

CULTURE AND THE FAMILY

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WHY SHOULD ECONOMISTS CARE ABOUT THE FAMILY AND CULTURE?

- People are social animals – they live embedded in social fabrics and networks in which the family plays a central role
- The family is important to our understanding of economic outcomes both because:
 - It is the fundamental unit that organizes economic activity
 - It plays a key role in transmitting social beliefs
 - These beliefs matter to economic outcomes that affect development, welfare, and inequality
 - Main message: Differences in family institutions, cultural practices, and social beliefs need to be taken into account to understand how economies function and to formulate better policies
- Much of what I discuss here is summarized in my chapter with Natalie Bau, forthcoming in the *Handbook of Family Economics*.

DEFINITIONS

Family: “the smallest group of individuals who see themselves as connected to one another... Families tend to reside together and share economic opportunities and other rights and responsibilities...the function of families is to fulfill basic human needs such as providing for children, defining parental roles, regulating sexuality, and passing property and knowledge between generations.” (Brown et al. 2020)

Culture: “the customary beliefs, social forms, and material traits of a racial, religious, or social group” and as “the integrated pattern of human knowledge, belief, and behavior that depends upon the capacity for learning and transmitting knowledge to succeeding generations.” (Merriam Webster Dictionary)

FAMILY: INSTITUTION OR CULTURE?

We do not distinguish between the two in this context.

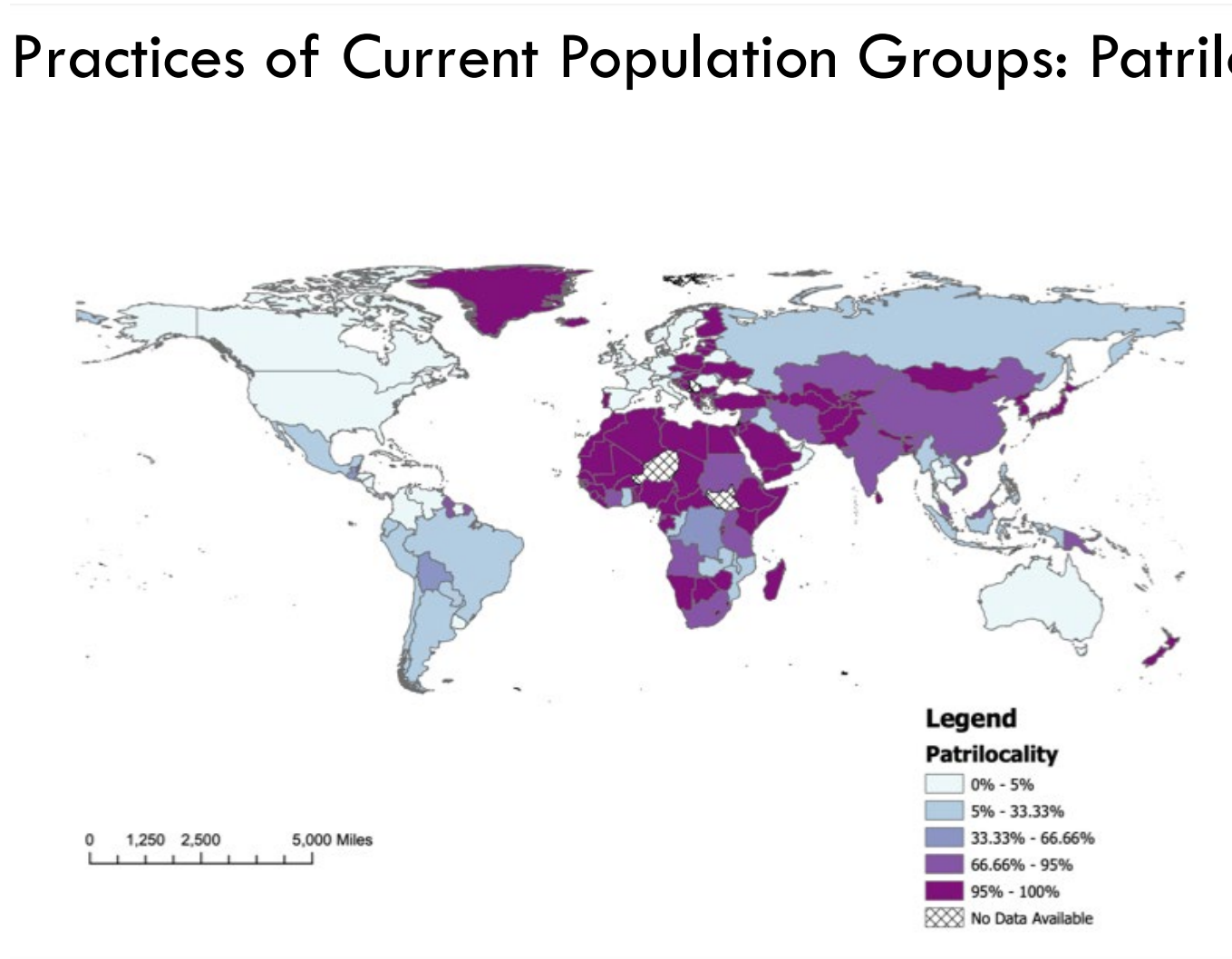
We think of the family as “a set of culturally transmitted norms that influence a broad range of social relationships by endowing individuals with sets of obligations and privileges with respect to their communities...[and that] by shaping patterns of marriage, residence, relatedness, and alliance formation,...organize interpersonal interactions and configure social networks in ways that profoundly influence social incentives and behavior.”

Schulz et al. (2019)

VARIATION IN FAMILY INSTITUTIONS

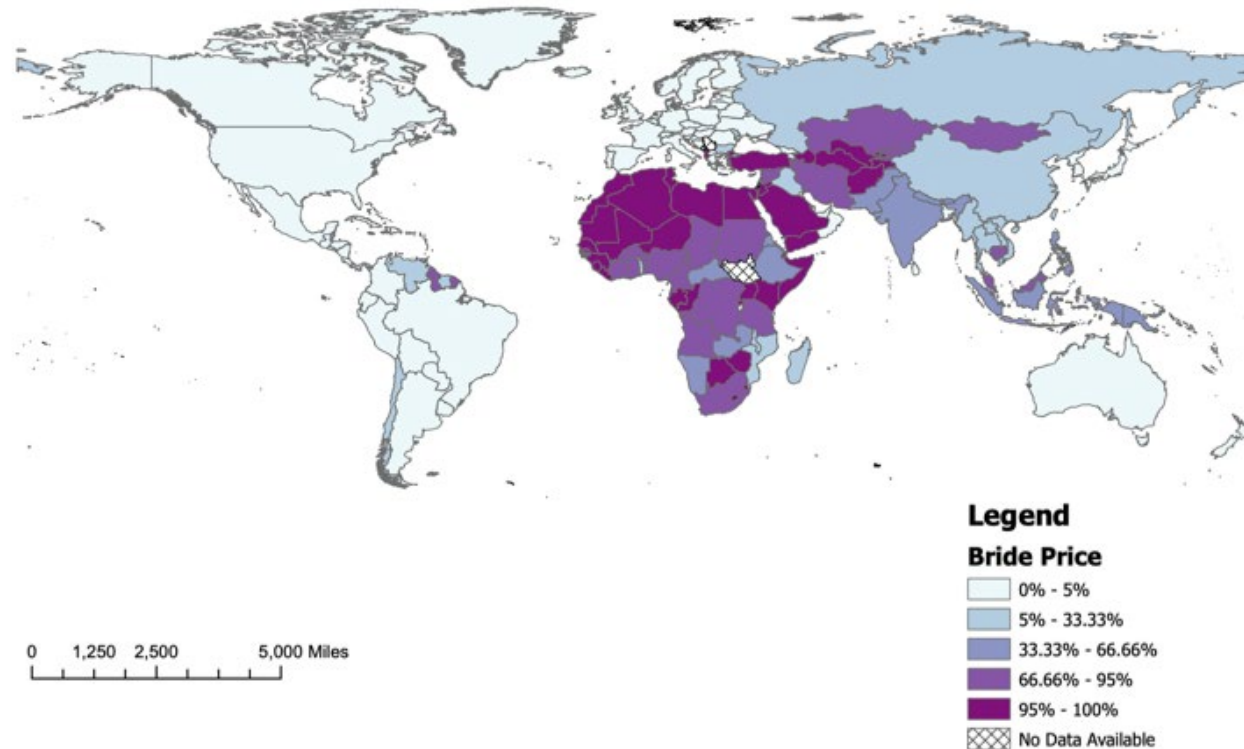
- Rich global variation in traditional family institutions/cultural practices that govern, e.g.,:
 - The form taken by social unions such as marriage
 - How these unions are legitimized
 - Who inherits
 - Who support parents in their old age
 - Who is considered a family member

Ancestral Family Practices of Current Population Groups: Patrilocality



Source: Ancestral Characteristics Database (Giuliano et al 2018). Countries where information is missing for more than 10% of the population are cross-hatched. From Bau and Fernández (2022)

Ancestral Family Practices of Current Population Groups: Bride Price



Source: Ancestral Characteristics Database (Giuliano et al 2018). Countries where information is missing for more than 10% of the population are cross-hatched. From Bau and Fernández (2022)

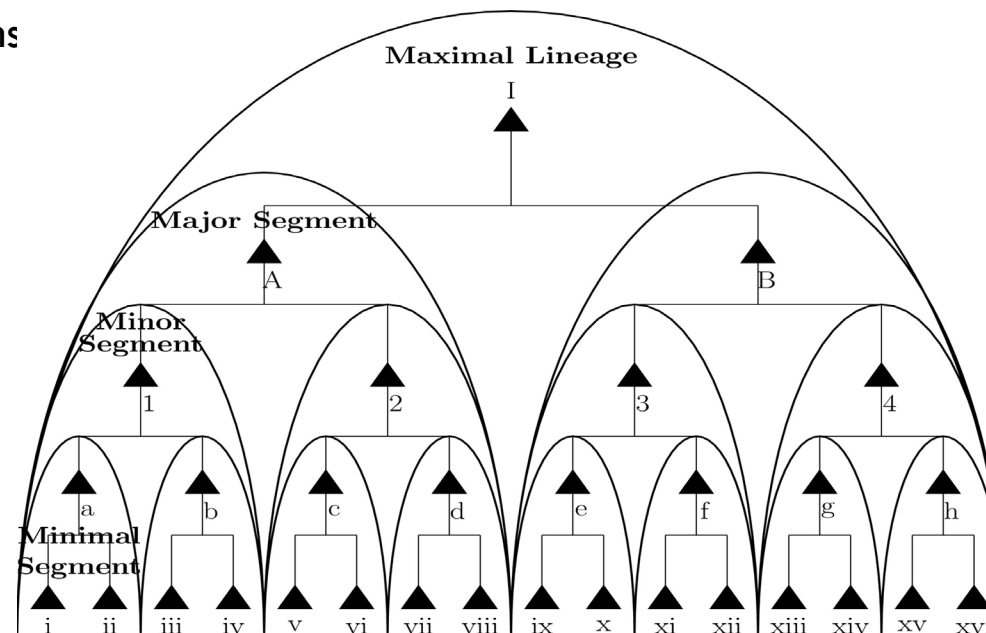


KINSHIP, CONFLICT, AND INCOME

KINSHIP INTENSITY: SEGMENTARY LINEAGE AND CONFLICT

MOSCONA, NUNN, & ROBINSON (2020)

- Segmentary lineage system:
 - Unilineal descent (either through father – patrilineal -- or through mother -- matrilineal)
 - Segments (subsets) of a full lineage function as autonomous groups which matter for political, judicial, and administrative functions



Source: Moscona et al.. (2020)

- In a segmentary lineage system, if individual i enters into conflict with ix, then all individuals in major segment A would be allied with i and those in B would ally with ix \Rightarrow Conflicts may be larger and longer.

Segmentary vs Non Segmentary Lineage and Conflict Events (ACLED 1997-2014)

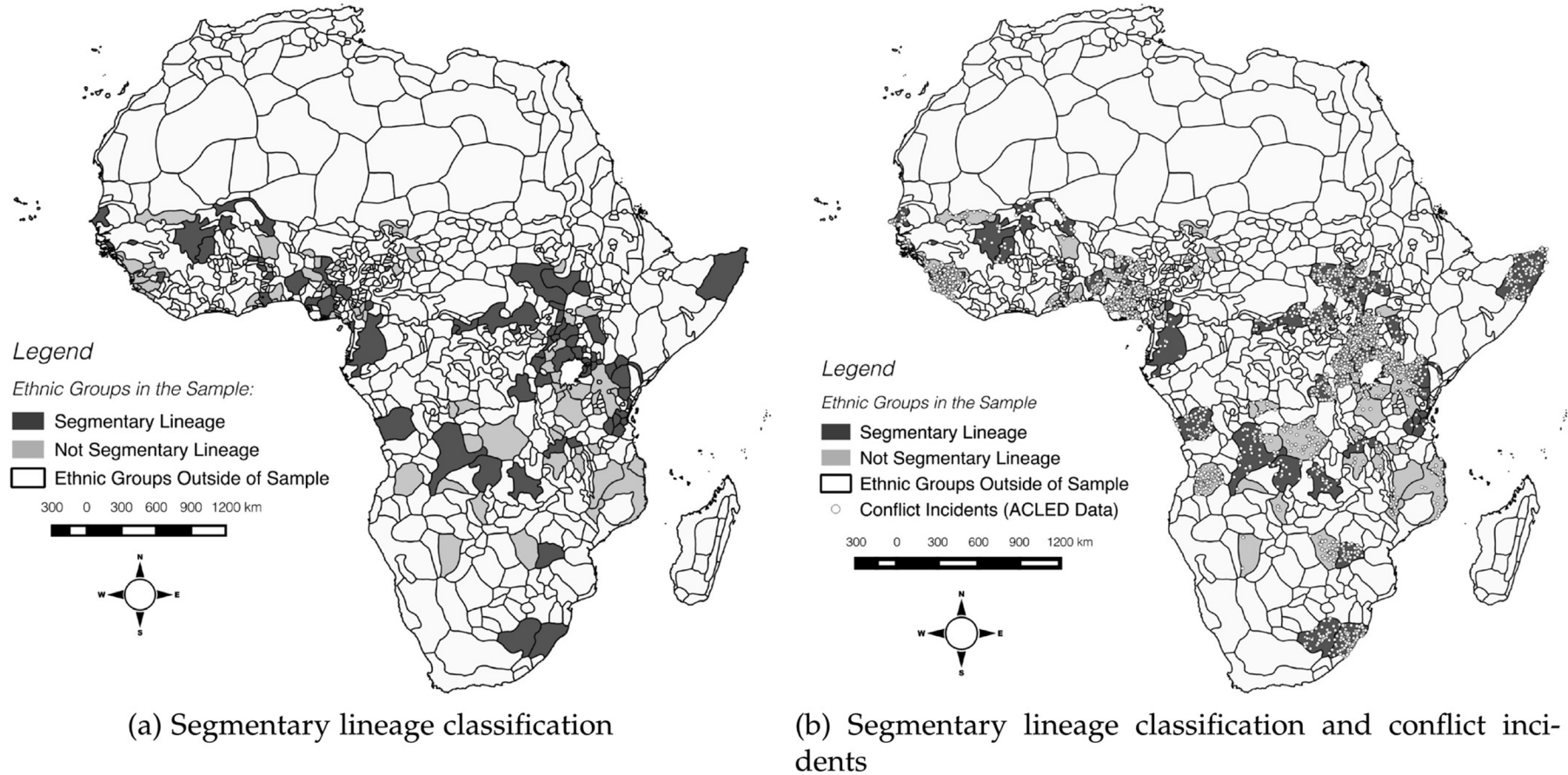


FIGURE 2.—Maps showing the boundaries of ethnic groups, the presence and absence of segmentary lineage organization, and, in (b), the location of conflict incidents that occur within the boundaries of the ethnic groups in our sample.

Partial Correlation Plots: Log # conflicts & Segmentary Lineage (Conditional on Co f.e, Geo & Historical Controls)

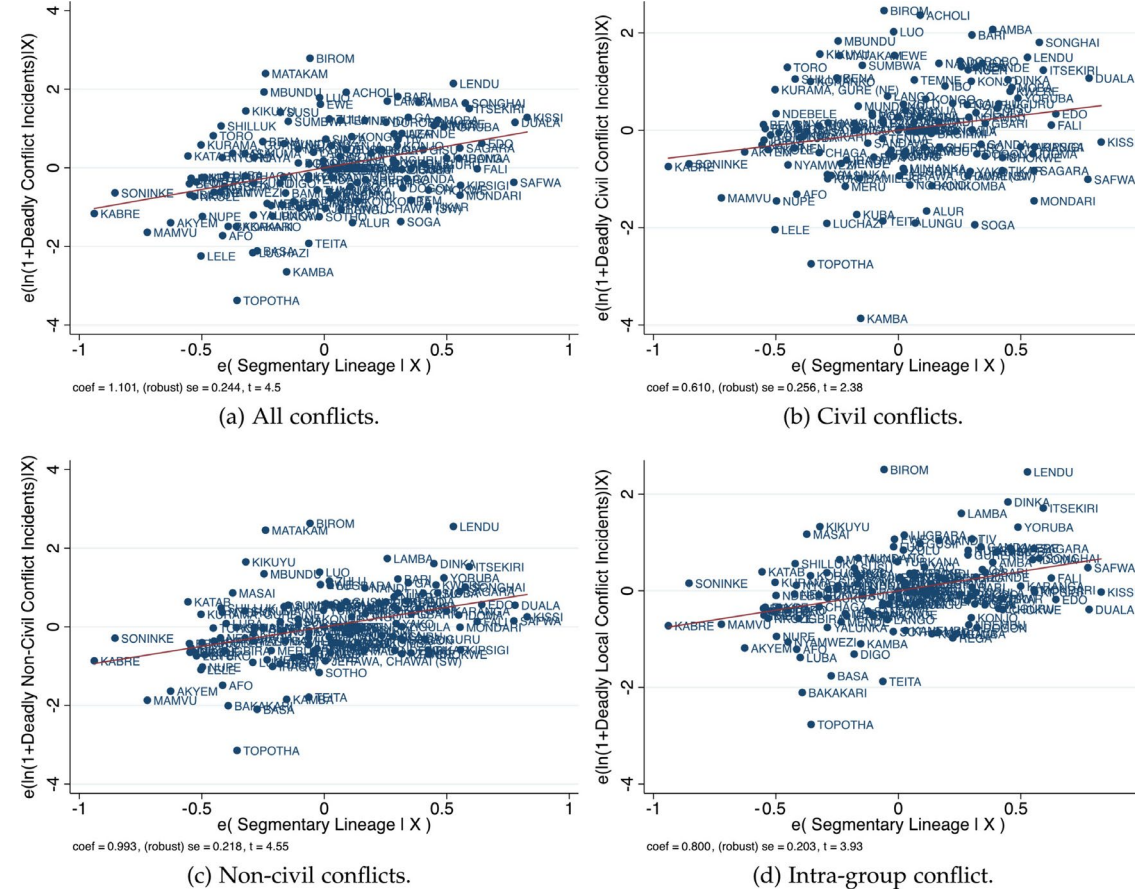


FIGURE 3.—Partial correlation plots where the dependent variable is the natural log of the number of conflict incidences of the reported conflict type. All specifications include country fixed effects, geographic covariates, and historical covariates.

BOUNDARY DISCONTINUITY: ADDRESSING DIRECTION OF CAUSALITY

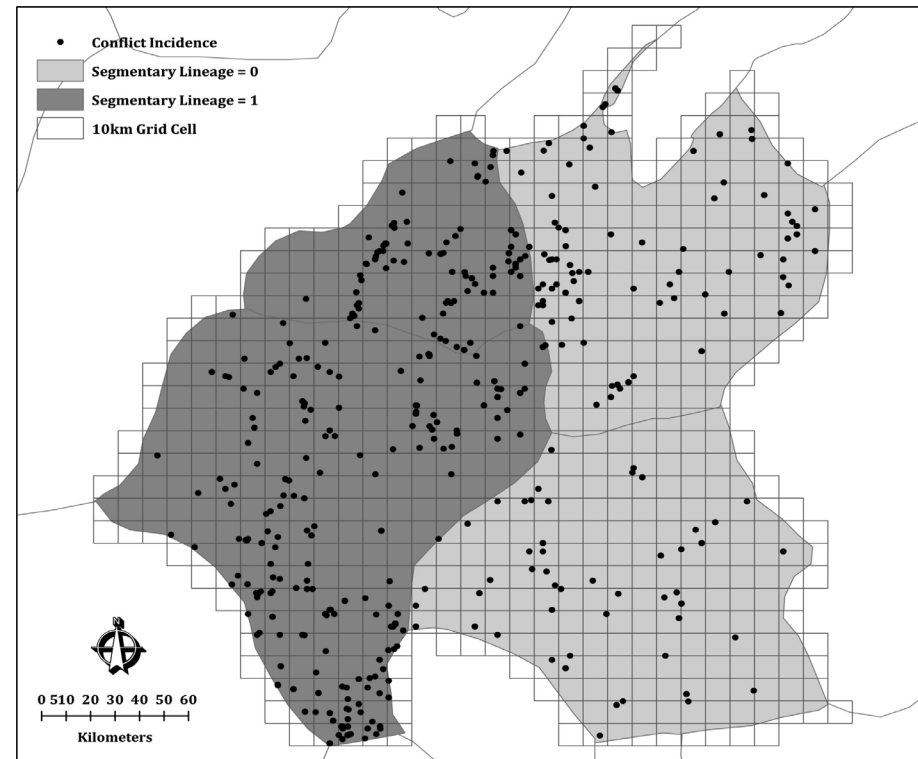


FIGURE 4.—An illustration of the RD setting: ethnicity pairs, deadly conflict incidents, and 10-km grid cells. The two segmentary lineage ethnic groups shown are Ambo (top) and Konjo (bottom), and the two nonsegmentary lineage groups shown are Toro (top) and Nkole (bottom) (all in western Uganda).

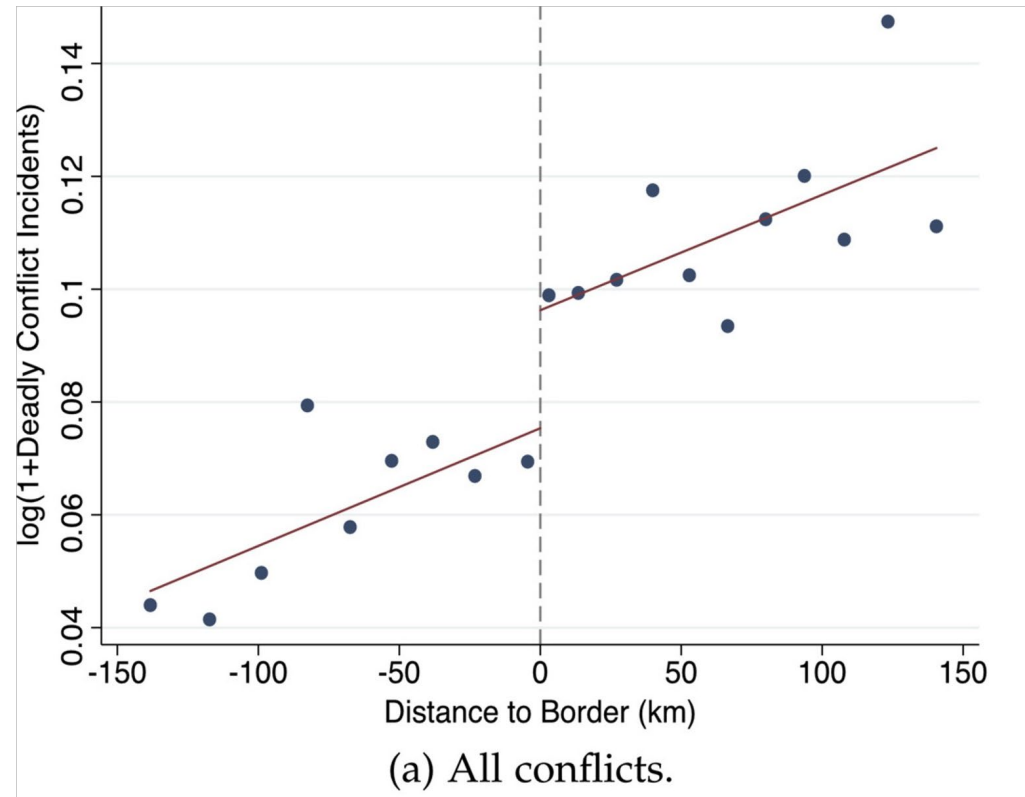


FIGURE 6.—Binned scatterplots (with 20 bins) of the unconditional relationship between conflict incidence and distance from the border. The y-axis reports the natural log of 1 plus the number of deadly conflict incidents for each of the four different types of conflict. The x-axis reports distance (in kilometers) from the borders between segmentary lineage and nonsegmentary lineage societies. The border is at kilometer 0, and positive values indicate kilometers in the territories of segmentary lineage societies.

KINSHIP INTENSITY/ COUSIN MARRIAGE

- The Western Church and individual psychology
- Correlation between cousin marriage and per capita GDP
- Causation: Banning of cousin marriages and individual outcomes

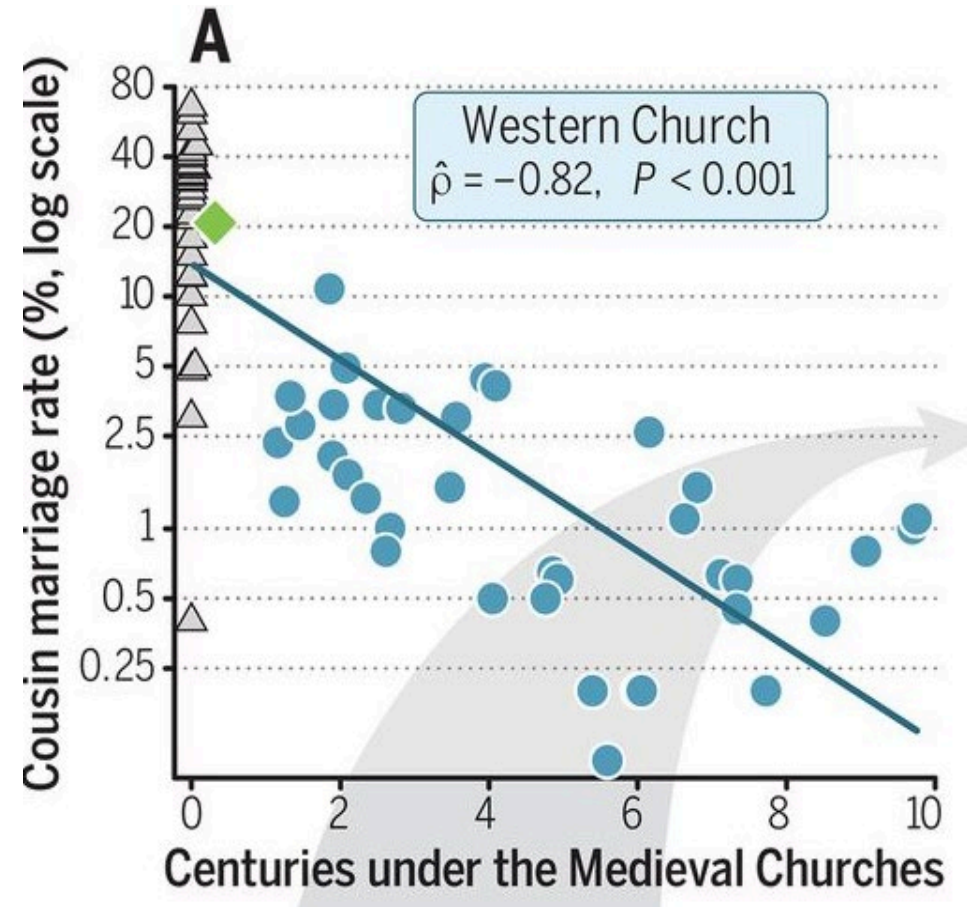
THE WESTERN CHURCH AND INDIVIDUAL PSYCHOLOGY

GOODY (1983), HENRICH, HEINE, & NORENZAYAN (2010), SCHULZ, BAHRAMI-RAD, BEAUCHAMP, & HENRICH (2019)

- Western Church:
 - Started with targeted bans on marriage practices used to sustain alliances between families but by early middle ages the Church banned marriages to even distant cousins
 - Promoted marriage by choice and encouraged new married couples to set up independent households
 - By 1500, much of Europe: weak kinship ties with monogamous nuclear households, bilateral descent, and neolocal residence
- Intensive kinship norms:
 - Reward greater conformity and in-group loyalty
 - Discourage independence, individualism, impersonal motivations for fairness/cooperation

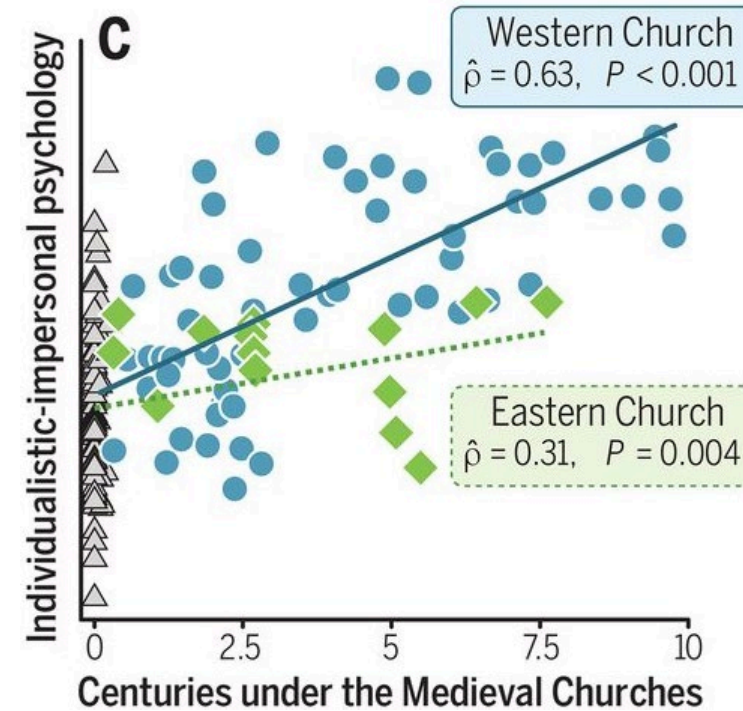
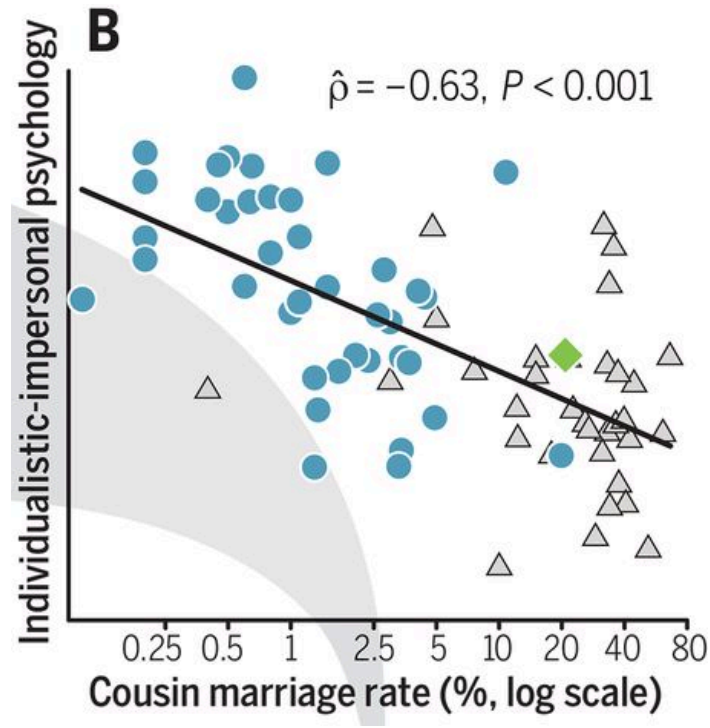
Cousin Marriage & the Church

Schulz et al. (2019)



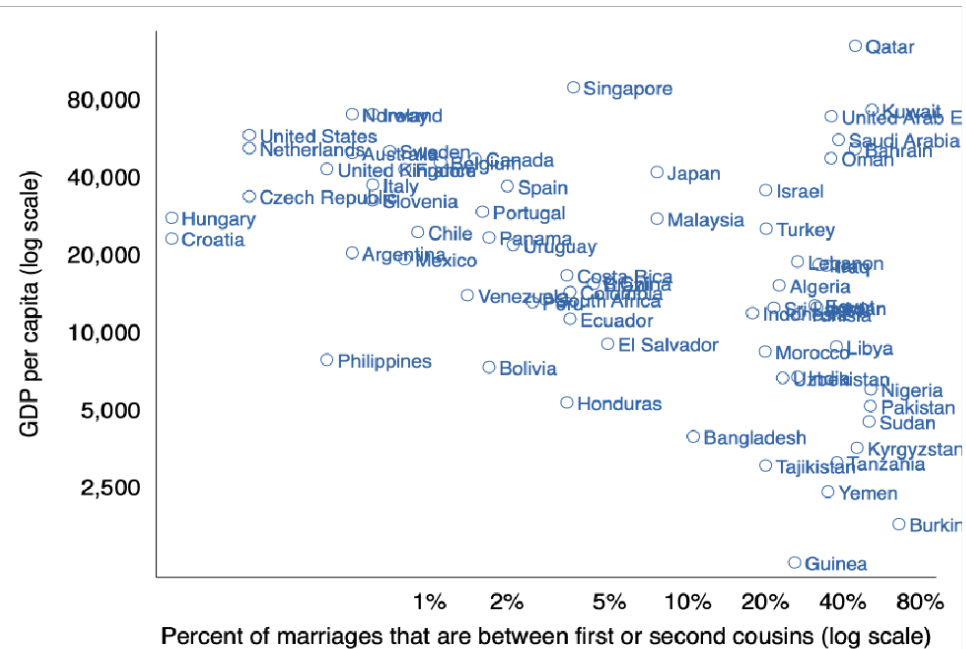
Source: Schulz et al. (2019)

Countries primarily exposed to: ● Western Church; ◆ Eastern church; ▲ no church exposure



Individualistic-impersonal psychological scale: proclivities towards individualism and independence, lower conformity and obedience, and cooperation and fairness with strangers.

CONSANGUINITY AND INCOME (CROSS-COUNTRY CORRELATION)



Notes: GDP per capita values are from the Penn World Table 2000, and are adjusted for purchasing power parity. Data on consanguineous marriages are from the Global Consanguinity Database (consang.net) by Alan H. Bittles, where first-cousin marriage is not reported separately. Both series are displayed on a log scale.

Source: Ghosh et al. (2022)

Why? Impediments to geographic mobility in a modernizing society may be key (e.g. Hoff and Sen (2006)).

COUSIN MARRIAGE BANS IN THE US

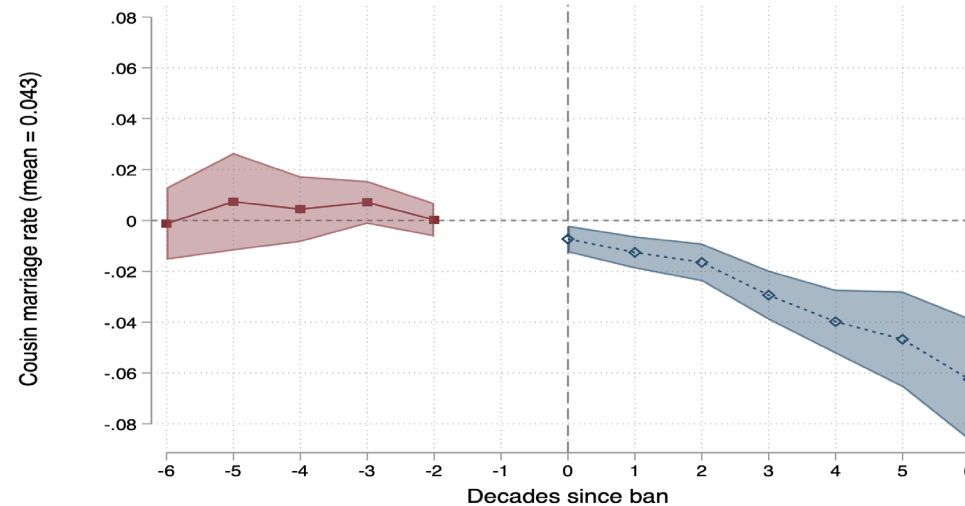
GHOSH, HWANG, & SQUIRES (2022)

- Large variation in timing across US states: starts with Kansas (1858), 8 states in the 1860s, 2 in 1870s, 2 in '80s, 2 in '90s, 6 in 1900s, 5 in 1910s, 6 thereafter.
- Variation in timing due to states entering the union and idiosyncratic activism
- Event study (Ghosh et al. (2022)): compare outcomes for men born in the same state and decade who have high cousin marriage surnames relative to those with low cousin marriage surnames (as measured 1750-1858) **before** vs **after** state ban

$$y_{ihstc} = \alpha_{st} + \alpha_{sh} + \alpha_c + \sum_{\substack{\tau=-6 \\ \tau \neq -1}}^6 \beta_{\tau} \text{HighCM}_h \times \mathbf{1}[K_{st} = \tau] + \epsilon_{ihstc}$$

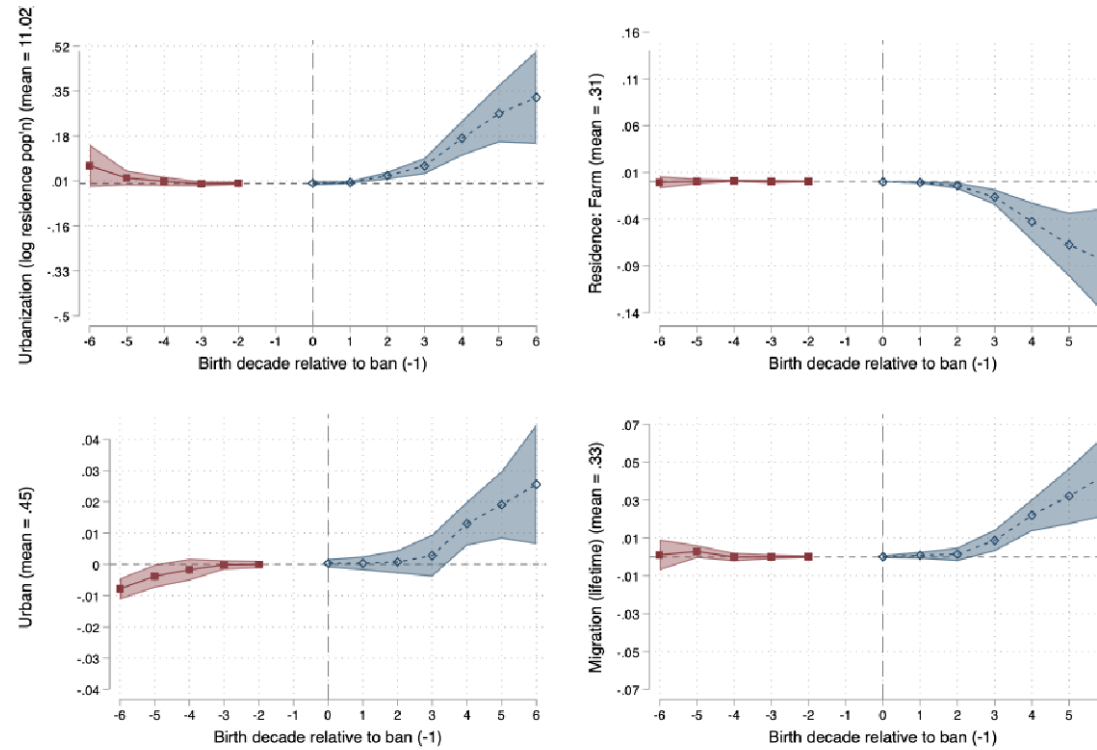
h =high cousin-marriage surname; s =state; t =decade of birth; c =census round

Outcomes: Impact of cousin bans on cousin marriage rates



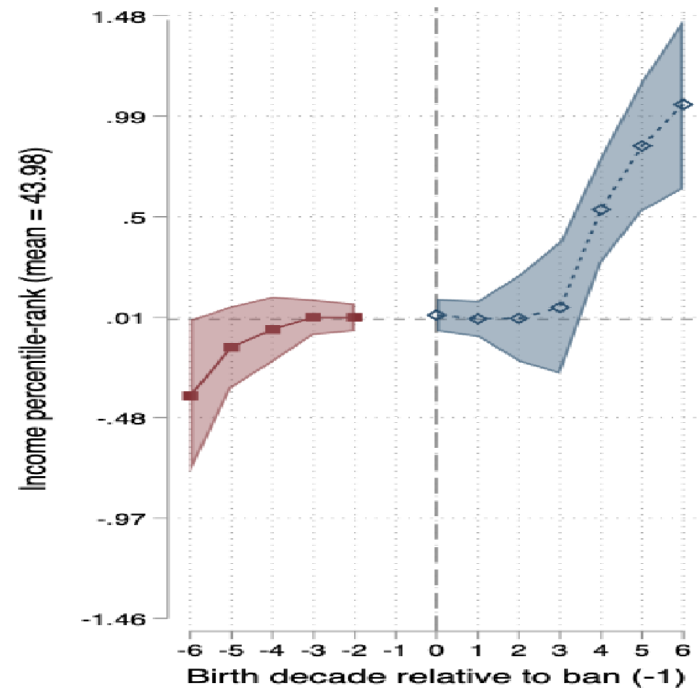
Note: The main regressors are relative time indicators (decades) denoting the birth decade of an individual relative to a cousin marriage ban in their birth state, interacted with a dummy denoting high pre-period cousin marriage. The specification includes *census year*, *birth state* \times *birth decade* and *birth state* \times *high-cousin-marriage-surname fixed effects*, whereby the coefficients should be interpreted as the differential effect of the bans on high versus low cousin marriage surnames

Outcomes: Impact of cousin marriage bans on urbanization/mobility



Note: The main regressors are relative time indicators (decades) denoting the birth decade of an individual relative to a cousin marriage ban in their birth state, interacted with a dummy denoting high pre-period cousin marriage. The specification includes *census year*, *birth state* \times *birth decade* and *birth state* \times *high-cousin-marriage-surname* fixed effects, whereby the coefficients should be interpreted as the differential effect of the bans on high versus low cousin marriage surnames

Outcomes: Impact of cousin marriage bans on income



Note: The main regressors are relative time indicators (decades) denoting the birth decade of an individual relative to a cousin marriage ban in their birth state, interacted with a dummy denoting high pre-period cousin marriage. The specification includes *census year*, *birth state* \times *birth decade* and *birth state* \times *high-cousin-marriage-surname* fixed effects, whereby the coefficients should be interpreted as the differential effect of the bans on high versus low cousin marriage surnames



THE FAMILY'S CULTURAL BELIEFS AND PRACTICES

THE FAMILY AND CULTURAL BELIEFS: THE EPIDEMIOLOGICAL APPROACH

FERNÁNDEZ (2008)

- Much of the research in this area has used what I have called the “epidemiological approach” which exploits the transportability of cultural beliefs to other institutional & economic environments to isolate the influence of culture (Fernández 2008)
 - Study (usually) second-generation natives (i.e., those who were born in the country of residence but whose parents were born elsewhere)
 - Who live in the same city/town
 - To control for unobserved parental differences, have similar education levels
- These individuals face the same set of institutions, but their choices may differ in a systematic fashion because their parents transmitted different cultural beliefs by country of origin.

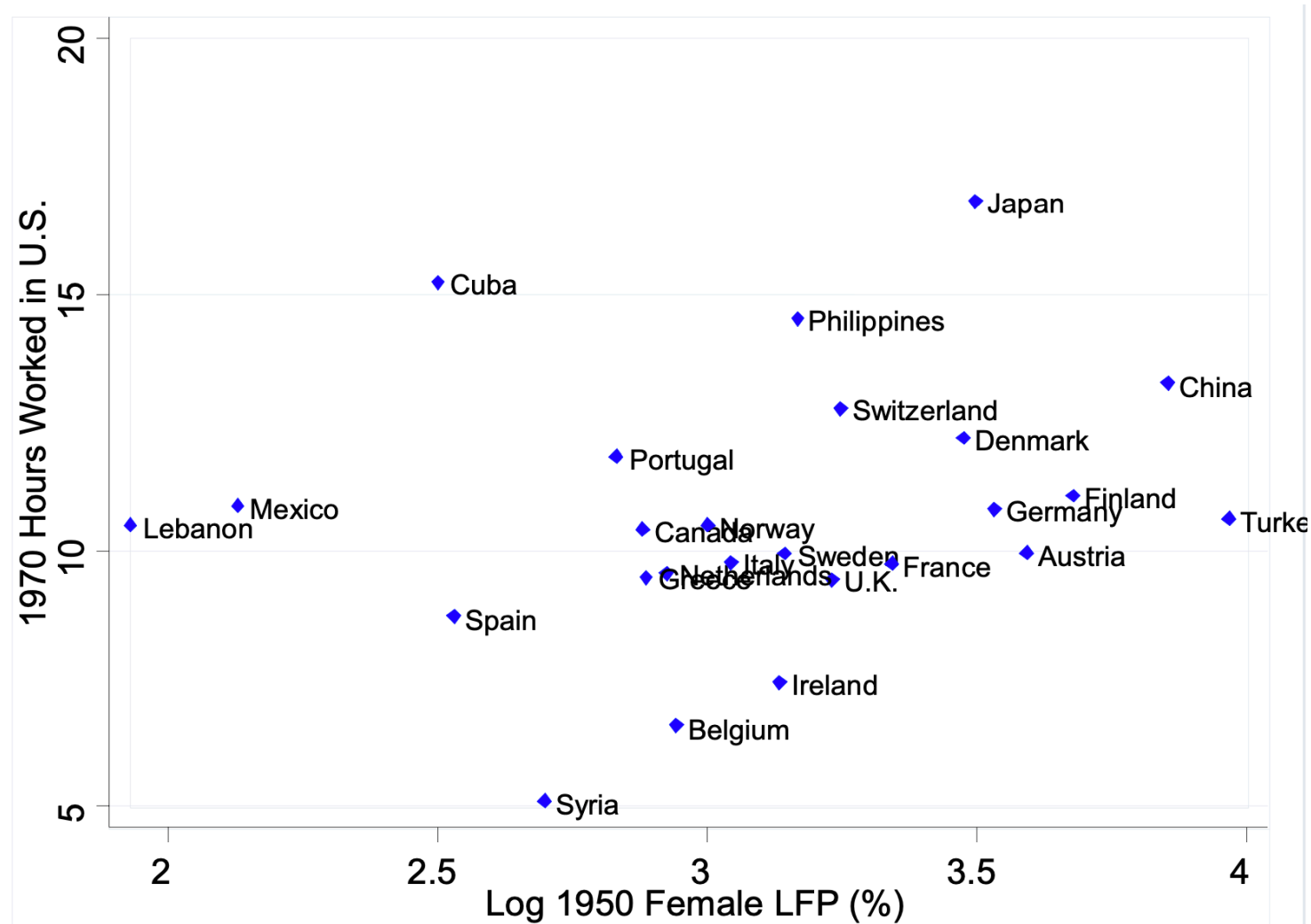


The epidemiological approach has been used to study many outcomes, e.g.:

- Married women's labor force participation and fertility

Fernández (2007), Fernández and Fogli (2006, 2009), Alesina, Giuliano, & Nunn (2013)

Married Women's LFP in 1970 US by Parent's Country of Birth





The epidemiological approach has been used to study many outcomes, e.g.:

- Married women's labor force participation and fertility

Fernández (2007), Fernández and Fogli (2006, 2009), Alesina, Giuliano, & Nunn (2013)

- Gender gaps in math scores

Nollenberger, Rodríguez-Planas, & Sevilla (2016), Dossi, Figlio, Giuliano, & Sapienza (2021)

- Incidence of intimate partner violence

Gonzalez and Rodríguez-Planas (2020)

- Son preference and sex-selective abortions

Almond, Edlund, & Milligan (2013)

- Tradition of matrilocality and patrilocality

Bau (2021)

- Psychological characteristics (e.g., individualism, conformity, fairness and trust towards strangers) associated with the degree of kinship tightness

Schulz, Bahrami-Rad, Beauchamp, & Henrich (2019)

CULTURAL PRACTICE: MARRIAGE PAYMENTS

- Payments at the time of marriage were common throughout the world and can typically be classified as dowry or bride price
 - Bride price payments are widespread in Sub-Saharan Africa
 - Dowry is still widely practiced in South Asia, and particularly India, where it serves at least partially as a groom price (appropriated in part by groom and/or his family).
- In modern contexts, both dowry and bride price can be thought of as marriage-market clearing transfers
- Shocks such as technological change, environmental changes, policy changes, or new knowledge/information can have very different effects depending on family institutions/cultural practices and the social beliefs they transmit

BRIDE PRICE AND HUMAN CAPITAL INVESTMENTS

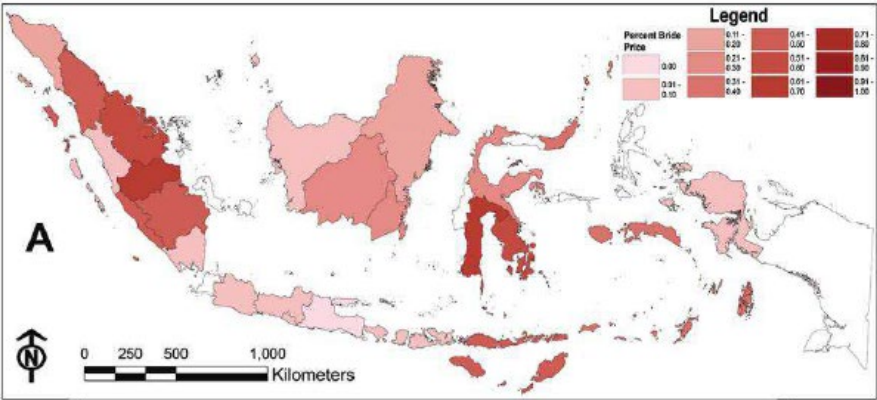
ASHRAF, BAU, NUNN, & VOENA (2020)

Ashraf et al. study how bride price affects education and interacts with policy

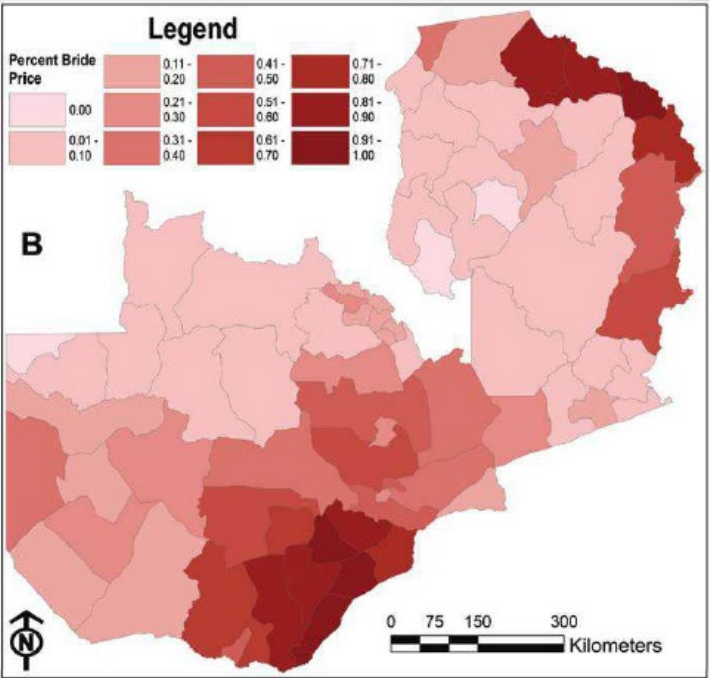
- A leading hypothesis for the particular family institutions/culture adopted by a social group is that it helps compensate for missing markets
- The authors investigate the idea that a bride price allows imperfectly altruistic parents to capture the marriage market returns to education
 - This incentivizes them to invest more in their daughters' education

Geographic Distribution of Bride Price Ancestry

Indonesia



Zambia



BRIDE PRICE AND HUMAN CAPITAL INVESTMENTS

- They study Indonesia and Zambia, distinguishing between individuals whose ethnic group practiced bride price and those that did not (no ethnic group used dowry)
- In both countries, girls receive more education if they come from bride-price ethnicities (they attempt to rule out alternative explanations)
- In both countries, girls with more education receive higher bride prices

BRIDE PRICE: SCHOOL CONSTRUCTION PROGRAMS

- The INPRES program in Indonesia (1973-1978) built a large number of primary schools
- Duflo (2001) studied this program, comparing across “treated” vs untreated cohorts in the same district and found a positive effect on boys education, especially in districts with more school construction
- Subsequent studies, however, did not find any effect on female education

BRIDE PRICE: SCHOOL CONSTRUCTION PROGRAMS

- Ashraf et al. revisit this setting but now distinguish among ethnic groups with a bride-price tradition and those without
 - Comparing again treated vs untreated cohorts within the same district: ethnic groups with bride price tradition increased girls' rate of primary school completion; other groups did not
- Similar school expansion program in Zambia (1994-2007). Comparing across districts with different numbers of schools (per area):
 - No effect of being in a district with more schools for girls in general
 - Distinguishing (at the district level) between girls from ethnic groups with/without a bride price tradition, districts with more schools saw increases in schooling for girls from bride price tradition

SON PREFERENCE, DOWRY, AND GOLD PRICE SHOCKS

BHALOTRA, CHAKRAVARTY, & GULESCI (2020)

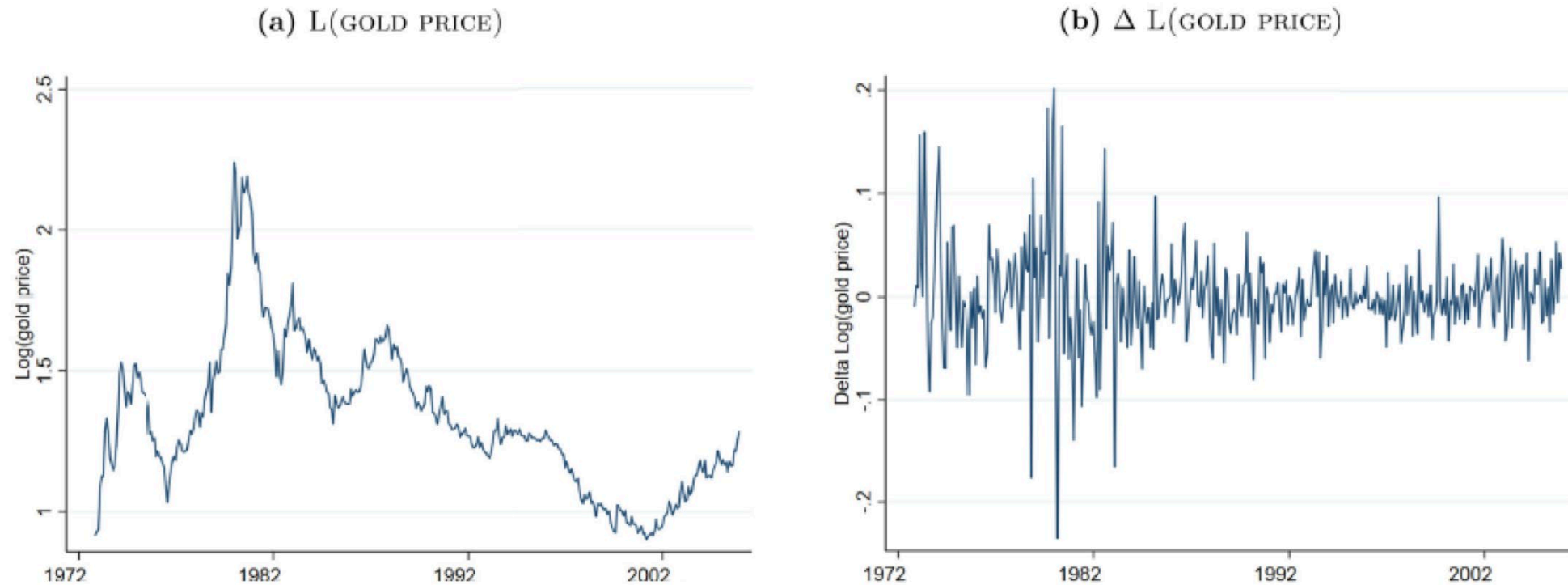
- Historically, dowry was primarily a bequest of parental property to the bride
- Dowry has disappeared in most of the world but persists in contemporary India despite being prohibited since 1961 (and becoming more common in Bangladesh, Pakistan, and Sri Lanka)
- Nowadays dowries are often appropriated by groom and his family (Anderson and Bidner, 2015)
- In India, dowries are large (often 4-8 times annual household income) and gold is an important component of them; 70-90% of households give dowry and 95% of these report giving gold
- Families start to save for dowry upon birth of a girl

THE PRE AND POST NATAL CONSEQUENCES OF HIGHER GOLD PRICES


Bhalotra et al. study the negative effects of the interaction of a dowry tradition and gold price increases

- **Main idea:** an increase in the price of gold makes daughters more expensive and sons maybe less so, potentially leading parents to want fewer girls
 - Note: this statement requires the amount of gold (silver as well) not to adjust completely when the price of gold changes so as to keep the dowry value constant
 - The authors provide evidence that there is rather little adjustment: the dowry's value increases by 80% of the percentage price increase of gold
- The price of gold is determined on a world market; it is highly variable and follows a random walk

Gold Prices



Notes: Figure A plots the log of monthly real gold price in the world market in USD between 1950-2005, deflated using the U.S.A. cpi values. Figure B shows the change in the log of monthly real gold price in the world market between 1950-2005.

- 
- They study the outcomes of *2nd born children*
 - There is evidence that families desire one girl (and there is potentially greater selection in unobservable family characteristics when families have more than 2 kids)
 - Importantly, they differentiate outcomes across two periods: 1972-1985 and 1985-2005 (ultrasound allows prenatal sex selection)

EVIDENCE ON MECHANISM

Controlling for a large set of variables (caste, price of oil, price of rice, rainfall, state, year and birth month fixed effects, sex of first child), they show that *increases in the price of gold are associated with:*

- Pre ultrasound period: higher neonatal mortality for girls (increase in price of gold in first month of birth)
- Post ultrasound period: no effect on neonatal mortality but instead lower probability of a newborn being a girl (i.e., sex ratio becomes more skewed towards boys – selective abortion)

GOLD PRICE SHOCKS

- Further evidence regarding the mechanism:
 - Differentiating between those families with first born boy relative to first born girl, the results are driven by those with girls
 - Differentiating between Hindu households and those of other religions (Muslim and Christian – both have weaker tradition of dowry), the results are driven by Hindu households
 - Stature (of indivs aged 15-50 and pre-1985 data): higher gold prices (averaged through the birth year) is associated with women, but not men, being shorter.



CULTURAL CHANGE: POLICY AND ENVIRONMENTAL SHOCKS

CULTURAL CHANGE

Culture is not static nor are beliefs uniformly held. Why does culture change?

- In response to shocks (e.g., technology, environment, policy, knowledge), responding to changes in incentives
- In response to changes in the ability of others to monitor/punish transgressors changes (also changes incentives)
- It can also get “stuck” especially if changing requires coordination or creates losers and winners

CULTURAL CHANGE: PENSION POLICY

BAU (2021)

- Studies the effect of the introduction of a pension plan in Indonesia (matrilocal and neolocal ethnic groups) and Ghana (patrilocal and neolocal ethnic groups)
- Matrilocal and patrilocal practices provide parents with care in their old age and give them an additional incentive to invest in the human capital of their children as they will reap some of the marriage market and labor market returns
- In Indonesia: daughters relative to sons in the same household are more likely to be enrolled in school in matrilocal ethnic groups than daughters vs sons from neolocal ethnic groups
- Ghana: sons relative to daughters in the same household are more likely to be enrolled in school in patrilocal ethnic groups than sons from neolocal ethnic groups
- What happens when a pension plan is introduced?

PENSION PLANS: MATRILocal AND PATRILocal SOCIETIES

Main idea: A pension plan reduces the dependency of parents on their children which may affect parental investment in child

- Exploiting both cohort variation (daughters who would have been too old to receive more education) and different intensity of treatment (pension plan roll out) across districts (triple diff), they find for Indonesia:
 - Women's education fell in matrilocal relative to neolocal ethnic groups
 - There was no differential effect on males' education by ethnic group practices
- The pension plan affected culture!
 - The practice of matrilocality decreased more for those cohorts that were treated more intensely
- In Ghana the pension plan produced similar results but for men from patrilocal groups
 - These men's education decreased as did the practice of patrilocality

CULTURAL CHANGE: A SHOCK TO THE ENVIRONMENT

FERNÁNDEZ, PARSA, AND VIARENGO (2021)

“Is it wrong for same-sex adults to have sexual relations?”



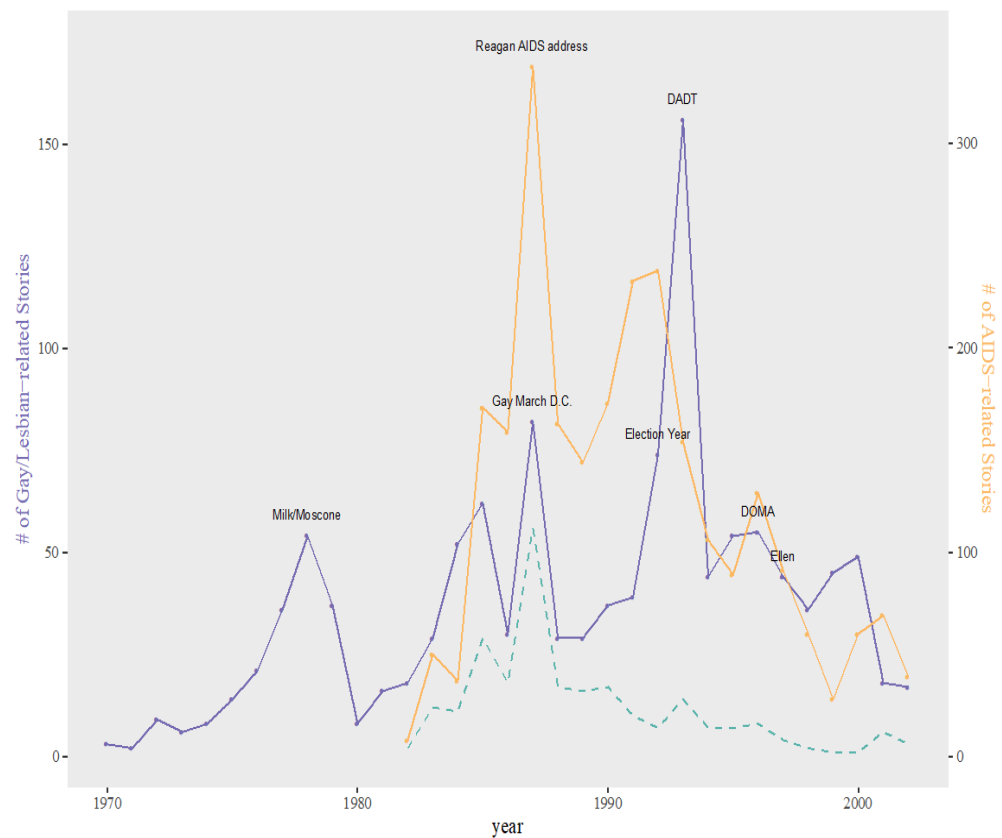
Share who answered “Never Wrong” or “Sometimes Wrong” to the question. Source: GSS.

Why Does Approval Jump in 1992-93?

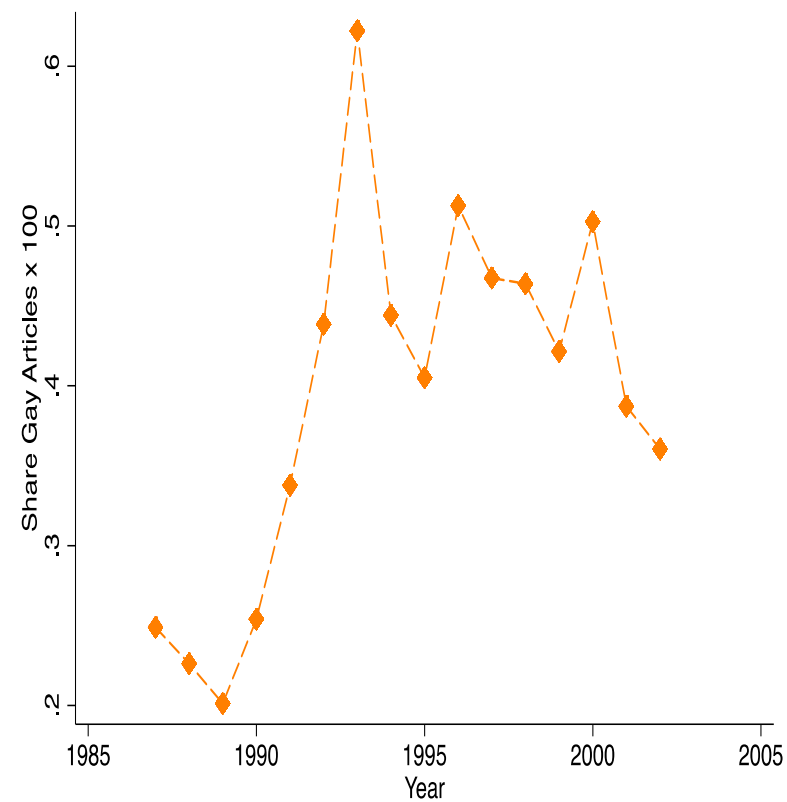
- 1981: Beginning of the AIDS epidemic
- AIDS did not increase approval of same-sex relationships (on the contrary), but it was a shock that organized gay individuals behind a common cause
- This eventually made them a potent political group that was ready to be courted
- This happened, at the national level, in the 1992 presidential election (George H.W. Bush vs Bill Clinton) where the Republican and Democrat parties took explicitly opposing stands about gay people serving openly in the military
- This gave rise to a public debate and sustained public attention for the whole of 1993 while this issue was debated in Congress once Clinton became president.


THE MEDIA AND GAY-RELATED NEWS

TV: ABC, CBS, and NBC Evening News



Newspaper Articles



- 
- Fernández et al. hypothesize that the public debate and far greater salience of gay-related issues led people to reconsider their positions, initiating a process of cultural change and diffusion of different values over time
 - We argue that individuals from places (states/counties) with greater exposure to gay individuals and therefore to mobilization, gay friends/acquaintances, local news would be more affected by the national debate (either salience or contact theory)
 - Exposure measured by cumulative HIV cases in 1992 or by the proportion of households in the 1990 Census with a (same sex) partner
 - We show that that individuals from places greater exposure increased their approval significantly more over the '90s (relative to the '70s) than did places with low exposure
 - We control for age, income, size of city/town, sex, race, education, state/county fixed effect, etc.
 - This is an example of how incentives for people to come out/mobilize/organize ultimately led to cultural change

CONCLUDING REMARKS

- Social beliefs and family cultural traditions can matter tremendously to economic outcomes
 - Women's labor force participation, gender segregation in occupational choice, time spent with children
- The importance of culture and the family's essential role is often overlooked in economics
- Culture is not destiny, however. Beliefs change, often radically, in response to other changes
- Policy needs to take culture into account without becoming a slave to it