entrepreneurship. The Roe v. Wade landmark decision has the largest effect driven by the magnitude of this exogenous shock. The TRAP laws capture subsequent changes in the availability of reproductive care and consequentially have smaller economic effects. The advantage of this second approach is that it covers multiple events spread across different states over various points in time which reduces any biases and noise associated with just one comparison (Roberts and Whited, 2013). Finally, the index analysis, while capturing the smallest effect in terms of economic magnitude, expands my research beyond abortion-access and enables me to examine how a wide array of changes in reproductive health services affect entrepreneurship. Together, these three approaches provide consistent causal evidence.

This paper contributes to the literature that studies how improved reproductive healthcare affects women's career choices in general (Goldin and Katz, 2002; Bailey, 2006, 2010; Albanesi and

[3]TRAP laws are laws that single out the medical practices of doctors who provide abortions and impose different and more burdensome requirements than those imposed on other medical practices. [Source: The Center for Reproductive Rights; URL: https://goo.gl/u23RHw]

Olivetti, 2016) but shows its importance in the setting of entrepreneurship. Current explanations for the gender gap include differences in access to capital (Hisrich and Brush, 1984; Aldrich et al., 1997; Marlow and Patton, 2005; Gicheva and Link, 2015; Hebert, 2018; Assenova and Mollick, 2018; Ewens and Townsend, 2019), risk aversion (Jianakoplos and Bernasek, 1998; Bönte and Piegeler, 2013; Caliendo et al., 2014), work experience (Boden Jr and Nucci, 2000), non-pecuniary objectives (Burke et al., 2002), peer effects and professional networks (Markussen and Røed, 2017; Howell and Nanda, 2019), and even the opportunity cost of marriage (Luo, 2017). Most closely related to my study, Gottlieb et al. (2016) analyze an amendment giving extended job protection to employees taking parental leave in Canada and find that women entitled to longer maternity leave have a higher propensity to become entrepreneurs. They cite the ability to experiment while reducing the risk of unemployment as the main factor driving their results. To the best of my knowledge, my paper is the first to examine access to reproductive healthcare as a potential explanation for the gender gap in entrepreneurship. Using several complementary empirical strategies, I am able to demonstrate the causality of access to reproductive healthcare on female entrepreneurship.

The remainder of the paper is organized as follows. Section 2 explains the sources of variation in access to abortions in the United States and elaborates on the paper's empirical strategy. Section 3 reviews the data and provides summary statistics, Section 4 presents the main results, and Section 5 concludes. Additional robustness tests are provided in an Internet Appendix.

2 Legal Setting and Empirical Strategy

2.1 Reproductive Rights in the United States

In 1970, abortions became legal and widely available in five states: Alaska, California, Hawaii, New York, and Washington. These states repealed their anti-abortion laws, except for California where the state Supreme Court ruled in 1969 that the prevailing abortion law was unconstitutional. The impact was immediate. The United States Center for Disease Control and Prevention (CDC) reports that from 1970-1972 there were 193,491, 485,816, and 586,760 legal abortions, respectively (Kalist, 2004).

In February 1970, Norma McCorvey was refused an abortion in the state of Texas. After challenging the constitutionality of the laws in Texas that criminalized and restricted access to

abortions, McCorvey's case reached the United States Supreme Court in the landmark case of Roe v. Wade. (McCorvey and Meisler, 1995; Faux, 2000).

Roe v. Wade, decided on January 22, 1973, sparked a legal and political controversy across the United States. The wording of the decision opened the door to a wide array of subsequent state legislation that generated differences across states in access to reproductive health services. The Supreme Court held unconstitutional Texas's (and virtually every other state's) criminal abortion statute (Ely, 1973). The majority opinion points to the first trimester as the period where women's mortality rates from abortion may be less than the mortality rates in normal childbirth. Therefore, prior to end of the first trimester, "*...the attending physician, in consultation with his patient, is free to determine, without regulation by the state, that, in his medical judgment, the patient's pregnancy should be terminated.*" Regarding the second trimester the court ruled that "*...from and after this point, a state may regulate the abortion procedure to the extent that the regulation reasonably relates to the preservation and protection of maternal health.*" Finally, the court ruled that in the third trimester and "*with respect to the state's important and legitimate interest in potential life, the compelling point is at viability. State regulation protective of fetal life after viability thus has both logical and biological justifications*" (Blackmun, 1973).[4]

The total number of abortions rose sharply following Roe v. Wade, from under 750,000 in 1973 (when live births totaled 3.1 million) to 1.6 million in 1980 (when live births totaled 3.6 million), and stayed steady at those rates for almost a decade. This suggests that illegal abortions were not already being performed in equivalent numbers, since one would not expect a seven-year lag in reaching a steady state (Donohue III and Levitt, 2001).

Following the decision, Justice Ginsburg commented that the Supreme Court should have offered an opinion on the sex equality considerations of Roe v. Wade. Justice Ginsburg concluded that the breadth and detail of the Roe v. Wade opinion, ironically, might have stimulated anti-abortion

[4]FindLaw by Thomson Reuters recapitulates the chief ruling with respect to each trimester:

1. During a pregnant woman's first trimester, a state cannot regulate abortion beyond requiring that the procedure be performed by a licensed doctor in medically safe conditions.
2. During the second trimester, a state may regulate abortion if the regulations are reasonably related to maternal health.
3. During the third trimester, the state's interest in protecting the potential human life outweighs the woman's right to privacy. As a result, the state may prohibit abortions unless an abortion is necessary to save the life or health of the mother. [Source: FindLaw.com; URL: https://goo.gl/UCqwNe]

measures, ultimately limiting women from reaching economic equality compared to their male counterparts (Ginsburg, 1984). This opinion resonates with the main hypothesis in the paper, that limiting reproductive autonomy reduces gender equality in the economy and may prevent women from reaching their long-term career goals.

Consistent with Judge Ginsburg's expectations, the Supreme Court's decision in Roe v. Wade triggered an ongoing political controversy. The ambiguous wording of the court's decision allowed states to impose laws making it difficult to obtain an abortion. Terms such as "*medically safe conditions*" and "*maternal health*" were left open to the interpretation of each state. This led to a series of different state level laws that generated an array of restrictions making abortions almost impossible to obtain in some states. In Mississippi, for example, a woman needs to make an appointment, travel up to four hours to the state's single open clinic, consult with a gynecologist, obtain ultrasound to determine whether the fetus is 16 weeks old and listen to its heartbeat, receive the ultrasound image, obtain lab-work and another consultation at the clinic, and schedule another appointment for the procedure at least 24 hours later, often happening several weeks later due to the high demand.[5] In contrast, in California a woman can walk into one of the 512 clinics providing abortions, have an ultrasound to determine the age of the fetus, receive counseling, and choose to have the procedure done immediately (Jones and Jerman, 2017a).

To summarize, Roe v. Wade, and the legal and political battle that followed, introduced two natural experiments that significantly impacted women's access to reproductive care - one around the Supreme Court's decision itself, and the other around the enactment of state level TRAP laws in following years. Moreover, the supreme court's decision to rely on the right to privacy rather than sex equality opened the door to numerous state level legislative actions making it harder for women to obtain reproductive healthcare, from which I constructed an index of accessibly.

[5]Doctors in Mississippi are also required to state an association between abortions and breast cancer, a link that is unfounded, according to the American College of Obstetricians and Gynecologists. Sources:

1. 'Pure gaslighting': Federal judge strikes down Mississippi ban on abortions after 15 weeks, by Samantha Schmidt, November 21, 2018, The Washington Post, URL: https://goo.gl/PYxi9W
2. What It Takes to Get an Abortion in the Most Restrictive U.S. State, by Audrey Carlsen, Ash Ngu and Sara Simon; The New York Times; July 20, 2018; URL: https://goo.gl/z1g53H

2.2 Empirical Strategy

2.2.1 The Abortion Ratio and Entrepreneurship

The first strategy is to establish a correlation between the level of female entrepreneurship and the usage of reproductive healthcare. My main measure of reproductive care utilization is the annual, state level *Abortion Ratio* defined as the number of abortions divided by the number of pregnancies excluding fetal deaths or miscarriages. The main outcome variable, *Entrepreneur*, is defined as a dummy variable that equals one when an individual is self-employed in a non-farm profession and, when possible, incorporated. Clearly, self-employment is just a small subset of the array of forms constituting entrepreneurship (Hurst and Pugsley, 2011). It is, however, the most common way in which entrepreneurship is defined in the literature, often because of the difficulty in obtaining more detailed data (Evans and Leighton, 1989; Carr, 1996; Levine and Rubinstein, 2016). Moreover, self-employment and new business creation are the two aspects of entrepreneurship with the most relevant economic impact (Minniti et al., 2009). To further target high-quality enterprises and compare growth-seeking entrepreneurs with career driven individuals, I restrict all samples to include only individuals with college degrees. While not a perfect measure, this is done to target entrepreneurship by opportunity rather than by necessity. As documented before (Robinson and Sexton, 1994; Davidsson and Honig, 2003), success and survival of new enterprises are highly correlated with the education level of the founder.

In the baseline specification, I regress the dummy variable *Entrepreneur* on *Abortion Ratio* in a linear probability model that includes a set of controls, and state, year, age, and industry fixed effects. I then provide a series of additional specifications to establish robustness of the basic correlation results and further examine how abortions are associated with entrepreneurship. (1) To test whether women sort in or out of other, high human capital, professions as a function of reproductive healthcare, I replace the dependent variable *Entrepreneur* with dummy variables that equal one for various placebo professions. (2) I split the sample into terciles based on *Partner's Income* defined as the difference between the total household income and personal income, which I use to proxy for household wealth. I use this measure to avoid the endogeneity problem that might arise from using one's personal income in this setting.[6] I estimate these regressions to determine

[6]The results are robust to using either personal, family or partner's income.

whether it is the lower, middle, or upper class that drives the results. (3) I test whether usage of reproductive care affects the age of female entrepreneurs. To do so, I restrict the sample to consist of only female entrepreneurs between the ages of 20 and 65, and create a dummy variable that equals one whenever a woman is of a childbearing age (40 years old or younger). I regress this dummy variable against *Abortion Ratio* and test whether higher abortion ratios are correlated with younger female entrepreneurs. (4) I redefine the dependent variable and restrict the definition of *Entrepreneur* to employers of 10 employees or more. The purpose of these tests is to determine whether abortion restrictions prevent women from becoming entrepreneurs or whether they reduce their firms' survival rate due to unplanned pregnancies. (5) In the section's last set of tests, I investigate whether *Personal Income* is affected by the state abortion ratio, whether it varies by gender, and whether or not a person is an entrepreneur. I conduct this test to further validate the survival hypothesis and strengthen the uniqueness of my findings when compared to salaried employees.

The explanatory variable, *Abortion Ratio*, measures the actual usage of reproductive health services and therefore combines both supply and demand for those services. To better analyze the supply side of reproductive care and establish causality, I conduct an array of difference-in-differences analyses around the Roe v. Wade ruling, the enactment of various TRAP laws, and the legal changes in state level access to a broader set of women's health services.

2.2.2 Roe v. Wade

In the first set of difference-in-differences analyses, I exploit the heterogeneity in state level abortion restrictions at the time of the Roe v. Wade Court decision. At the time of the ruling, five states had already legalized abortions in 1970, and the rest were forced to allow abortions following the Supreme Court's decision in 1973. I use this timeline to construct two sets of tests:

1. Static difference-in-differences restricting the sample to the 1970s. I use the five states already allowing abortions at the time of the Supreme Court's decision as the control group, and the rest as the treated group. I define 1973-1980 period as the post treatment period.

2. Dynamic difference-in-differences following the method used in Jayaratne and Strahan (1996). I extend the sample back to 1968 (the earliest year with reliable data in my data set) and

construct a dynamic treatment variable which equals one once abortions are legal in each state, i.e., 1970 for the first five states and 1973 for the rest.

In both settings I verify the parallel trends assumption.

2.2.3 TRAP Laws

I use the year at which each state enacted its first set of TRAP laws to perform a dynamic difference-in-differences analysis between the years 1977 and 2008. This time period is chosen due to the availability of the TRAP law data. The dynamic difference-in-differences setting is analogous to the one used in the Roe v. Wade setting, using the year of enactment as the treated year instead of 1973 when Roe v. Wade was decided.

2.2.4 Access Index

In the final analysis, I examine how accessibility affects entrepreneurship using an index I construct that follows legislative actions in reproductive care. I interact the index with a gender dummy variable and analyze the relationship between this interaction and the level of entrepreneurship to understand the marginal effect on women caused by improved access to reproductive health services.

2.2.5 Survey

To further support the paper's empirical strategy, I conducted a small-scale survey among 15 female entrepreneurs. The entrepreneurs were randomly chosen from a list of entrepreneurs provided by the Duke Innovation & Entrepreneurship Initiative. In a 30-minute interview, I asked for their opinion on a variety of topics related to entrepreneurship without exposing the hypothesis of this paper. The overwhelming majority of respondents (87%) did not have children or health insurance as young founders. One respondent described a discussion with her board members asking her to disclose whether and when she was *"planning on getting pregnant"*. When asked about the number of children in their households, two respondents voluntary disclosed they had an abortion. Two others, when asked for their advice to aspiring young entrepreneurs, suggested mature oocyte cryopreservation (egg freezing) as a form of insurance for female entrepreneurs looking to focus on

their endeavor. Overall, the responses support my interpretation that the topic of reproductive healthcare is relevant and important to young female entrepreneurs and their investors.[7]

3 Data and Summary Statistics

3.1 Measures of Entrepreneurship

As summarized in Table 1, I use four sub-samples from three surveys obtained from the Integrated Public Use Microdata Series (IPUMS USA).[8] Each survey is based on a sample of randomly selected individuals within a state. IPUMS provides weights for each individual. The weights indicate how many persons in the United States population are represented by a given person in a sample. Therefore, even though panel data for individuals is not available, using these weights in a weighted least square regressions (WLS) generates a sample that represents the entire population of each state in a given year. Hence, all of the regressions in this paper are weighted.

3.1.1 The American Community Survey (ACS)

I use the 2001-2017 American Community Surveys (ACS) (Ruggles et al., 2018) in all the correlation (excluding the survival analysis) and "Access Index" analyses. The ACS is the most comprehensive of the data sets, containing 3,310,277 individual level observations in my main estimation sample of fertile (ages 20 to 40) college graduates. This data set contains information on gender, age, employment, marital status, ethnicity, number of children, personal income, household income, and whether a self-owned business is incorporated or not. As detailed in Table 1, about 1.51 percent of all fertile (ages 20 to 40), college educated women are entrepreneurs compared to 3.37 percent of men in the same sub-sample. Overall, there are about twice as many male entrepreneurs across the various cut-offs.

[7] More on the structure and results of the survey is provided in the Appendix, Section A.1.

[8] IPUMS USA is a website and database providing access to over sixty integrated, high-precision samples of the American population drawn from sixteen federal censuses, from the American Community Surveys of 2000-present, and from the Puerto Rican Community Surveys of 2005-present. URL: https://ipums.org/

3.1.2 The Annual Social Economic Supplement to the Current Population Survey (ASEC)

The Annual Social Economic Supplement to the Current Population Survey (ASEC) (Flood et al., 2018), contains all of the variables available from the ACS. Its advantage is that it further contains data on firm size which is not available from the ACS and can therefore be utilized to examine women's businesses survival as a function of access to reproductive care. I use this data set only in the business survival analysis. I limit my sample to start at 1989 to 2017, when the survey began recording whether businesses incorporate. The survey contains 393,316 observations in my main estimation sample.

3.1.3 The Current Population Survey (CPS)

I use two sub-samples (1968-1989 and 1977-2008) from the Current Population Survey (CPS) for the tests based on difference-in-differences around Roe v. Wade and TRAP law enactment. Unlike the ACS, the CPS data are available back to the 1960s. These data are less comprehensive than the ACS but represent the best measure of entrepreneurial activity during the earlier periods. The choice of years for the TRAP laws analysis (1977-2008) is also driven by the availability of data regarding the enactment of these laws.

The CPS contains 224,997 observations in the sample around Roe v. Wade, and 406,349 observations for the sample around the enactment of the various TRAP laws. Comparing the CPS data with the ACS data shows that the number of children per household and the percentage of married couples declines while the percentage of minorities in the population increases. One important clarification is needed regarding the level of entrepreneurship in the CPS data reported in Table 1. The survey started recording whether businesses were incorporated only in 1989. Therefore, in the CPS data, I define entrepreneurs among college graduates as self-employed individuals in a non-farm profession. The percentages of entrepreneurs in that sub-sample (3.38 percent for women and 7.04 percent for men) has not significantly declined over time as might be perceived from comparing the CPS and the ACS or ASEC data. The comparable figures, not reported in Table 1, are 4.79 percent for women and 7.1 percent for men when comparing self-employed non-farm professions, regardless of incorporation status.

3.2 Measures of Reproductive Care

Annual state level statistics on abortion ratios are obtained from the William Robert Johnston Archive (also used in Reis and Brownstein (2010); Wilcox and Baird (2011); Denisov et al. (2012)). The number of abortion providers in a given state each year is obtained from the Guttmacher Institute Data Center (also used in Finer and Henshaw (2003); Jones et al. (2008); Finer and Zolna (2014)). The annual percentage of pregnancies receiving late or no prenatal care in each state are hand collected from the Monthly Vital Statistics Report compiled by the U.S. Department of Health and Human Services, National Center for Health Statistics Volume 43 through Volume 57, and the Vital Stats Reports from 2006 through 2013 (Centers for Disease Control and Prevention (1994-2005, 2006-2013)).

3.3 Access Index

I construct the "Access Index" using state level legislative data aggregated by the National Abortion and Reproductive Rights Action League (NARAL) and reported in their annual "Who Decides? The Status of Women's Reproductive Rights in The United States" years 2006-2017 (NARAL, 2006-2017). NARAL monitors legislative efforts in 17 categories that either broaden or restrict reproductive care between the years 2006 and 2017, which I use to construct a numerical index. The choice of years is based on data limitations - ambiguity in the language of the law prior to 2006 makes identification of the 17 chosen categories inconclusive. I then weight the categories according to their effectiveness in either preventing or securing access to reproductive care. Overall positive scores are given to measures that have a positive effect on women's access and negative on measures that have a negative effect. The categories I use in this paper and their weights follow closely the methodology used in the 2015 NARAL report - the most recent report in which NARAL detailed their scoring scheme. The detailed scoring scheme can be found in the Appendix Section A.2, and plots illustrating the index for four randomly selected states are shown in Figure 1 (weighted index) and Figure 2 (unweighted index). Using the index, which includes topics such as contraceptives, insurance coverage, and subsidies to low-income families, widens the scope of my tests to a broader set of reproductive healthcare services than my tests which focus on the provision of abortions. Figure 3 illustrates the cross sectional relationship between the gender gap and the index - on

average, states with a higher score have a narrower gender gap.

3.4 Other Data Sources

I obtain data on state level political affiliations from the Charles Stewart's Congressional Data Page (Stewart III and Woon, accessed in August 2018). I create a variable equal to either 0, 1/2, or 1 if the state has zero, one, or two Republican senators in Congress, respectively. I obtain state level GDP and personal income figures from the Bureau of Economic Analysis website.[9]

4 Results

In all of the following analyses, apart from the difference-in-differences analyses, I cluster standard errors at the state×year level. In the difference in differences analyses, standard errors are clustered at the state level due to the limited number of observations. Results are robust to clustering at either state, state×year level, or not clustering at all.

4.1 Correlation between Entrepreneurship and the Abortion Ratio

I first estimate the weighted linear probability model

$$Entrepreneur_{i,s,t,y,j} = \alpha_s + \gamma_t + \theta_y + \chi_j + \beta Abortion\ Ratio_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}, \qquad (1)$$

on the ACS sample comprised of randomly selected individuals at the state-year level. In Equation 1 and hereinafter, i indexes individuals, s indexes states, t indexes years, y indexes age, and j indexes industry. X_i is a vector of individual level control variables which could be plausibly correlated with the decision to become an entrepreneur. The control variables include a dummy variable for being married, a dummy variable for being a minority, the natural log number of children, and a dummy variable for having children. In addition, I include a vector of state level controls, $Z_{s,t}$, that includes the state's annual GDP and personal income growth, and the fraction of Republican Senators at the U.S. Senate. I also include state, year, age, and industry fixed effects to absorb any aggregate time trends and any state level, time-invariant heterogeneity that could drive my results.

[9]Source: The Bureau of Economic Analysis website; URL: https://goo.gl/KRKBTv

The results are reported in Table 2. In columns (1) and (2), I limit the sample to women between the ages of 20 to 40 and find a positive and significant coefficient on *Abortion Ratio*. The effect is economically significant - from column (2), a one standard deviation increase in the abortion ratio is associated with a 5.86 percent increase in the probability of a woman to become an entrepreneur relative to the sample mean. In columns (3) and (4), I split the sample of women ages 20 to 40 into those that have and don't have children. In column (3), I find a positive and statistically significant coefficient on the state abortion ratio in the sub-sample of women with no children. The economic magnitude is larger than the baseline estimates - a one standard deviation change in the state abortion ratio is associated with a 9.34 percent increase in the probability that a woman with no children becomes an entrepreneur relative to the sample mean. In column (4), I find that the coefficient on *Abortion Ratio* is statistically insignificant and slightly smaller than the coefficient in column (3). The economic magnitude is much larger in column (3) than column (4). This result is only suggestive, but is consistent with a revealed preference interpretation that women without children are more likely to prioritize their careers, and thus are more affected by access to abortion services than women who have already had children (Kahn et al., 2014). Finally, columns (5) and (6) provide placebo tests. In columns (5) and (6), I re-estimate the specification from column (2) on the sample of men ages 20 to 40 and women older than 40, respectively. I find economically small and statistically insignificant coefficients for the abortion ratio variable, consistent with access to abortion services not being relevant for these sub-groups.

In other results reported in Table I.1 of the Internet Appendix, I estimate the same set of regressions as in Table 2 but restrict the sample to employed and self-employed individuals. The purpose of this exercise is to examine whether my results can be explained by an effect of employment status alone. The results are nearly identical to those in Table 2, both in terms of statistical significance and economic magnitude, implying that the results are not driven by a more general employment effect.

To understand what subset of the population drives these results, I estimate Equation 1 on the ACS data split into income terciles to proxy for household wealth (Bloemen and Stancanelli, 2001; Rodriguez et al., 2002). I split the data based on *Partner's Income* as a measure of wealth to address, albeit imperfectly, the endogeneity concern that might arise from using total household or personal income. I estimate the regressions on all women ages 20 to 40 with college degrees and

a positive value for *Partner's Income*, and report the results in Table 3. The results indicate that the correlation between abortion ratio and entrepreneurship is largely driven by the middle tercile. As elaborated in the introduction, I conjecture that the lowest tercile's supply of entrepreneurs is somehow inelastic, and the highest tercile is unbounded by the cost of abortions as wealthy women have the means to travel to where abortion services are more available. This result also reduces the likelihood that I am capturing an unobserved variable affecting women as a whole.

4.1.1 Robustness of the Basic Correlation Results

To ensure the robustness of my analysis, I perform several additional tests which I report in the Internet Appendix. I estimate my main regressions using probit and logit models and find the results unchanged. Detailed regression output for these tests can be found in Tables I.2 and I.3.

I then examine the robustness of these results across different measures of access to reproductive care. Specifically, I replace the variable *Abortion Ratio* with the log-transformed number of abortion providers per capita in the state, *Ln(# of Providers)*. The number of providers is a key factor for women seeking reproductive care. (Shelton et al., 1976; Jones et al., 2008; Grossman et al., 2017). Since the data on the number of providers is only available every three years, I estimate these regressions only on the years 2005, 2008, 2011, and 2014. Table I.4 reports the results, which remain largely unchanged. To illustrate the economic magnitude of the coefficients, a closure of one clinic at the median (i.e., going from 11 clinics to 10 for every million residents in the state) is associated with a 6.71 percent drop in the probability that a woman becomes an entrepreneur, relative to the sample mean. Again, I find much smaller and insignificant coefficients, both statistically and economically, in the samples of men ages 20 to 40 and women over 40.

Next, I replace my measure of access to reproductive care with *Late/No Prenatal Care*, which is defined as the percentage of pregnancies in a state receiving late (third trimester) or no prenatal care before birth. Current literature documents a correlation between prenatal care and child mortality, low birth weight, and preterm delivery (Olds et al., 1986). Table I.5 reports the results from using *Late/No Prenatal Care* as the measure of access to reproductive healthcare. Again, I observe that my results are unchanged from the previous results using the other measures of access to reproductive health services. From column (2), a one standard deviation increase in the percentage of pregnancies receiving late or no prenatal care is associated with a 7.47 percent

decrease in the probability of a woman becoming an entrepreneur, relative to the sample mean. I again find stronger effects, in terms of economic magnitude, for women without children (10.79 percent relative to the sample mean), and economically small and statistically insignificant effects for men ages 20 to 40 and for women over 40.

As a final robustness test, I perform a placebo test in which I replace the dependent variable *Entrepreneur* with a dummy variable that equals one when an individual works in one of the following professions - banker, lawyer, architect, physician, engineer, or entertainer. The choice of these professions is based on their similar characteristics to entrepreneurship in terms of intellectual capacity (banker, lawyer, engineer, physician), creativity (entertainer, architect), or required time commitment (banker, lawyer, physician). I estimate the models using the full set of fixed effects and controls, and report the coefficients on the proxy for access to reproductive health services in the Internet Appendix Table I.6. I find that engagement in any of these six placebo professions is not related to access to reproductive care. The sole significant coefficient is that on *Abortion Ratio* for lawyers, but this effect is small in magnitude and not robust across different measures of access. These results suggest that women do not sort in or out of these placebo professions as a result of access to reproductive health services, though I cannot speak as to whether or not this affects a woman's career advancement within a profession.[10]

Overall, these results suggest that access to reproductive health services is a key determinant of female entrepreneurship. This result is robust to the inclusion of various controls and fixed effects, as well as different measures of access to reproductive care. The effect is concentrated in the middle tercile of income, and is not present when estimated on the sample of men ages 20 to 40 or women over 40, where reproductive care is expected to be less important. In addition, I do not find a significant correlation between access to reproductive health services and entry into other placebo professions.

[10]In other unreported results, I replace *Abortion Ratio* in Table 2 with the number of abortions per thousand live births and by the number of abortions divided by the number of women between the ages of 15 and 44. I also change the cut-off age to either 39 or 41. My results are robust to these measures with coefficients similar in direction and magnitude to those reported.

4.1.2 Entrepreneurs' Age and Reproductive Care

Next, I examine whether better reproductive care is associated with younger female entrepreneurs. I restrict my estimation sample to female entrepreneurs between the ages of 20 and 65, and define the outcome variable, *Fertile*, as a dummy variable that equals one if the woman is between the ages of 20 and 40. I then estimate the linear probability model

$$Fertile_{i,s,t,y,j} = \alpha_s + \gamma_t + \theta_y + \chi_j + \beta Abortion\ Ratio_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \quad (2)$$

The results are reported in Table 4. In column (1), I find a positive and significant association between the state's abortion ratio and the probability that a female entrepreneur is between the age 20 to 40. In columns (2) and (3), I find that this effect is larger for women with no children, similar to all the previous results. Overall, higher abortion ratios are correlated with a higher number of fertile female entrepreneurs, consistent with the interpretation that better access to reproductive care enables women to become entrepreneurs at a childbearing age. From column (1), a one standard deviation increase in the abortion ratio is associated with a 4.51 percent increase in the probability of a woman becoming an entrepreneur at a fertile age, relative to the sample mean. When estimating the regressions on male entrepreneurs ages 20 to 65 in columns (4) to (6), I find no significant correlation between access to reproductive health services and entrepreneurs' age. In fact, the coefficient on *Abortion Ratio* enters the model with opposite sign for men, ruling out the possibility that an unobserved factor affects the age of all entrepreneurs in a state, regardless of their gender.

4.1.3 Entry vs. Survival of Women-led Firms

Thus far, my analysis suggests a strong link between usage of reproductive health services and female entrepreneurship, but says less about whether the effect is driven by entry into entrepreneurship, or by firm survival once a woman becomes an entrepreneur. In other words, are women with limited access to reproductive care less likely to open their own business? Or, are they more likely to abandon a new venture due to an unplanned pregnancy?

To shed light on this question, I turn my analysis to firm size. If the results are driven by an entry channel, I would expect a larger effect of access to reproductive care on female entrepreneurship in

small firms. If the results are driven by a firm survival channel, I would expect a larger effect of access to reproductive care on female entrepreneurship in large firms.

For this test, I use the ASEC data, which contain information on the number of employees employed by the individual. The results are reported in Table 5. In columns (1) and (4) I define entrepreneurs as self-employed, incorporated, and in non-farm professions, and replicate my previous result from the ACS data set using the ASEC data set. In columns (2) and (5) I redefine *Entrepreneur* to include only individuals with 10 or more employees ("Large Firms") and in columns (3) and (6) I take the compliment domain and define entrepreneurs as individuals with less than 10 employees ("Small Firms").[11] The choice of small/large firm cutoff is due to data constraints but is consistent with Burke et al. (2002) who find that the ratio of male to female entrepreneurs is significantly higher for employers of 10 employees or more.

In column (2), I find a positive and significant association between *Abortion Ratios* and the probability of a female entrepreneur owning a firm with more than 10 employees. Interestingly, this effect is non-existent in column (3) when looking at female entrepreneurs that own firms with less than 10 employees. As expected, I find no result when estimating the model on the sub-sample of men, regardless of firm size. These results, although merely suggestive, point towards the firm survival channel playing a more significant role in the correlation between female entrepreneurship and access to reproductive health services. The fact that women-led businesses tend to be smaller and grow less than those owned by men is well documented in the literature (Du Rietz and Henrekson, 2000; Coleman, 2007; Minniti et al., 2009); these results provide a potential explanation for this phenomena.

4.1.4 Entrepreneurs' Success and Reproductive Care

I perform tests using personal income as the dependent variable to assess whether women entrepreneurs are more successful when reproductive care is more accessible. The purpose of these tests is twofold. First, it can provide additional evidence on whether access to reproductive care is more important for female-led firm survival or entry. Second, I can investigate whether the effect of access to reproductive healthcare is stronger for female entrepreneurs as compared to other female

[11] Ideally, I would follow a sample of female entrepreneurs over time to analyze their businesses' life cycle. Unfortunately, IPUMS observations do not have a unique ID, which makes it impossible to construct a panel data set that enables this type of analysis.

workers. Specifically, I estimate the regression

$$\begin{aligned} Ln(Personal\ Income)_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i \times Abortion\ Ratio_{s,t} \times Entrepreneur_i \\ &+ \beta_2 Female_i + \beta_3 Abortion\ Ratio_{s,t} + \beta_4 Entrepreneur_i \\ &+ \beta_5 Female_i \times Abortion\ Ratio_{s,t} + \beta_6 Female_i \times Entrepreneur_i \\ &+ \beta_7 Abortion\ Ratio_{s,t} \times Entrepreneur_i + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}, \end{aligned} \tag{3}$$

where $Ln(Personal\ Income)$ is the natural logarithm of *Personal Income*. The results are reported in Table 6. I estimate Equation 3 on the sub-sample of college educated individuals at a childbearing age without (columns (1), (2), and (3)) and with (columns (4), (5), and (6)) controls. I estimate these regressions separately on the sample of individuals regardless of their employment (columns (1) and (4)), on a sub-sample of individuals who are employed and self employed (columns (2) and (5)), and on a sub-sample of individuals who are entrepreneurs (columns (3) and (6)).

In regressions (1), (2), (4), and (5) I find a positive and statistically significant coefficient on the interaction *Female*×*Abortion Ratio*, suggesting a positive correlation between access to reproductive healthcare and women's personal income in non-entrepreneurial professions. Importantly, I observe that the coefficient of the triple interaction *Female*×*Abortion Ratio*×*Entrepreneur* is positive and significant and is about twice as large as the coefficient on *Female*×*Abortion Ratio* in those regressions. As documented before (Goldin and Katz, 2002; Bailey, 2006; Miller, 2011; Bailey et al., 2012), access to reproductive care matters to women's success in the labor market in general. However, the above results suggest it matters more for entrepreneurship, consistent with my argument that this activity exposes women to unique risks. The coefficient on the interaction *Female*×*Abortion Ratio* remains positive even when I limit the sample to fertile, college educated, entrepreneurs, as reported in columns (3) and (6), which suggests that women's income is positively correlated with abortion ratios even among entrepreneurs.

Assuming firms with better survival rates are also able to pay higher salaries to their owners, these results are also consistent with female-led firm survival being a more important channel for my results than female-led firm entry.

4.2 Difference-in-Differences Results

In this section, I exploit two natural experiments and analyze an index quantifying accessibility of reproductive care in order to establish a causal link between reproductive rights and female entrepreneurship.

4.2.1 Roe v. Wade Results

First, I examine the effect of the Supreme Court's 1973 Roe v. Wade decision on female entrepreneurs. Using the five states that legalized abortions in 1970 (Alaska, California, Hawaii, New York, and Washington) as the control group, and 1973 onward as the treatment period, I estimate the model

$$\begin{aligned} Entrepreneur_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i \times Treated_s \times PostRoe_t \\ &+ \beta_2 Female_i + \beta_3 Female_i \times Treated_s + \beta_4 Female_i \times PostRoe_t \\ &+ \beta_5 PostRoe_t \times Treated_s + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}, \end{aligned} \tag{4}$$

where *Treated* is a dummy variable that indicates the states that were forced to legalized abortion as a result of the Supreme Court's decision and *PostRoe* is a dummy variable that equals one if the year is 1973 onward.

Table 7 reports the results from estimating Equation 4 on the sample of employed and self-employed college-educated individuals, ages 20 to 40, from the years 1970 to 1980. The coefficient on $Female \times Treated \times PostRoe$ is positive, economically large, and statistically significant across specifications. Using column (7), I find that following Roe v. Wade, women in the treated group are 1.69 percentage points more likely to become entrepreneurs, or 45 percent compared to the level of entrepreneurship among fertile, college educated individuals in the pre-treatment period. This result is robust to the inclusion of any combination of state, year, age, and industry fixed effects. It is important to note that since I restrict my sample to employed and self-employed women, I rule out the possibility that an overall employment effect drives the results. However, as a robustness check, I re-estimate Equation 4 on the sample of college-educated individuals, ages 20 to 40, regardless of employment status, and report the results in Table I.7 of the Internet Appendix. The results are somewhat attenuated, but robust to this alternative sample selection criterion.

Next, I test the "parallel trends" assumption underlying the validity of the original difference-in-differences design. Specifically, I use the CPS data from 1970 to 1989 and estimate the equation

$$\begin{aligned} Entrepreneur_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i + \sum_{t=1971}^{1977} \psi_t Female_i \times Year_t \\ &+ \sum_{t=1971}^{1977} \phi_t Female_i \times Year_t \times Treated_s + \psi_{LR} Female_i \times LongRun_t \\ &+ \phi_{LR} Female_i \times LongRun_t \times Treated_s + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}, \end{aligned} \tag{5}$$

where $Year_t$ is a dummy variable that equals one if the observation is sampled at year t. I bin the years 1978 to 1989 in the *LongRun* variable. The regression coefficients on the triple interaction term, ϕ are plotted in Figure 4.

Figure 4 shows that in the three to four years following the Roe v. Wade ruling, treated states experienced an increase in the female entrepreneurship rate, catching up with the level in the states that legalized abortions three years earlier. The *LongRun* coefficient is zero suggesting convergence of the two groups after five years.

As a placebo test, I repeat the same exercise, replacing the dependent variable *Entrepreneur* with dummy variables that equal one for a set of placebo professions. The placebo professions I choose include salaried employees in finance, legal services, architecture and engineering, healthcare, art and entertainment or food and serving. I plot the coefficients for the triple interaction terms in Figure 5. The results present no particular pattern in the placebo professions, strengthening the interpretation that women did not sort in or out of other similar professions in the four years following Roe v. Wade and providing more evidence that my results are not driven by a more general employment channel.

Next, I assess the robustness of the Roe v. Wade setting by including data from 1968 and 1969 (the earliest year with robust data) and performing a dynamic difference-in-differences analysis. I construct a dynamic treatment variable that is equal to one once abortions become legal in the state, i.e. 1970 for AK, CA, HI, NY, and WA, and 1973 for the rest. I estimate the equation

$$Entrepreneur_{i,s,t,y,j} = \alpha_s + \gamma_t + \theta_y + \chi_j + \beta Treatment_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \tag{6}$$

The results, estimated on the sample of employed individuals, are reported in Table 8. In column (1), I find a positive and significant treatment effect for the sample of college-educated women, ages 20 to 40. Specifically, a woman in the treated group is 1.13 percentage points more likely to become an entrepreneur after the legalization of abortion or 31 percent relative to the pre-legalization rate among fertile, college educated, individuals. This result is robust to the inclusion of controls as reported in column (2). Again, I find no treatment effect in the sample of men ages 20 to 40, or the sample of women over 40, where abortions are likely to be less relevant. As in the previous setting, the results are robust to the inclusion of unemployed individuals as reported in Table I.8 in the Internet Appendix.

As the final robustness test of this section, I pool the data on all college-educated individuals ages 20 to 40 and test for pre-trends by estimating the equation

$$\begin{aligned} Entrepreneur_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i + \beta_2 PreTrend_{s,t} + \beta_3 Treat_{s,t} \\ &+ \beta 4 PostTreat_{s,t} + \beta 5 Female_i \times PreTrend_{s,t} + \beta_6 Female_i \times Treat_{s,t} \\ &+ \beta_7 Female_i \times PostTreat_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \end{aligned} \quad (7)$$

To investigate the timing of the treatment effect, I include the variables *PreTrend*, which equals one only in the year before abortion was legal in each state, *Treatment*, which equals one only in the year of legalization, and *PostTreatment*, which equals one in the years following legalization. Table 9 reports the results of this analysis. In columns (1) through (4), I find a robust, positive, and long-lasting treatment effect for women across specifications, regardless of whether I restrict the sample to employed individuals or include control variables.

Overall, the results show that the Roe v. Wade ruling has a robust, positive effect on female entrepreneurs in the years following the legalization of abortions.

4.2.2 TRAP Laws Results

To examine the effects of various state level TRAP laws enacted between 1977 and 2008, I use the data collected by Medoff (2010).[12] The years at which TRAP laws were enacted in each state can be found in the Internet Appendix Table I.9. I use this setting in a dynamic difference-in-

[12]In his paper, Medoff flags the year at which the first set of TRAP laws was enacted in each state.

differences analysis to estimate the effects of restricting access to reproductive healthcare on female entrepreneurship in a more recent time period. I begin by estimating the equation

$$Entrepreneur_{i,s,t,y,j} = \alpha_s + \gamma_t + \theta_y + \chi_j + \beta\, TRAPTreatment_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \quad (8)$$

where the variable of interest, *TRAPTreatment*, equals one once a state has a TRAP law in place. I estimate the equation using the CPS data from 1977 to 2008 on the sample of employed, college-educated women, ages 20 to 40. Table 10 reports the results.

In column (1) of Table 10, I find that female entrepreneurship falls once TRAP laws are enacted. Specifically, column (2), shows that following an enactment of a TRAP law, women are 0.41 percentage points less likely to become entrepreneurs, or 8.6 percent compared to the level of entrepreneurship among fertile, college educated women in the pre-treatment period. Importantly, I find no significant effects when estimating these regressions on the sample of men ages 20 to 40 or women over 40. As in the previous tests, this result is robust to the inclusion of unemployed individuals as reported in Table I.10 in the Internet Appendix.

To test for pre-trends, I pool the data of all college-educated individuals ages 20 to 40, and estimate the equation

$$\begin{aligned} Entrepreneur_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i + \beta_2 PreTRAP_{s,t} + \beta_3 TRAPTreat_{s,t} \\ &+ \beta_4 PostTRAP_{s,t} + \beta_5 Female_i \times PreTRAP_{s,t} + \beta_6 Female_i \times TRAPTreat_{s,t} \\ &+ \beta_7 Female_i \times PostTRAP_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \end{aligned} \quad (9)$$

Analogous to Equation 7, *PreTRAP* is equal to one in the year before a TRAP law is enacted, *TRAPTreat* equals one only on the year of enactment, and *PostTRAP* equals one in the years following the enactment. Table 11 reports the results. In column (1), I confirm that TRAP law enactment has a negative effect on female entrepreneurship. This result robust to the inclusion of control variables, or unemployed individuals as shown in columns (2) through (4).

Overall, my analysis of TRAP laws shows that restricting access to reproductive health services has a negative effect on female entrepreneurship. The number of TRAP laws has surged in recent

years from a total of 189 laws enacted between 2001 and 2010, to 205 new laws between 2011 and 2013 (Nash et al., 2014). These results provide a potential explanation for why the gender gap has not closed more following Roe v. Wade.

One caveat to the TRAP laws analysis is that TRAP law enactment could be endogenous. For example, a state expecting a large increase in female entrepreneurship might enact a TRAP law in response to these expectations. However, the results from the pre-trend analysis, together with Roe v. Wade and the basic correlations give some comfort in interpreting these effects as causal. With that said, and in order to further validate a causal effect, I turn back in the next section to the most recent ACS data set to examine an "Access Index" that reflects numerous recent legislative changes.

4.2.3 "Access Index" Results

I analyze changes in a state level index based on laws that narrow or broaden access to a wider set of reproductive care in that state, and test how they affect entrepreneurship. To test for causality, I pool the data for all college educated individuals ages 20 to 40, and estimate the equation

$$\begin{aligned} Entrepreneur_{i,s,t,y,j} =& \alpha_s + \gamma_t + \theta_y + \chi_j + \beta_1 Female_i + \beta_2 AccessIndex_{s,t} \\ &+ \beta_3 Female_i \times AccessIndex_{s,t} + \delta_1 X_i + \delta_2 Z_{s,t} + \epsilon_{i,s,t,y,j}. \end{aligned} \tag{10}$$

Table 12 reports the results. The coefficient of the interaction *Female*×*AccessIndex*, represents the marginal contribution a legislative action has on the propensity of a fertile woman of becoming an entrepreneur. The index is standardized, meaning its mean is zero and standard deviation is one among the sub-sample tested in the regression. Therefore, from column (4), a one standard deviation increase in the index (meaning better access to reproductive care) translates into a 4 percent increase in a women's propensity of becoming an entrepreneur relative to the sample mean.

For robustness, I test these results using the unweighted index where I simply add one point each time a law that improves accessibility is passed, and subtract one point every time it is either overturned by the court or a new restrictive law is passed. From Figure 2, it is clear that the overall trends are the same across states regardless of whether I use weights or not. Table I.11 in the Internet Appendix summarizes the results for the same set of regressions used in Table 12 using the

unweighted index. Overall, the coefficient of the interaction term remains positive and statistically significant. Finally, to absorb any confounding factors that such a broad range of legislative actions might have, I include $State \times Year$ fixed effects. Table I.12 in the Internet Appendix summarizes these results, showing no significant difference from the previous two analyses and confirming the positive marginal effect of improved access to reproductive care on female entrepreneurship.

5 Conclusion

The gender gap in entrepreneurship is a multilayered issue that is most likely driven by a combination of factors, including access to capital, risk aversion, and the lack of STEM education for women. Acs et al. (2016) suggest that the effective interventions to close the gap may not be those that directly target entrepreneurship. In a similar vein, I posit that access to reproductive healthcare is a crucial determinant of female entrepreneurship due to the widespread nature of unplanned pregnancies, the timing of the payoff distribution for entrepreneurs, and the presence of efficient markets in entrepreneurial opportunities. Indeed, I demonstrate empirically how better access to reproductive health services leads to higher levels of female entrepreneurship.

I investigate the correlation between the usage of reproductive health services and female entrepreneurship in a weighted least square setting and find a strong, positive correlation between the two. This effect is driven by the middle of the income distribution and by female entrepreneurs that own larger firms. Moreover, I find a strong positive correlation between female entrepreneurs' income and abortion ratios. The results for firm size and income suggest a firm survival channel is responsible for this relationship. I also find that access to reproductive health services is positively correlated with female entrepreneurs being younger, consistent with the hypothesis that control of the timing of reproduction allows her to engage in a risky business endeavor at a childbearing age.

To address causality, I exploit two natural experiments and an index constructed from a wide variety of legislative actions meant to restrict or broaden access to reproductive care. The first natural experiment is around the Supreme Court's ruling of Roe v. Wade, and the second around the enactment of various state level TRAP laws in the years that followed. The results of these tests confirm my hypothesis that access to reproductive health services helps facilitate female entrepreneurship.

Furthermore, none of these results hold for sub-samples that should not be affected by access to reproductive health services, strengthening my interpretation that the effects are unique to female entrepreneurs at a childbearing age. I find these results in a wide variety of settings, consistent over four different empirical settings spanning over five decades. I interpret these results as strong evidence that access to reproductive health services is a first-order determinant of the gender gap in entrepreneurship.

Finally, these results shed light on a potential inefficiency in the entrepreneurial marketplace and access to credit. If high quality female entrepreneurs leave the market due to restricted access to reproductive healthcare, capital may flow to lower quality entrepreneurial ventures in equilibrium. I leave the study of this conjecture for future research.

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6 Tables and Figures

Table 1: **Summary Statistics**

Three weighted samples each represents the entire U.S. population by state. The sub-sample used most frequently consists of all individuals between the age of 20 and 40 with college degrees (shown in bold). Entrepreneurs are defined as individuals who are self-employed, incorporated (except for the CPS data where incorporation status is not available), and in non-farm professions.

	American Community Survey (ACS)		**Annual Social Economic Supplement (ASEC)**		**Current Population Survey (CPS)**		**Current Population Survey (CPS)**	
Used in Section	4.1, 4.1.2, 4.1.4, 4.2.3		4.1.3		4.2.1		4.2.2	
Empirical Strategy	Basic Correlations		Survival vs. Entry		Roe v. Wade		TRAP Laws	
Sample Years	2001-2017		1989-2017		1968-1989		1977-2008	
# of Observations	33,375,281		5,226,927		2,201,435		3,655,666	
↳ Age 20-40, College Grads	3,310,277		393,316		224,997		406,349	
	Women	**Men**	**Women**	**Men**	**Women**	**Men**	**Women**	**Men**
Avg. Age of Entrepreneurs	47	47	46	46	42	43	43	44
% Entrepreneurs in Subgroup								
Within Same Gender	1.62%	3.81%	0.9%	2.55%	3.10%	7.81%	4.77%	10.08%
↳ with College Degree	2.26%	5.88%	2.03%	6.29%	3.90%	9.69%	5.98%	12.83%
↳ **Fertile (Age 20-40)**	**1.51%**	**3.37%**	**1.37%**	**3.88%**	**3.38%**	**7.04%**	**4.72%**	**8.88%**
↳ Non-Fertile (Age 40-65)	3.14%	7.91%	2.91%	8.78%	5.34%	13.81%	8.27%	17.51%
	Control Variables							
Age Split	**20-65**	**20-40**			**20-65**	**20-40**		
# of Children in Household	0.83	0.78			1.15	1.23		
Children>0	45%	41.4%			53.7%	56.3%		
Married	63.9%	53.7%			69.6%	63.1%		
Minorities	20.8%	24.6%			12.7%	13.8%		
	Independent Variables							
	Sample Mean							
Abortion Ratio	19.3%							
	(7.5%)							
# of Abortion Providers	103							
	(154)							
Late or No prenatal Care	4.76%							
	(2.17%)							

Table 2: **Entrepreneurship and Abortion Ratios - ACS Data 2001-2017**

An LPM regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to individuals with college degrees. *Abortion Ratios* are abortions as a percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. Regression: (1) looks at the entire population of women between the ages of 20 and 40 in the United States; (2) controls for marital status, ethnicity, log number of children, a dummy variable of whether the individual has children in household, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to men age 20 to 40 as a placebo group; (6) limits the sample to women above 40 as a second placebo group. All regressions use state, year, age, and industry fixed effects and are robust to their exclusion. Standard errors are clustered at the state×year level. Economic Magnitude is calculated as one standard deviation of the independent variable *Abortion Ratio*, times its coefficient divided by the mean of the dependent variable *Entrepreneur*.

	Treated Group - Women 20-40				Placebo Group	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	No Controls	Controls	No Children	Children	Men 20-40	Women>40
Abortion Ratio	0.0106*	0.0118**	0.0131**	0.0104	0.00673	0.000828
	(0.00545)	(0.00565)	(0.00514)	(0.0105)	(0.00859)	(0.00607)
Married		0.00634***	0.00446***	0.00933***	0.00606***	0.00904***
		(0.000309)	(0.000334)	(0.000565)	(0.000555)	(0.000274)
Minorities		-0.000519*	-0.000509	-0.000783	-0.00688***	-0.00111***
		(0.000312)	(0.000383)	(0.000491)	(0.000536)	(0.000357)
Ln(#Children+1)		0.00651***		0.00722***	0.0187***	0.00812***
		(0.000816)		(0.000854)	(0.00134)	(0.000788)
Has Children		-0.00451***			-0.00996***	-0.00582***
		(0.000810)			(0.00140)	(0.000745)
State GDP Growth		-0.00781	-0.0289	0.0118	0.0380	-0.0331
		(0.0192)	(0.0206)	(0.0313)	(0.0338)	(0.0204)
Personal Inc. Growth		-0.00129	0.00421	-0.00493	-0.0258	0.0175
		(0.0103)	(0.0114)	(0.0177)	(0.0172)	(0.0115)
Frac. Republicans		-0.000487	-0.000814	-0.000311	0.000126	0.000328
		(0.000768)	(0.000752)	(0.00120)	(0.00119)	(0.000759)
Observations	1,578,912	1,568,629	823,304	745,325	1,222,166	2,538,091
R-squared	0.036	0.037	0.027	0.049	0.067	0.074
Controls	No	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes
Sample Mean	1.51%	1.51%	1.07%	2.06%	3.38%	2.81%
Economic Magnitude	**5.33%**	**5.86%**	**9.34%**	**3.76%**	**1.46%**	**0.22%**

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 3: **Entrepreneurship and Abortion Ratios By Partner's Income - ACS Data 2001-2017**

An LPM regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to fertile (ages 20 to 40) women with college degrees. *Abortion Ratios* are abortions as a percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. *Partner's Income* is defined as the difference between the total household income and personal income and is used as a proxy for wealth. Regression: (1) looks at the bottom tercile of *Partner's Income* at the state-year level; (2) looks at the middle tercile; and (3) at the top one. The definition of income terciles is restricted to individuals with a positive *Partner's Income*. Standard errors are clustered at the state×year level.

	Partner's Income Tercile:		
	(1)	(2)	(3)
VARIABLES	Low	Middle	High
Abortion Ratio	0.00746	0.0196*	0.0112
	(0.00784)	(0.0108)	(0.0102)
Married	0.00736***	0.00680***	0.00984***
	(0.000524)	(0.000683)	(0.000871)
Minorities	-0.00116**	0.00008	0.000960
	(0.000545)	(0.000689)	(0.000751)
Ln(#Children+1)	0.00544***	0.00438***	0.0102***
	(0.00119)	(0.00139)	(0.00165)
Has Children	-0.00303**	-0.00250*	-0.00677***
	(0.00121)	(0.00143)	(0.00179)
State GDP Growth	-0.00750	0.0335	-0.0847*
	(0.0330)	(0.0420)	(0.0443)
Personal Inc.Growth	-0.00138	-0.0256	0.0500*
	(0.0190)	(0.0251)	(0.0261)
Frac. Republicans	-0.000248	-0.00344**	0.00212
	(0.00111)	(0.00154)	(0.00177)
Observations	383,146	373,314	371,580
R-squared	0.035	0.041	0.050
Year FE	Yes	Yes	Yes
State FE	Yes	Yes	Yes
Age FE	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 4: **Age of Entrepreneurs and Abortion Ratios - ACS Data 2001-2017**

An LPM regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side is a dummy variable that turns into one when an entrepreneur is fertile (below 40). The sub-sample is restricted to entrepreneurs (self-employed, incorporated, non-farm professions) with college degrees between the ages of 20 and 65. *Abortion Ratios* are abortions as percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. A positive coefficient implies that higher abortion ratios are positively correlated with a younger population of entrepreneurs. Standard errors are clustered at the state×year level.

	Treated - Women Entrepreneurs 20-65			Placebo - Men Entrepreneurs 20-65		
VARIABLE	All	No children	Children	All	No Children	Children
Abortion Ratio	0.184**	0.203*	0.146	-0.0606	-0.0365	-1.0133*
	(0.0830)	(0.108)	(0.128)	(0.0524)	(0.0604)	(0.0650)
Married	-0.0542***	-0.133***	0.105***	-0.186***	-0.231***	0.0326***
	(0.00480)	(0.00576)	(0.00804)	(0.00392)	(0.00417)	(0.00781)
Minorities	0.0759***	0.115***	0.0450***	0.0730***	0.125***	0.0380***
	(0.00560)	(0.00917)	(0.00726)	(0.00513)	(0.00770)	(0.00572)
Ln(#Children+1)	0.195***		0.161***	0.120***		0.0964***
	(0.0101)		(0.0104)	(0.00677)		(0.00671)
Has Children	-0.0673***			-0.0346***		
	(0.0106)			(0.00715)		
State GDP Growth	-0.158	-0.313	0.134	0.136	-0.0627	0.330
	(0.282)	(0.372)	(0.407)	(0.194)	(0.242)	(0.268)
Personal Inc. Growth	-0.0298	-0.0208	-0.0730	-0.190*	-0.0463	-0.337**
	(0.156)	(0.210)	(0.233)	(0.0992)	(0.134)	(0.138)
Frac. Republicans	-0.0208**	-0.0193	-0.0198	0.00509	0.0127	9.75e-05
	(0.00976)	(0.0140)	(0.0148)	(0.00702)	(0.00934)	(0.0101)
Observations	88,234	42,649	45,585	200,993	93,783	107,210
R-squared	0.061	0.081	0.054	0.066	0.146	0.035
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 5: **Entrepreneurship by Firm Size and Abortion Ratios - CPS ASEC Data 1989-2017**

An LPM regression using the IPUMS CPS ASEC weighted database between the years 1989 and 2017. In regressions: (1) and (4) the left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession; (2) and (5) *Entrepreneur* receives one only if the individual is an employer of 10 or more employees; (3) and (6) *Entrepreneur* receives one only if the individual is an employer of fewer than 10 employees. The sample is restricted to individuals ages 20 to 40 with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Abortion Ratios* are abortions as percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. Standard errors are clustered at the state×year level.

	Treated Group - Women 20-40			Placebo Group - Men 20-40		
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	All	Large Firms	Small Firms	All	Large Firms	Small Firms
Abortion Ratio	0.0151*	0.0163***	-0.00119	0.0133	-0.00189	0.0152
	(0.00785)	(0.00581)	(0.00592)	(0.0153)	(0.0119)	(0.0117)
Married	0.00480***	0.00246***	0.00234***	0.00734***	0.00509***	0.00224**
	(0.000729)	(0.000423)	(0.000588)	(0.00147)	(0.00101)	(0.00102)
Minorities	0.000475	2.50e-05	0.000450	-0.00762***	-0.00443***	-0.00319***
	(0.000735)	(0.000464)	(0.000582)	(0.00130)	(0.000897)	(0.000948)
Ln(#Children+1)	0.00921***	0.00211**	0.00709***	0.0247***	0.0166***	0.00803***
	(0.00162)	(0.000969)	(0.00135)	(0.00341)	(0.00242)	(0.00255)
Has Children	-0.00414***	-0.000690	-0.00345**	-0.0133***	-0.0107***	-0.00265
	(0.00161)	(0.000967)	(0.00135)	(0.00371)	(0.00256)	(0.00282)
State GDP Growth	0.0323	0.0171	0.0152	-0.0363	0.0612	-0.0976*
	(0.0406)	(0.0244)	(0.0338)	(0.0755)	(0.0620)	(0.0521)
Personal Inc. Growth	-0.0277	0.000428	-0.0281	0.000134	-0.0594	0.0595*
	(0.0258)	(0.0151)	(0.0205)	(0.0490)	(0.0362)	(0.0343)
Frac. Republicans	-0.00108	-0.000366	-0.000713	-0.00280	-0.00256	-0.000235
	(0.00116)	(0.000733)	(0.000858)	(0.00200)	(0.00163)	(0.00139)
Observations	197,232	197,232	197,232	166,910	166,910	166,910
R-squared	0.044	0.018	0.034	0.071	0.040	0.045
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 6: **Income and Abortion Ratios Among All Employed and Self-Employed Individuals - ACS Data 2001-2017**

Natural logarithm of total personal income as the dependant variable regressed against gender, abortion ratio, a dummy indicating whether the individual is an entrepreneur, a set of controls, and state, year, age, and industry fixed effects. The regression is tested on a sub-sample of fertile (ages 20 to 40) individuals with and without controls. Columns (1) and (4) test the marginal gain on the entire population, employed and unemployed individuals, columns (2) and (5) restrict the sample to contain only employed and self-employed individuals, and columns (3) and (6) restrict the sample to entrepreneurs. All six settings show a the marginal gain for female entrepreneurs is positively correlated with higher abortion ratios. Standard errors are clustered at the state×year level.

	Without Controls			With Controls		
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	All	Employed	Entrepreneur	All	Employed	Entrepreneur
Entrepreneur x Female x Abortion Ratio	0.594***	0.598***		0.610***	0.612***	
	(0.140)	(0.140)		(0.143)	(0.143)	
Female x Abortion Ratio	0.325***	0.321***	0.766***	0.330***	0.327***	0.769***
	(0.0502)	(0.0494)	(0.147)	(0.0527)	(0.0518)	(0.150)
Entrepreneur x Female	-0.401***	-0.407***		-0.404***	-0.410***	
	(0.0311)	(0.0311)		(0.0315)	(0.0315)	
Entrepreneur x Abortion Ratio	-0.421***	-0.415***		-0.464***	-0.456***	
	(0.0925)	(0.0917)		(0.0929)	(0.0920)	
Abortion Ratio	-0.241***	-0.245***	-0.136	-0.231***	-0.234***	-0.0762
	(0.0484)	(0.0480)	(0.185)	(0.0488)	(0.0485)	(0.187)
Female	-0.369***	-0.362***	-0.787***	-0.367***	-0.361***	-0.788***
	(0.00988)	(0.00965)	(0.0329)	(0.0102)	(0.01000)	(0.0334)
Entrepreneur	0.402***	0.402***		0.407***	0.405***	
	(0.0184)	(0.0183)		(0.0184)	(0.0183)	
Observations	2,604,359	2,584,430	67,838	2,586,314	2,566,458	67,550
R-squared	0.275	0.261	0.243	0.278	0.265	0.247
Controls	No	No	No	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 7: **Difference-in-Differences Among Employed Individuals Around Roe v. Wade - CPS Data 1970-1980**

A difference-in-differences analysis around the January 1973 Roe v. Wade court decision. The weighted sub-sample consists of employed and self-employed, college graduate, individuals, ages 20 to 40 representing the same population in the United States. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed in a non-farm profession. Control states are states that legalized abortions in 1970: AK, CA, HI, NY, WA. Treated states are the rest of the states that legalized abortions following the court's decision in 1973. Control variables include marital status, ethnicity, and number of children. *Female X Treated X Post Roe* measures the marginal effect of the legalization of abortions on women in the seven years following the court's decision. Standard errors are clustered at the state level.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLES	Base	Controls	Year FE	State FE	Age FE	Industry FE	All FE
Female x Treated x Post	0.0229***	0.0218***	0.0217***	0.0217***	0.0217***	0.0169***	0.0169***
	(0.00604)	(0.00566)	(0.00573)	(0.00567)	(0.00595)	(0.00484)	(0.00496)
Female x Treated	0.000576	0.00315	0.00314	0.00318	0.00347	0.00737	0.00761
	(0.0163)	(0.0162)	(0.0162)	(0.0160)	(0.0162)	(0.0128)	(0.0133)
Female x Post	-0.0180***	-0.0213***	-0.0215***	-0.0211***	-0.0217***	-0.0143***	-0.0135***
	(0.00422)	(0.00363)	(0.00368)	(0.00358)	(0.00397)	(0.00308)	(0.00315)
Treat x Post	-0.0144***	-0.0152***	-0.0150***	-0.0162***	-0.0148***	-0.0102***	-0.00888**
	(0.00456)	(0.00441)	(0.00435)	(0.00474)	(0.00440)	(0.00372)	(0.00427)
Female	-0.0351**	-0.0280*	-0.0279*	-0.0282*	-0.0243	-0.0224*	-0.0196*
	(0.0156)	(0.0154)	(0.0153)	(0.0151)	(0.0151)	(0.0115)	(0.0116)
Treated	-0.00932	-0.0127	-0.0128		-0.00928	-0.00747	
	(0.0168)	(0.0167)	(0.0167)		(0.0165)	(0.0126)	
Post	0.0193***	0.0246***		0.0234***	0.0206***	0.0165***	
	(0.00177)	(0.00141)		(0.000755)	(0.00157)	(0.00129)	
Observations	79,304	79,304	79,304	79,304	79,304	79,304	79,304
R-squared	0.007	0.014	0.015	0.018	0.021	0.179	0.187
Controls	No	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	No	No	Yes	No	No	No	Yes
State FE	No	No	No	Yes	No	No	Yes
Age FE	No	No	No	No	Yes	No	Yes
Industry FE	No	No	No	No	No	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 8: **Dynamic Difference-in-Differences Among Employed Individuals Around the 1970 Legalization of Abortions and the 1973 Roe v. Wade Ruling - CPS Data 1968-1980**

A dynamic difference-in-differences analysis. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed and in a non-farm profession. The dummy variable *Treatment* turns into one in 1970 for: AK, CA, HI, NY, WA and in 1973 for the rest. The weighted target group consists of all fertile (ages 20 to 40), college graduate, women, the first placebo group consists of all college graduate men in the same age group and the second placebo group consists of all college graduate women above 40. Standard errors are clustered at the state level.

	Treated - Women 20-40		Placebo	
	(1)	(2)	(3)	(4)
VARIABLES	No Controls	Controls	Men 20-40	Women>40
Treatment	0.0113***	0.0102***	-0.00580	-0.00733
	(0.00367)	(0.00372)	(0.00423)	(0.00912)
Married		0.00584***	0.00224	0.00188
		(0.00189)	(0.00331)	(0.00539)
Minorities		-0.0146***	-0.0107**	-0.0125*
		(0.00345)	(0.00463)	(0.00698)
Ln(#Children+1)		0.0205**	0.00770	0.0194**
		(0.00814)	(0.00558)	(0.00953)
Has Children		0.00359	-0.0113*	-0.0227**
		(0.00864)	(0.00669)	(0.0104)
Observations	33,891	33,891	55,106	17,867
R-squared	0.195	0.199	0.227	0.258
Controls	No	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 9: **Dynamic Difference-in-Differences Among Employed and Unemployed Individuals Around the 1970 Legalization of Abortions and the 1973 Roe v. Wade Ruling - Testing for Pre-Trends - CPS Data 1968-1980**

A dynamic difference-in-differences analysis of the combined data set. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. *PreTrend* is a dummy variable that turns into one the year before abortions were legal in each state (1969 for: AK, CA, HI, NY, WA and 1972 for the rest) and turns back into zero the following year. *Treatment* is a dummy variable that turns into one the year abortions where legal and back into zero a year later. *Post Treatment* is a dummy variable that captures the long run effect by turning into one the year after treatment and staying one until the last year of the sample. The sample consists of all fertile (ages 20 to 40), college graduate, men and women. Regression (1) consists of a sub-sample of employed and self-employed individuals and no controls; (2) is the same regression on all individuals, including unemployed; (3) is the same regression as regression one but with controls and (4) is the same as regression three but on all individuals including unemployed. Standard errors are clustered at the state level.

VARIABLES	(1) Employed Only	(2) All Individuals	(3) Employed Only	(4) All Individuals
Female X PostTreatment	0.0268**	0.0194**	0.0239**	0.0183**
	(0.0121)	(0.00912)	(0.0110)	(0.00854)
Female X Treatment	0.0157	0.00949	0.0135	0.00956
	(0.0104)	(0.00802)	(0.00993)	(0.00757)
Female X PreTrend	0.00404	0.00447	0.00340	0.00410
	(0.00723)	(0.00669)	(0.00810)	(0.00715)
Observations	64,348	77,032	64,348	77,032
R-squared	0.013	0.015	0.022	0.021
Controls	No	No	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 10: **Dynamic Difference-in-Differences Among Employed Individuals - TRAP Laws - CPS Data 1977-2008**

A dynamic difference-in-differences analysis. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed in a non-farm profession. The dummy variable *TRAP Law Treatment* turns into one once TRAP laws are enacted in each state. The weighted target group consists of all fertile (ages 20 to 40), college graduate women, the first placebo group consists of all college graduate men in the same age group and the second placebo group consists of all college graduate women above 40. Standard errors are clustered at the state level.

	Treated - Women 20-40		Placebo	
	(1)	(2)	(3)	(4)
VARIABLES	No Controls	Controls	Men 20-40	Women>40
TRAP Law Treatment	-0.00401*	-0.00411*	0.00404	0.000688
	(0.00206)	(0.00211)	(0.00509)	(0.00358)
Married		0.0155***	0.00452**	0.0251***
		(0.00144)	(0.00207)	(0.00232)
Minorities		-0.0105***	-0.0129***	-0.00394
		(0.00301)	(0.00265)	(0.00246)
Ln(#Children+1)		0.0347***	0.00700**	0.0121**
		(0.00362)	(0.00328)	(0.00528)
Has Children		-0.0154***	-0.00289	-0.0136***
		(0.00367)	(0.00326)	(0.00450)
Observations	170,170	170,170	190,348	128,052
R-squared	0.226	0.230	0.188	0.318
Controls	No	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 11: **Dynamic Difference-in-Differences Among Employed and Unemployed Individuals with Gender Interaction, Testing for PreTrends, TRAP Laws - CPS Data 1977-2008**

A dynamic difference-in-differences analysis of the combined data set. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed in a non-farm profession. *PreTRAP Laws* is a dummy variable that turns into one the year before TRAP laws were enacted in each state (e.g. 2001 for AL, 1998 for AZ, and 2004 for IN) and turns back into zero the following year. *Treatment* is a dummy variable that turns into one the year TRAP laws were enacted and back into zero a year later. *Post Treatment* is a dummy variable that captures the long run effect by turning into one the year after treatment and staying one until the last year of the sample. The sample consists of all fertile (ages 20 to 40), college graduate, men and women. Regression (1) consists of a sub-sample of employed and self-employed individuals; (2) is the same regression on all individuals, including unemployed; (3) is the same regression as regression one but with controls and (4) is the same as regression three but on all individuals including unemployed. Standard errors are clustered at the state level.

	(1)	(2)	(3)	(4)
	Employed	All	Employed	All
VARIABLES	Only	Individuals	Only	Individuals
Female X PostTRAP Laws	-0.00961*	-0.00859*	-0.00940*	-0.00861*
	(0.00531)	(0.00502)	(0.00523)	(0.00502)
Female X Treatment TRAP Laws	0.00316	0.00278	0.00396	0.00295
	(0.0133)	(0.0123)	(0.0132)	(0.0121)
Female X PreTRAP Laws	-0.00733	-0.00447	-0.00681	-0.00393
	(0.00951)	(0.00856)	(0.00954)	(0.00845)
Observations	332,362	370,888	325,873	363,751
R-squared	0.010	0.011	0.019	0.018
Controls	No	No	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table 12: **Entrepreneurship and Weighted "Access Index" Among Employed and Unemployed Individuals with Gender Interaction - ACS Data 2006-2017**

A weighted least square regressions of a dummy variable equals to one when the individual is an entrepreneur against the interaction between a dummy variable equals one when the individual is a female multiplied by that year-state standardized "Access Index". *Access Index* monitors state legislation that improves or weakens access to reproductive care. Higher index means better access. The sample consists of all fertile (ages 20 to 40), college graduate, men and women. Regression (1) uses a sub-sample of employed individuals and no controls; (2) is the same as one on the entire population - employed, self-employed, and unemployed; (3) is the same regression as regression one but controls for marital status, ethnicity, number of children, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (4) is the same as regression three on all, employed, self-employed and unemployed individuals.Standard errors are clustered at the state×year level.

	(1)	(2)	(3)	(4)
	Employed	All	Employed	All
VARIABLES	Only	Individuals	Only	Individuals
Female x Access Index	0.000974***	0.00104***	0.000934***	0.00100***
	(0.000283)	(0.000277)	(0.000284)	(0.000278)
Female	-0.0131***	-0.0131***	-0.0135***	-0.0137***
	(0.000288)	(0.000280)	(0.000292)	(0.000286)
Access Index	0.000971	0.000842	0.00123*	0.00109*
	(0.000622)	(0.000591)	(0.000643)	(0.000611)
Married			0.00671***	0.00662***
			(0.000307)	(0.000297)
Minorities			-0.00397***	-0.00328***
			(0.000284)	(0.000266)
Ln(#Children+1)			0.0127***	0.0106***
			(0.000845)	(0.000777)
Has Children			-0.00718***	-0.00546***
			(0.000823)	(0.000763)
State GDP Growth			-0.00202	-0.00185
			(0.0195)	(0.0187)
Personal Inc. Growth			-0.0186*	-0.0184*
			(0.0107)	(0.0102)
Frac. Republicans			-0.000393	-0.000378
			(0.000920)	(0.000881)
Observations	2,632,393	2,754,593	2,615,054	2,736,922
R-squared	0.047	0.048	0.049	0.049
Controls	No	No	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Figure 1: **Weighted Access Index for Selected States - 2006-2018**

The constructed Access Index plotted for selected states between the years 2006 and 2018. California promoted pro-choice legislation over the years; New-York was Neutral until recent years; Wisconsin changed course of action with the election of Republican Governor Scott Walker in 2011; and Alabama was continuously promoting measures restricting reproductive rights.

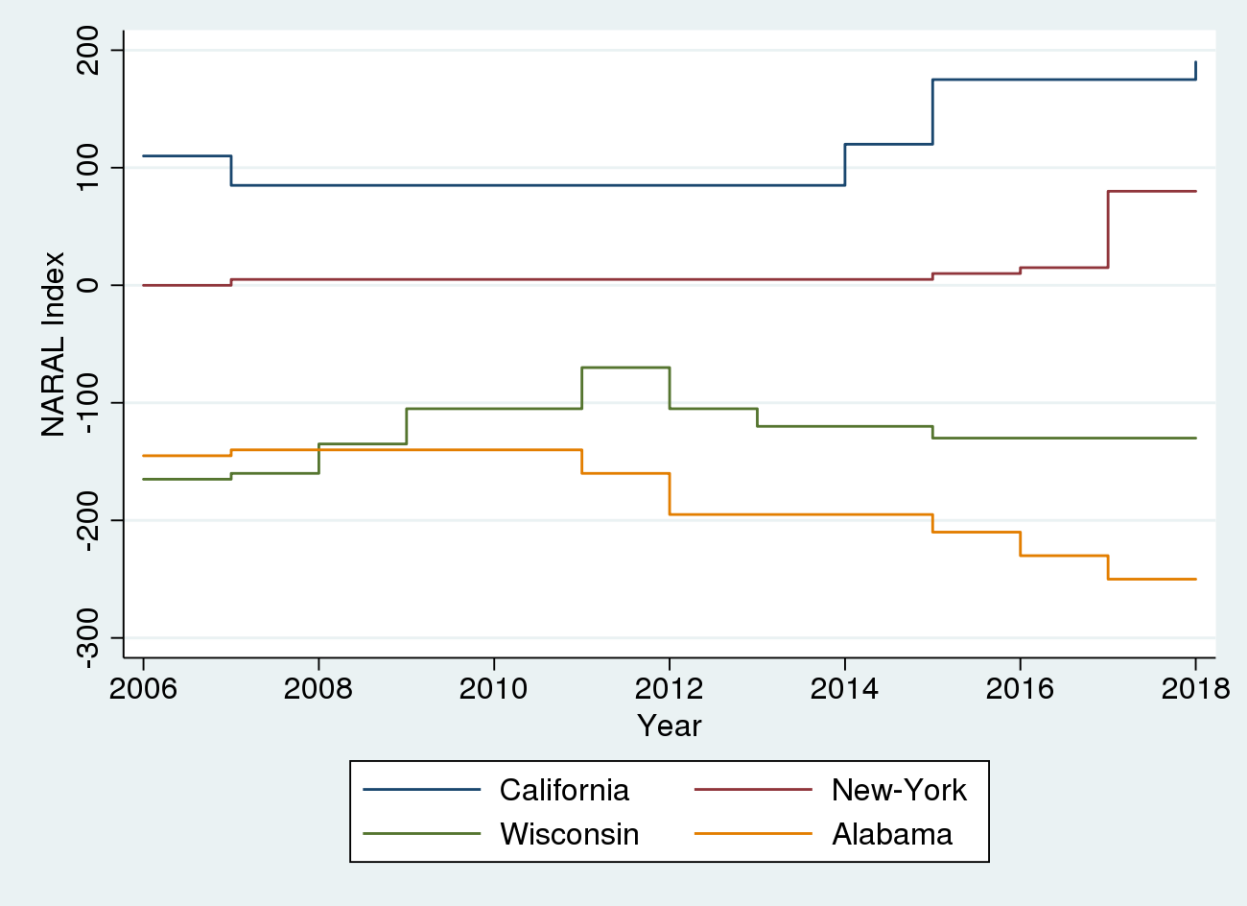


Figure 2: **Unweighted Access Index for Selected States - 2006-2018**

The constructed Access Index plotted for selected states between the years 2006 and 2018. California promoted pro-choice legislation over the years; New-York was Neutral until recent years; Wisconsin changed course of action with the election of Republican Governor Scott Walker in 2011; and Alabama was continuously promoting measures restricting reproductive rights.

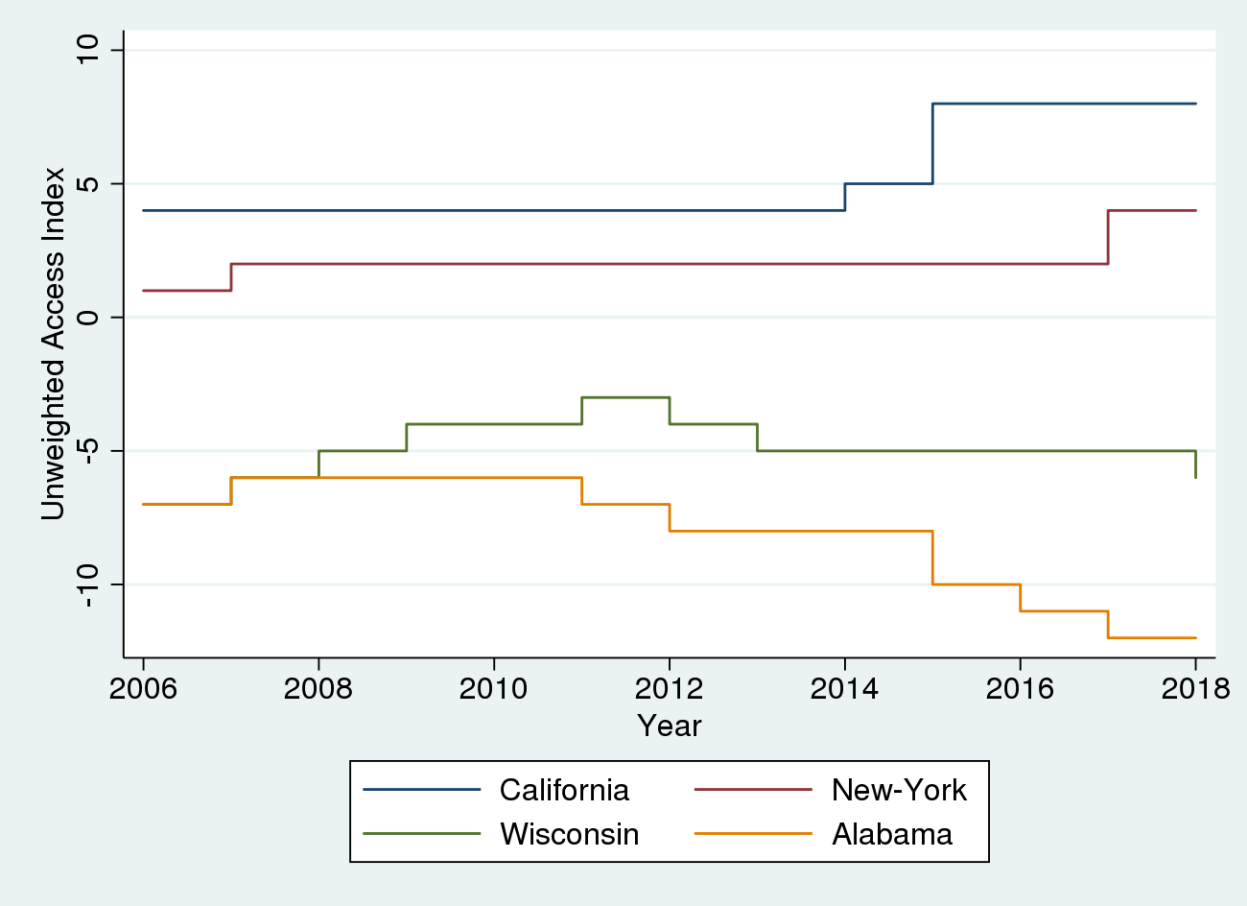


Figure 3: **Percentage of Female Entrepreneurs to Total Entrepreneurs - 2006-2017**

The average number of female entrepreneur to the average number of all entrepreneur over the average level of the Access Index for the years 2006-2017. The slope remains the same for either choosing the median values or winsorizing the data at the 5% level.

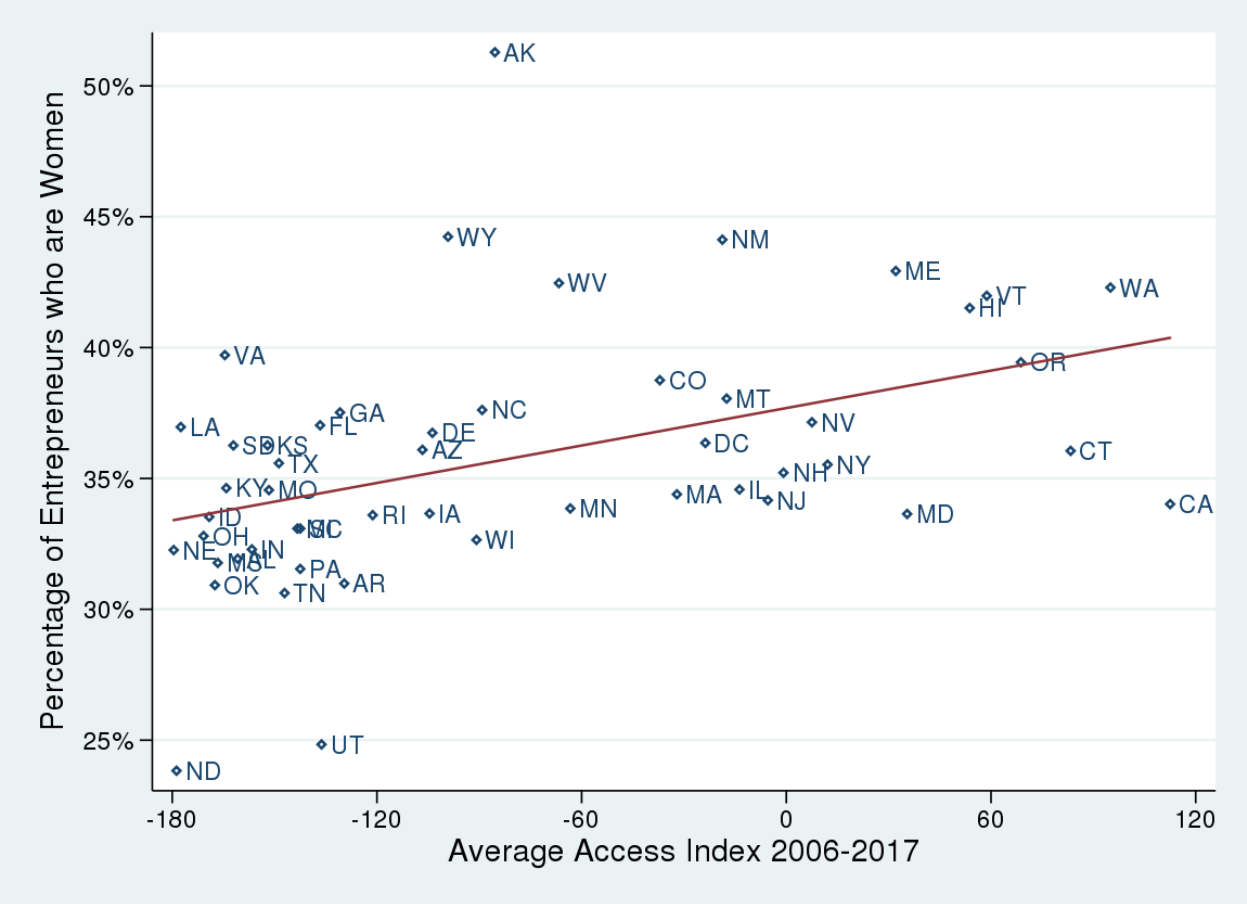


Figure 4: **Parallel Trends - Difference-in-Differences 1970-1989**

Coefficients of the triple interaction- *Female X Treated X Year* in a difference-in-differences regression between the states that allowed abortions in 1970 (control group) and states that allowed abortions following Roe v. Wade in January 1973. The sample consists of employed and unemployed individuals between ages 20 and 40. LR is the coefficient of a dummy variable that turns into one in the years 1978-1989 and is multiplied by *Female* times *Treated*.

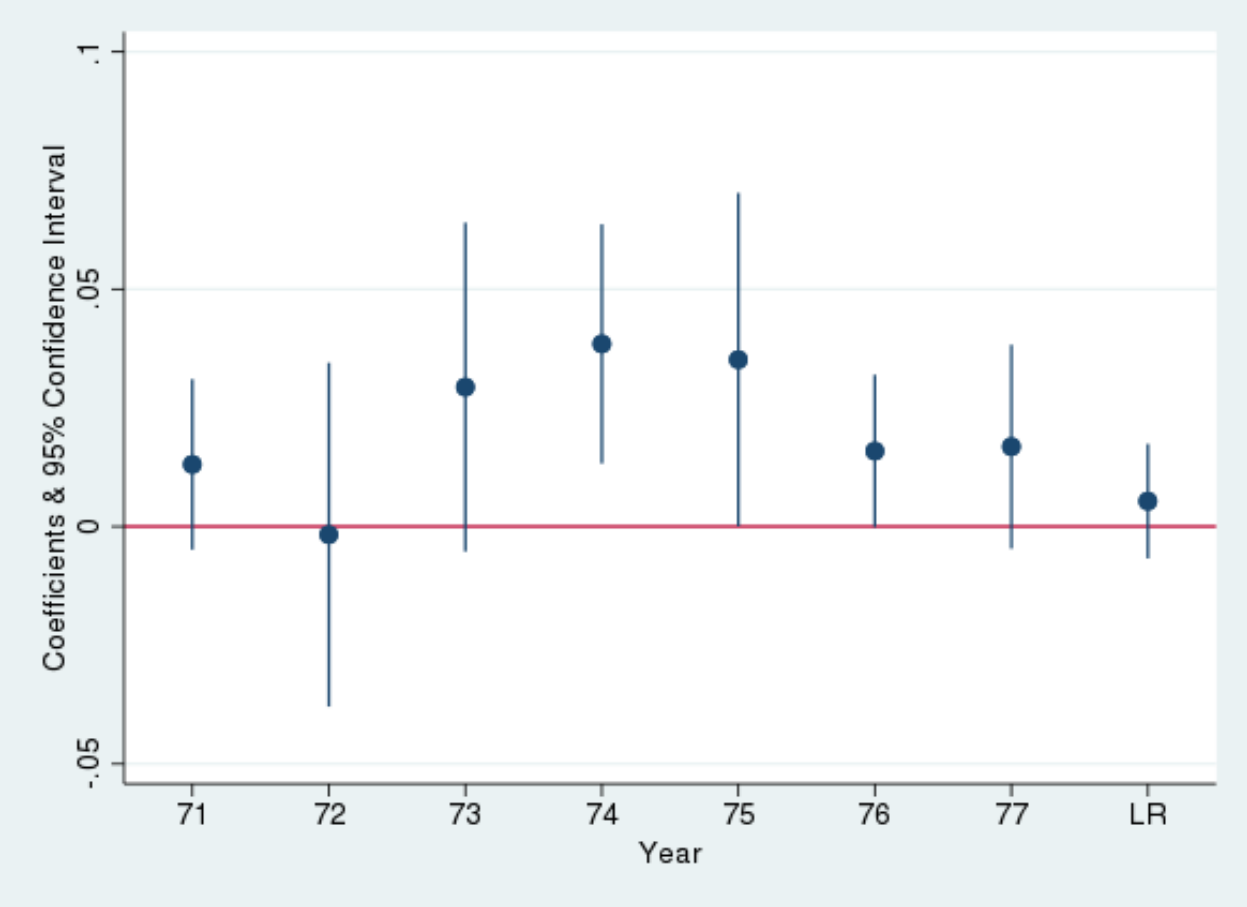
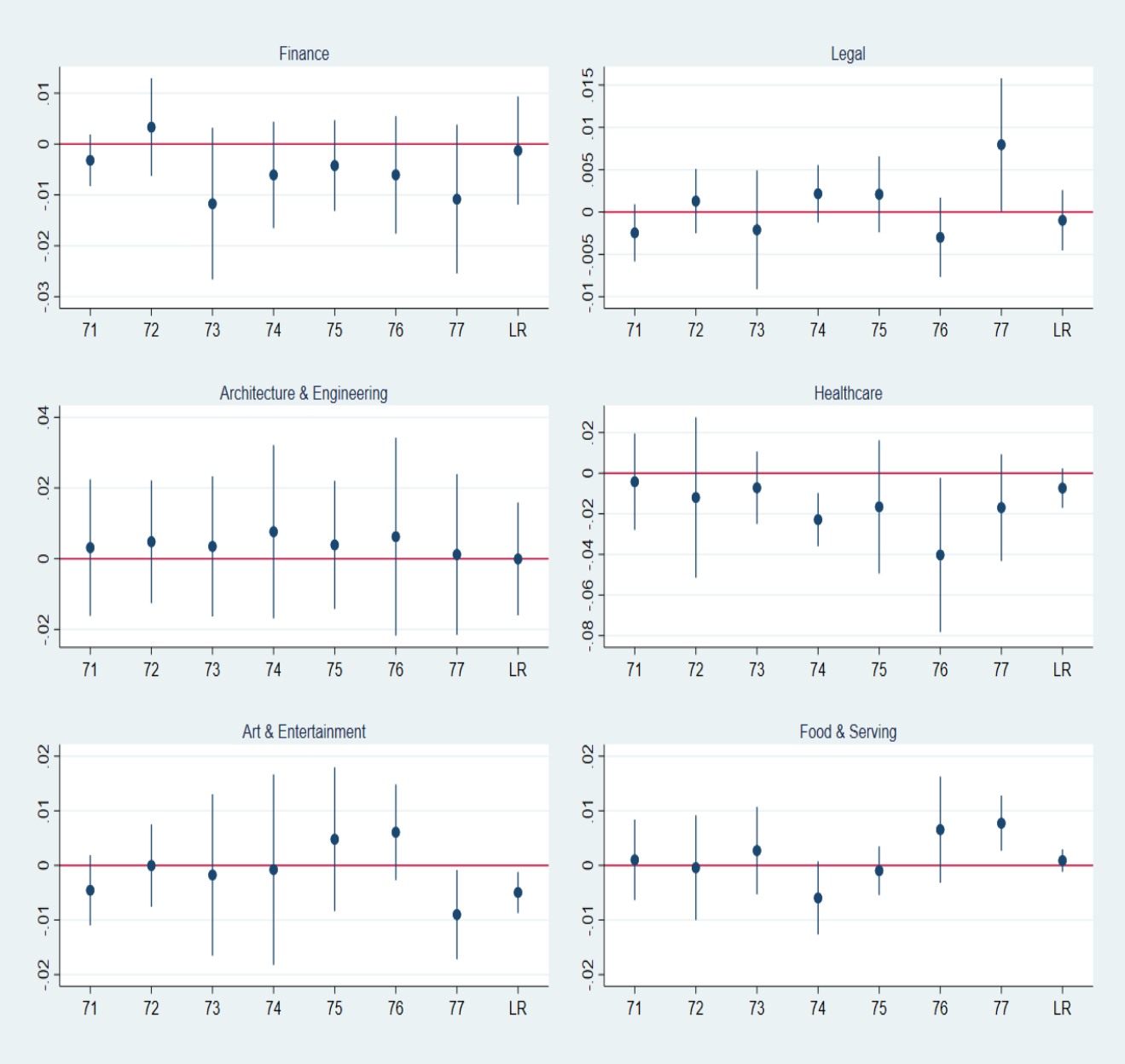


Figure 5: **Parallel Trends - Difference-in-Differences 1970-1989 - Placebo Professions**

Coefficients of the triple interaction- *Female X Treat X Year* in a difference-in-differences regression between the states that allowed abortions in 1970 (control group) and states that allowed abortions following Roe v. Wade in January 1973, testing placebo professions in the fields of Finance, Legal, Architecture and Engineering, Healthcare, Art and Entertainment, and Food and Serving. Replacing the dependent variable *Entrepreneur* with a dummy variable that turns into one once the individual is employed in one of those fields.



A Appendix

A.1 Survey

The main purpose of the survey was to test the validity of the paper's main hypothesis. The general structure of the calls included questions on the entrepreneur's business endeavor, family structure, health insurance, and overall perception of children, maternity and childbearing.

A.1.1 Interview questions - general structure

1. Tell me about your company and co-founders.
2. How old were you when you started the company?
3. What were the primary obstacles you had to overcome as a young entrepreneur?
4. What were your main concerns?
5. Did you have a significant other?
6. Did you have health insurance in the first year of self-employment?
7. How many children are in your household today and how many children did you have when establishing the company?
8. What is your stance on work life balance and maternity in general?
9. Did you, as a young entrepreneur, have any concerns about your health in general or reproductive health in particular?
10. How did you address these concerns?
11. What would you tell an aspiring woman entrepreneur seeking for advice?

The average age of founders in my sample of 15 entrepreneurs was 37 who where 28 when they founded their firms. Two founders have two children each today, and had one child each when they founded their companies. They are also the only founders who had health insurance or significant others while founding their companies. The primary obstacle was access to capital and the main

concern was lack of income. When asked about work life balance, all founders stated that founding a company consumed most of their time and attention.

Maybe the most surprising outcome of the survey came from four different women. The first one in her early 30s, when asked for the number of children she has, answered that she doesn't have any and that she even had an abortion in New York due to an unplanned pregnancy. When asked whether she was willing to share her reasons, she unapologetically referred to her career aspirations as the main reason. The second surprising answer came from another female entrepreneur in her early 40s, married with two children. When asked about the number of children she has, she answered she has two but almost had a third one due to an unplanned pregnancy. When asked whether she was willing to share the reason for her decision to terminate her pregnancy, she answered that *"the business is [her] baby now."* Interestingly, six other respondents referred to their business as their "baby." The third answer came from a young entrepreneur in her mid 30s who went through a multi-million dollar exit. She founded her firm when she was 28 years old and sold it to a big corporation several years later. She wasn't married nor in a relationship but said that she was trying to conceive. She stated that she was concerned about her fertility and her ability to get pregnant as she grew older. She continued to say that the one piece of advice she gives young female entrepreneurs she mentors is to - *"freeze their eggs."* When asked to elaborate, she said that had she known about this option earlier, she would have done it as it would have enabled her to focus more on her endeavor rather than worry about her future family structure. The last answer belongs to an entrepreneur in her late 30's who mentioned that she and her husband decided not to have children. *"That said"*, she concluded, she did freeze her eggs *"just in case [they] regret this decision."*

Here are some of the most relevant quotes from the interviews:

- *"I want to get the company off the ground by the time I hit 32 to eliminate the risk of possibly never having a child."* A. 30, Lives with a partner, no children.
- *"I am planning on having kids at 35. When I got married several board members were concerned that I might want to have kids and leave the company – they explicitly asked me how am I going to allocate my time now that I have a family."* L. 34, Married, no children.
- *"My husband and I don't want kids but decided to freeze my eggs just in case we regret this*

decision. ... I paid $18,000 out of pocket for the process." B. 39, Married, no children.

- *"One advice I can give [women] entrepreneurs is to freeze their eggs while they're young."* K. 35, Single, no children.
- *"I got pregnant at 40 with my first child, tried IVF unsuccessfully at 41, ended up adopting my second child."* C. 56, Married +2.
- *"I had an unplanned pregnancy around the time I founded the company. I was lucky to live in Manhattan where aspiration procedures are widely available."* R. 35, Single, no children.
- *"I had an abortion on my third pregnancy because I felt like I wouldn't be able to keep my business afloat while having to care for a small child."* J. 42, Married +2.
- *"No way in an investor conversation I would admit that I want to be a mother"* A. 34, Married, no children.

A.2 "Access Index" Scoring Scheme

The following scoring scheme follows closely the methodology detailed in the 2015 NARAL "Who Decides?" report. The report classifies these 17 categories and weighs them according to their effectiveness in restricting accessibility to reproductive-care.

1. **Abortion Bans** - 20 points were subtracted for each abortion ban based either on the point in pregnancy when the ban(s) begin, or on whether the statute bans a specific procedure.

2. **Biased Counseling and Mandatory Delays** - 25 points were subtracted if waiting period or multiple trips were required; whether a physician is required personally to provide specified information; whether the woman must receive state prepared materials; and whether the woman must receive other material, oral or written, that contains biased information.

3. **Gag Rule** - 10 points were subtracted if the ban applies to counseling and/or referrals and if the ban applies to all or some public funds or employees.

4. **Crisis Pregnancy Centers** - 15 points were subtracted if a state funds CPCs directly with taxpayer dollars or tax benefits; requires a woman to go to a CPC or refers women to CPCs. CPCs are centers that encourage women to keep their pregnancies.

5. **Emergency Contraception** - 25 point were added if the state ensures that sexual-assault survivors receive counseling about and access to emergency contraception (EC) in emergency rooms; if the state's Medicaid program covers over-the-counter EC; and if pharmacists are allowed to provide EC to a woman without a prescription through a measure specific to EC or one that permits collaborative-therapy agreements generally and includes EC.

6. **Freedom of Choice Act** - 55 points were added if a state has passed legislation to codify the protections of Roe v. Wade.

7. **Guaranteed Access to Prescriptions** - 10 points were added if a state explicitly guarantees a woman's right to have her birth-control prescription filled.

8. **Insurance Coverage for Abortion** - 35 points were added state guarantees insurance coverage of abortion.

9. **Insurance Coverage for Contraception** - 20 points were added if a state requires health-insurance plans to cover contraceptives to the same extent that they cover other prescription medication.

10. **Low Income Access to Abortion** - 25 points were subtracted if the state medical assistance program funds abortion services only to preserve the woman's life or only in cases of rape, incest, or life endangerment.

11. **Low Income Access to Contraceptive** - 5 points were added if the state provides increased coverage for Medicaid-covered reproductive-health-care services through a federal Medicaid waiver or through a family planning state plan amendment.

12. **Post-Viability Abortion Restriction** - 10 points were subtracted for the lack or inadequacy of the health exception and if the state defines viability as occurring at a particular point in pregnancy.

13. **Protection Against Clinic Violence** - 15 points were added the measure prohibits interference with the entry or exit to a facility.

14. **Refusal to Provide Medical Services** - 20 points were subtracted if individuals or organizations may refuse to provide: abortion, contraception, or sterilization, and/or related counseling, referrals, insurance coverage, or prescriptions.

15. **Restrictions on Young Women** - 25 points were subtracted based on whether consent or notice is required before a minor may obtain abortion services.

16. **State Constitutional Protection** - 20 points were added if a state constitutional protection prevents imposition of restrictions on the right to choose.

17. **TRAP Laws** - 30 points were subtracted if TRAP measures are imposed.

Internet Appendix - Additional Robustness Tests

Table I.1: **Entrepreneurship and Abortion Ratios Among Employed Individuals - ACS Data 2001-2017**

An LPM regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to employed individuals with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Abortion Ratios* are abortions as a percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. Regression: (1) looks at a sub-sample of employed women between the ages of 20 and 40 in the United States; (2) controls for marital status, ethnicity, log number of children, a dummy variable of whether the individual has children in household, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to men age 20 to 40 as a placebo group; (6) limits the sample to women above 40 as a second placebo group. Standard errors are clustered at the state×year level.

	Treated Group - Employed Women 20-40				Placebo Group	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	No Controls	Controls	No Children	Children	Men 20-40	Women>40
Abortion Ratio	0.0114*	0.0128**	0.0135**	0.0122	0.00672	0.000672
	(0.00590)	(0.00612)	(0.00536)	(0.0120)	(0.00870)	(0.00775)
Married		0.00651***	0.00466***	0.00948***	0.00608***	0.0116***
		(0.000322)	(0.000349)	(0.000592)	(0.000564)	(0.000364)
Minorities		-0.00116***	-0.000619	-0.00153***	-0.00720***	-0.00154***
		(0.000341)	(0.000405)	(0.000566)	(0.000556)	(0.000452)
Ln(#Children+1)		0.00889***		0.00846***	0.0186***	0.00883***
		(0.000933)		(0.000968)	(0.00135)	(0.000939)
Has Children		-0.00649***			-0.0100***	-0.00693***
		(0.000910)			(0.00141)	(0.000908)
State GDP Growth		-0.00764	-0.0293	0.0127	0.0384	-0.0438
		(0.0206)	(0.0214)	(0.0348)	(0.0344)	(0.0266)
Personal Inc. Growth		-0.00115	0.00445	-0.00500	-0.0259	0.0236
		(0.0110)	(0.0118)	(0.0197)	(0.0175)	(0.0150)
Frac. Republicans		-0.000513	-0.000787	-0.000408	0.000148	0.000540
		(0.000823)	(0.000778)	(0.00134)	(0.00120)	(0.000989)
Observations	1,482,199	1,472,141	797,932	674,209	1,198,787	1,927,612
R-squared	0.036	0.037	0.027	0.047	0.066	0.066
Controls	No	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.2: **Entrepreneurship and Abortion Ratios, Probit Model - ACS Data 2001-2016**

A Probit regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to individuals with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Abortion Ratios* are abortions as percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. Regression: (1) looks at a sub-sample of individuals between the ages of 20 and 40 in the United States; (2) adds controls (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to a placebo group of individuals above 40. Standard errors are clustered at the state×year level.

	Treated Group - All Individuals 20-40					Placebo
	(1)	(2)	(3)	(4)		(5)
VARIABLES	No Controls	Controls	No Children	Children		Age>40
Female X Abortion Ratio	0.246**	0.257**	0.273	0.286		-0.186**
	(0.108)	(0.110)	(0.186)	(0.186)		(0.0738)
Female	-0.562***	-0.545***	-0.441***	-0.634***		-0.509***
	(0.0265)	(0.0348)	(0.0601)	(0.0528)		(0.0188)
Abortion Ratio	0.102	0.129	0.285**	-0.0195		0.191**
	(0.172)	(0.167)	(0.132)	(0.212)		(0.0859)
Observations	2,806,033	2,787,263	1,543,865	1,243,398		4,373,203
Controls	No	Yes	Yes	Yes		Yes
Year FE	Yes	Yes	Yes	Yes	Yes	
State FE	Yes	Yes	Yes	Yes	Yes	

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.3: **Entrepreneurship and Abortion Ratios, Logit Model - ACS Data 2001-2016**

A Logit regression using the IPUMS ACS weighted database between the years 2001 and 2017. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to individuals with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Abortion Ratios* are abortions as percentage of pregnancies excluding fetal deaths/miscarriages as compiled by the Johnston Archive. Regression: (1) looks at a sub-sample of individuals between the ages of 20 and 40 in the United States; (2) adds controls (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to a placebo group of individuals above 40. Standard errors are clustered at the state×year level.

	Treated Group - All Individuals 20-40				Placebo
	(1)	(2)	(3)	(4)	(5)
VARIABLES	No Controls	Controls	No Children	Children	Age>40
Female X Abortion Ratio	0.663**	0.695**	0.816*	0.696	-0.391**
	(0.283)	(0.280)	(0.471)	(0.483)	(0.172)
Female	-1.363***	-1.378***	-1.152***	-1.558***	-1.173***
	(0.0666)	(0.0877)	(0.151)	(0.126)	(0.0448)
Abortion Ratio	0.233	0.275	0.670**	-0.0393	0.386**
	(0.389)	(0.381)	(0.310)	(0.456)	(0.174)
Observations	2,806,033	2,787,263	1,543,865	1,243,398	4,373,203
Controls	No	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.4: **Entrepreneurship and Number of Abortion Providers - ACS Data 2005-2014**

An LPM regression using the IPUMS ACS weighted database for the years 2005, 2008, 2011 and 2014 as published by the Guttmacher Institute. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to individuals with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Ln(# of Providers)* is the natural logarithm of the number of places per million residents that provided abortion services in each state. Regression: (1) looks at the entire population of women between the ages of 20 and 40 in the United States; (2) controls for marital status, ethnicity, log number of children, a dummy variable of whether the individual has children in household, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to men age 20 to 40 as a placebo group; (6) limits the sample to women above 40 as a second placebo group. Standard errors are clustered at the state×year level.

	Treated Group - Women 20-40				Placebo Group	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	No Controls	Controls	No Children	Children	Men 20-40	Women>40
Ln(# of Providers)	0.0109***	0.0119***	0.0148***	0.0104*	0.0129	0.00493
	(0.00385)	(0.00385)	(0.00449)	(0.00541)	(0.00802)	(0.00374)
Married		0.00641***	0.00448***	0.00959***	0.00398***	0.00933***
		(0.000605)	(0.000683)	(0.000972)	(0.00106)	(0.000490)
Minorities		-0.000512	-0.000586	-0.000875	-0.00672***	-0.000985
		(0.000520)	(0.000657)	(0.000834)	(0.000806)	(0.000658)
Ln(#Children+1)		0.00902***		0.00977***	0.0192***	0.0102***
		(0.00165)		(0.00176)	(0.00219)	(0.00164)
Has Children		-0.00721***			-0.00875***	-0.00659***
		(0.00163)			(0.00218)	(0.00155)
State GDP Growth		0.0225	-0.0314	0.0754	0.113*	-0.0847**
		(0.0327)	(0.0398)	(0.0566)	(0.0588)	(0.0360)
Personal Inc. Growth		-0.0326**	-0.0150	-0.0522*	-0.0287	0.00685
		(0.0153)	(0.0187)	(0.0300)	(0.0309)	(0.0229)
Frac. Republicans		-0.000543	-0.000919	-0.000284	-0.00333*	0.00106
		(0.00108)	(0.00153)	(0.00169)	(0.00191)	(0.00124)
Observations	493,378	490,463	258,368	232,095	380,608	802,017
R-squared	0.037	0.038	0.028	0.052	0.068	0.074
Controls	No	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.5: **Entrepreneurship and Pregnancies Receiving Late or No Prenatal Care - ACS 2001-2013**

An LPM regression using the IPUMS ACS weighted database between the years 2001 and 2013. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed, incorporated, and in a non-farm profession. The sample is restricted to individuals with college degrees to better differentiate between small business owners and growth-seeking entrepreneurs. *Late or No Prenatal Care* variable measures the percentage of women receiving prenatal care only during their third trimester or not receiving care at all. Data on prenatal care are collected from the U.S. Department of Health and Human Services, National Center for Health Statistics, the "Monthly Vital Statistics Report." The choice of years is due to the availability of this measure. Regression: (1) looks at the entire population of women between the ages of 20 and 40 in the United States; (2) controls for marital status, ethnicity, log number of children, a dummy variable of whether the individual has children in household, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (3) limits the sample to individuals with no children; (4) limits the sample to individuals with children; (5) limits the sample to men age 20 to 40 as a placebo group; (6) limits the sample to women above 40 as a second placebo group. Standard errors are clustered at the state×year level.

	Treated Group - Women 20-40				Placebo Group	
	(1)	(2)	(3)	(4)	(5)	(6)
VARIABLES	No Controls	Controls	No Children	Children	Men 20-40	Women>40
Late/No Prenatal Care	-0.0516**	-0.0529**	-0.0550**	-0.0654**	-0.0509	-0.0163
	(0.0220)	(0.0221)	(0.0240)	(0.0321)	(0.0418)	(0.0213)
Married		0.00611***	0.00451***	0.00868***	0.00611***	0.00836***
		(0.000441)	(0.000457)	(0.000809)	(0.000755)	(0.000362)
Minorities		-0.000402	-0.000244	-0.000863	-0.00730***	-0.00126**
		(0.000453)	(0.000529)	(0.000702)	(0.000759)	(0.000499)
Ln(#Children+1)		0.00661***		0.00756***	0.0204***	0.00798***
		(0.00120)		(0.00126)	(0.00176)	(0.00105)
Has Children		-0.00502***			-0.0117***	-0.00541***
		(0.00116)			(0.00189)	(0.00101)
State GDP Growth		0.000854	-0.0465	0.0529	0.0782	-0.0347
		(0.0272)	(0.0296)	(0.0435)	(0.0507)	(0.0283)
Personal Inc. Growth		0.0125	-0.00148	0.0294	-0.0141	0.00722
		(0.0133)	(0.0162)	(0.0241)	(0.0231)	(0.0157)
Frac. Republicans		-0.000247	-0.000159	-0.000724	0.00268*	-0.000209
		(0.00113)	(0.00101)	(0.00191)	(0.00149)	(0.00110)
Observations	827,399	820,767	433,391	387,376	645,102	1,288,349
R-squared	0.036	0.037	0.028	0.048	0.068	0.071
Controls	No	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.6: **Abortion Ratios, Number of Providers, and Prenatal Care Tested on Placebo Professions - ACS 2001-2016**

The table reports the coefficient of interest from a set of eighteen separate LPM regressions (Placebo Group) in which the left-hand side variable, *Entrepreneur*, was replaced by a set of various professions. Each coefficient is derived from a separate regression with a set of controls and state, year, age, and industry fixed effects. The regressions in the first row are equivalent to the one in column (2) Table I.1, the regressions in the second row are equivalent to the one in column (2) Table I.4 and the regressions in the third row are equivalent to the one in column (2) Table I.5. The original coefficients are reported in column (1) for comparison.

	Treated Group	Placebo Group					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLE	Entrepreneur	Banker	Lawyer	Architect	Physician	Engineer	Entertainer
Abortion Ratio	0.0118**	-0.00164	0.00679***	0.00123	0.000249	0.00178	0.000249
	(0.00565)	(0.00288)	(0.00246)	(0.00130)	(0.00299)	(0.00114)	(0.00299)
Ln(# of Providers)	0.0119***	0.0067	0.0114	-0.00686	0.0102	-0.00663	0.0102
	(0.00385)	(0.0140)	(0.0138)	(0.00766)	(0.0167)	(0.00498)	(0.0167)
Prenatal Care	-0.0529**	0.0618	-0.239	-0.0728	0.0450	0.00445	0.0450
	(0.0221)	(0.152)	(0.273)	(0.0515)	(0.137)	(0.0564)	(0.137)

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.7: **Difference-in-Differences Among Employed and Unemployed Individuals - CPS Data 1970-1980**

A difference-in-differences analysis around the January 1973 Roe v. Wade court decision. The weighted sub-sample consists of all employed, self-employed and unemployed, college graduate, individuals representing the same population in the United States. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed in a non-farm profession. Control states are states that legalized abortions in 1970: AK, CA, HI, NY, WA. Treated states are the rest of the states that legalized abortions following the court's decision in 1973. Control variables include marital status, ethnicity, and number of children. State level controls were dropped due to grouping of some of the states in the early 70's surveys. *Female X Treated X Post Roe* measures the marginal effect of the legalization of abortions on women in the seven years following the court's decision. Standard errors are clustered at the state level.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
VARIABLES	Base	Controls	Year FE	State FE	Age FE	Industry FE	All FE
Female x Treated x Post	0.0172***	0.0164***	0.0163***	0.0163***	0.0164***	0.0146***	0.0146***
	(0.00435)	(0.00433)	(0.00436)	(0.00435)	(0.00455)	(0.00376)	(0.00376)
Female x Treated	0.00331	0.00501	0.00504	0.00470	0.00482	0.00568	0.00525
	(0.0139)	(0.0138)	(0.0138)	(0.0138)	(0.0139)	(0.0110)	(0.0113)
Female x Post	-0.0148***	-0.0146***	-0.0146***	-0.0143***	-0.0146***	-0.0130***	-0.0120***
	(0.00249)	(0.00246)	(0.00249)	(0.00244)	(0.00287)	(0.00226)	(0.00219)
Treat x Post	-0.0126***	-0.0134***	-0.0131***	-0.0147***	-0.0132***	-0.00944***	-0.00861**
	(0.00399)	(0.00402)	(0.00388)	(0.00444)	(0.00377)	(0.00329)	(0.00351)
Female	-0.0384***	-0.0388***	-0.0388***	-0.0387***	-0.0353***	-0.0219**	-0.0208**
	(0.0133)	(0.0132)	(0.0132)	(0.0132)	(0.0132)	(0.00997)	(0.0101)
Treated	-0.00830	-0.0106	-0.0108		-0.00737	-0.00599	
	(0.0143)	(0.0140)	(0.0140)		(0.0137)	(0.0107)	
Post	0.0209***	0.0244***		0.0234***	0.0197***	0.0142***	
	(0.00142)	(0.00167)		(0.00172)	(0.00104)	(0.00131)	
Observations	97,017	97,017	97,017	97,017	97,017	97,017	97,017
R-squared	0.009	0.015	0.015	0.018	0.022	0.186	0.193
Controls	No	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	No	No	Yes	No	No	No	Yes
State FE	No	No	No	Yes	No	No	Yes
Age FE	No	No	No	No	Yes	No	Yes
Industry FE	No	No	No	No	No	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.8: **Dynamic Difference-in-Differences Among Employed and Unemployed Individuals - CPS Data 1968-1980**

A dynamic difference-in-differences analysis. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed and in a non-farm profession. The dummy variable *Treatment* turns into one in 1970 for: AK, CA, HI, NY, WA and in 1973 for the rest. The weighted target group consists of all fertile (ages 20 to 40), college graduate, women, the first placebo group consists of all college graduate men in the same age group and the second placebo group consists of all college graduate women above 40. Standard errors are clustered at the state level.

	Treated - Women 20-40		Placebo	
	(1)	(2)	(3)	(4)
VARIABLES	No Controls	Controls	Men 20-40	Women>40
Treatment	0.00675***	0.00616***	-0.00561	-0.00570
	(0.00213)	(0.00219)	(0.00337)	(0.00504)
Married		0.00385**	0.00214	0.000741
		(0.00160)	(0.00297)	(0.00310)
Minorities		-0.00895***	-0.00997**	-0.0107**
		(0.00261)	(0.00390)	(0.00471)
Ln(#Children+1)		0.00669	0.00736	0.0147**
		(0.00437)	(0.00527)	(0.00557)
Has Children		0.0110**	-0.0101	-0.0138**
		(0.00500)	(0.00628)	(0.00587)
Observations	47,906	47,906	61,863	33,372
R-squared	0.194	0.196	0.232	0.260
Controls	No	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.9: **TRAP Physical Plant/Personnel Requirements by Year Enacted**

The year each state enacted a TRAP physical plant/personnel requirements as reported on Medoff (2010).

State	Year Enacted
Alabama	2002
Arizona	1999
Arkansas	1999
Florida	1999
Illinois	1985
Indiana	2005
Kentucky	1998
Louisiana	2003
Michigan	1978
Mississippi	1991
Missouri	1987
North Carolina	1998
Oklahoma	1998
Pennsylvania	1999
South Carolina	1996
Tennessee	1989
Texas	1997
Utah	1981

Table I.10: **Dynamic Difference-in-Differences Among Employed and Unemployed Individuals - TRAP Laws - CPS Data 1977-2008**

A dynamic difference-in-differences analysis. The left-hand side variable, *Entrepreneur*, is a dummy variable receiving one when an individual is self-employed in a non-farm profession. The dummy variable *TRAP Law Treatment* turns into one once TRAP Laws are enacted in each state. The weighted target group consists of all fertile (ages 20 to 40), college graduate women, the first placebo group consists of all college graduate men in the same age group and the second placebo group consists of all college graduate women above 40. Standard errors are clustered at the state level.

	Treated - Women 20-40		Placebo	
	(1)	(2)	(3)	(4)
VARIABLES	No Controls	Controls	Men 20-40	Women>40
TRAP Law Treatment	-0.00351**	-0.00360**	0.00369	0.000628
	(0.00172)	(0.00176)	(0.00483)	(0.00225)
Married		0.0136***	0.00430**	0.0167***
		(0.00129)	(0.00194)	(0.00159)
Minorities		-0.00622**	-0.0121***	-0.00295*
		(0.00247)	(0.00245)	(0.00171)
Ln(#Children+1)		0.0176***	0.00785**	0.0119***
		(0.00268)	(0.00326)	(0.00418)
Has Children		-0.00259	-0.00282	-0.0108***
		(0.00290)	(0.00324)	(0.00347)
Observations	205,780	205,780	200,555	190,101
R-squared	0.231	0.233	0.191	0.342
Controls	No	Yes	Yes	Yes
state FE	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.11: **Entrepreneurship and Unweighted "Access Index" Among Employed and Unemployed Individuals with Gender Interaction - ACS Data 2006-2017**

A weighted least square regressions of a dummy variable equals to one when the individual is an entrepreneur against the interaction between a dummy variable equals one when the individual is a female multiplied by that year-state standardized "Access Index". *Access Index* monitors state legislation that improves or weakens access to reproductive care. Higher index means better access. The sample consists of all fertile (ages 20 to 40), college graduate, men and women. Regression (1) uses a sub-sample of employed individuals and no controls; (2) is the same as one on the entire population - employed, self-employed, and unemployed; (3) is the same regression as regression one but controls for marital status, ethnicity, number of children, state GDP growth, the state's annual personal income growth, and the fractions of Republicans in the Senate; (4) is the same as regression three on all, employed, self-employed and unemployed individuals. Standard errors are clustered at the state×year level.

	(1)	(2)	(3)	(4)
	Employed	All	Employed	All
VARIABLES	Only	Individuals	Only	Individuals
Female x Access Index	0.000745***	0.000807***	0.000703***	0.000767***
	(0.000271)	(0.000266)	(0.000272)	(0.000267)
Female	-0.0131***	-0.0131***	-0.0135***	-0.0137***
	(0.000285)	(0.000277)	(0.000290)	(0.000283)
Access Index	0.000849	0.000741	0.00107**	0.000954*
	(0.000525)	(0.000499)	(0.000536)	(0.000509)
Married			0.00672***	0.00662***
			(0.000307)	(0.000297)
Minorities			-0.00397***	-0.00328***
			(0.000284)	(0.000266)
Ln(#Children+1)			0.0127***	0.0106***
			(0.000845)	(0.000777)
Has Children			-0.00718***	-0.00547***
			(0.000823)	(0.000763)
State GDP Growth			-0.00276	-0.00255
			(0.0197)	(0.0189)
Personal Inc. Growth			-0.0189*	-0.0187*
			(0.0108)	(0.0103)
Frac. Republicans			-0.000337	-0.000325
			(0.000911)	(0.000872)
Observations	2,632,393	2,754,593	2,615,054	2,736,922
R-squared	0.047	0.048	0.049	0.049
Controls	No	No	Yes	Yes
Year FE	Yes	Yes	Yes	Yes
State FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.

Table I.12: **Entrepreneurship and Weighted "Access Index" Among Employed and Unemployed Individuals with Gender Interaction and State×Year Fixed Effects - ACS Data 2006-2017**

A weighted least square regressions of a dummy variable equals to one when the individual is an entrepreneur against the interaction between a dummy variable equals one when the individual is a female multiplied by that year-state standardized "Access Index". *Access Index* monitors state legislation that improves or weakens access to reproductive care. Higher index means better access. The sample consists of all fertile (ages 20 to 40), college graduate, men and women. Regression (1) uses a sub-sample of employed individuals and no controls; (2) is the same as one on the entire population - employed, self-employed, and unemployed; (3) is the same regression as regression one but controls for marital status, ethnicity, and number of children; (4) is the same as regression three on all, employed, self-employed and unemployed individuals. State×Year FE were added to the regression to absorb any unobserved outcome the changes in legislation might have had. Standard errors are clustered at the state×year level.

	(1)	(2)	(3)	(4)
VARIABLES	Employed Only	All Individuals	Employed Only	All Individuals
Female x Access Index	0.000966***	0.00103***	0.000926***	0.000996***
	(0.000283)	(0.000278)	(0.000284)	(0.000279)
Female	-0.0131***	-0.0131***	-0.0135***	-0.0137***
	(0.000288)	(0.000280)	(0.000292)	(0.000286)
Married			0.00672***	0.00663***
			(0.000306)	(0.000297)
Minorities			-0.00396***	-0.00328***
			(0.000284)	(0.000266)
Ln(#Children+1)			0.0127***	0.0106***
			(0.000846)	(0.000777)
Has Children			-0.00719***	-0.00548***
			(0.000824)	(0.000763)
Observations	2,632,393	2,754,593	2,615,054	2,736,922
R-squared	0.048	0.048	0.049	0.050
Controls	No	No	Yes	Yes
State×Year FE	Yes	Yes	Yes	Yes
Age FE	Yes	Yes	Yes	Yes
Industry FE	Yes	Yes	Yes	Yes

Standard errors in parenthesis, *** p<0.01, ** p<0.05, * p<0.1.