



Fertility Postponement, Economic Uncertainty, and the Increasing Income Prerequisites of Parenthood

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A puzzle

Postponement of parenthood

Uncertainty and income

- Diverse trends across countries

Have the economic prerequisites of parenthood increased over time?

Main effects

H1a: individuals who are more uncertain about their economic future are less likely to conceive a first child

H2a: individuals who earn a higher income are more likely to conceive a first child

Increasing economic prerequisites of parenthood

- A shift to (financially) intensive parenting (Hays 1996); increasing investments in children (Kornrich and Furstenberg 2013; Bandelj and Grigoryeva 2021)
- SDT and individualization (Beck and Beck-Gernsheim 2002; Lesthaeghe 2010)
- The gender revolution (Sweeney 2002; Esping-Andersen and Billari 2015; Goldscheider, et al. 2015)

Changes over time

H1b: the effect of perceptions of economic uncertainty on the probability to have a first child has become more strongly negative between the late 1990s and late 2010s

H2b: the effect of income on the probability to have a first child has become more strongly positive between the late 1990s and late 2010s

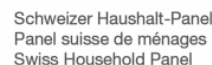
Data and sample selection

Comparative Panel File (Turek et al. 2021)

Harmonized household panel surveys from Australia, Germany, Russia, South Korea, Switzerland, the United Kingdom, and the United States

Observation starts between 1998 and 2005, ends in 2019/2020

Select childless respondents aged 18-45 who participated in the following two waves



Variables

First conception: first child born between wave t+1 and t+2

Economic uncertainty: perception of job insecurity

- Employed and secure, somewhat secure, or insecure
- Unemployed, inactive, in education
- Not available for the US

Income: total individual income from all sources

- Grouped into quartiles for each country and year

Controls: age, age², education level, interview year, length of observation period of births

Modelling strategy

Event history analysis with logistic regression

Model 1: main effects

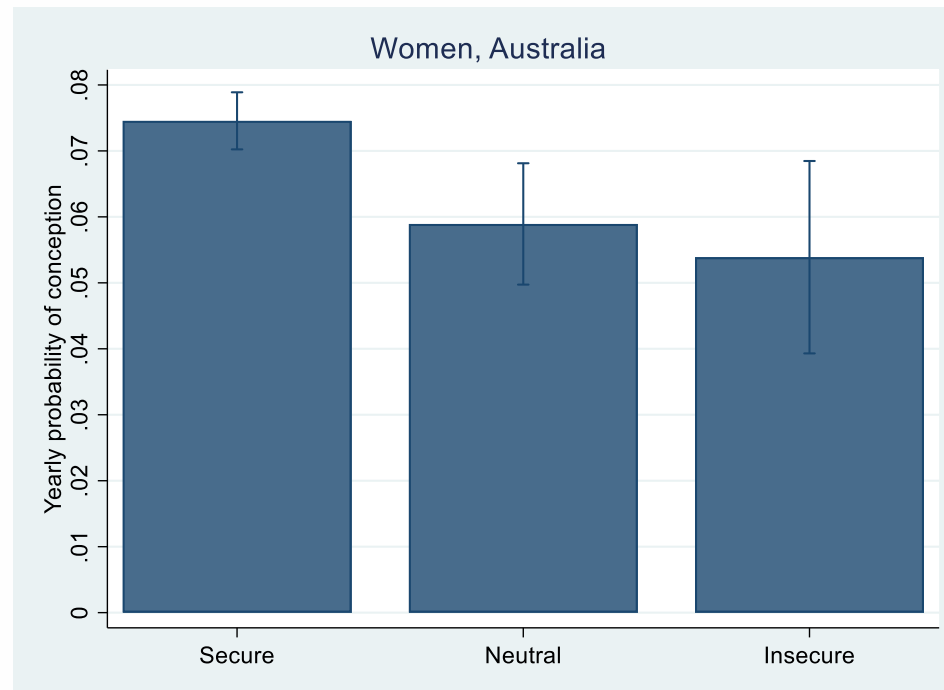
Model 2: + job insecurity*interview year (cont.); income quartiles*interview year

Separate models by country and gender

Results: economic uncertainty I

Mixed support for H1a:

- Job insecurity significantly decreases first birth rate for Korean men and Australian women
- Marginally significant or nonlinear effect for Australian men, Swiss men, UK women (BHPS), and UK men (UKHLS)
- But no effects for the other countries and sexes



Results: economic uncertainty II

No support for H1b: effect of economic uncertainty on first birth rate did not become more strongly negative between late 1990s and late 2010s

Results: income I

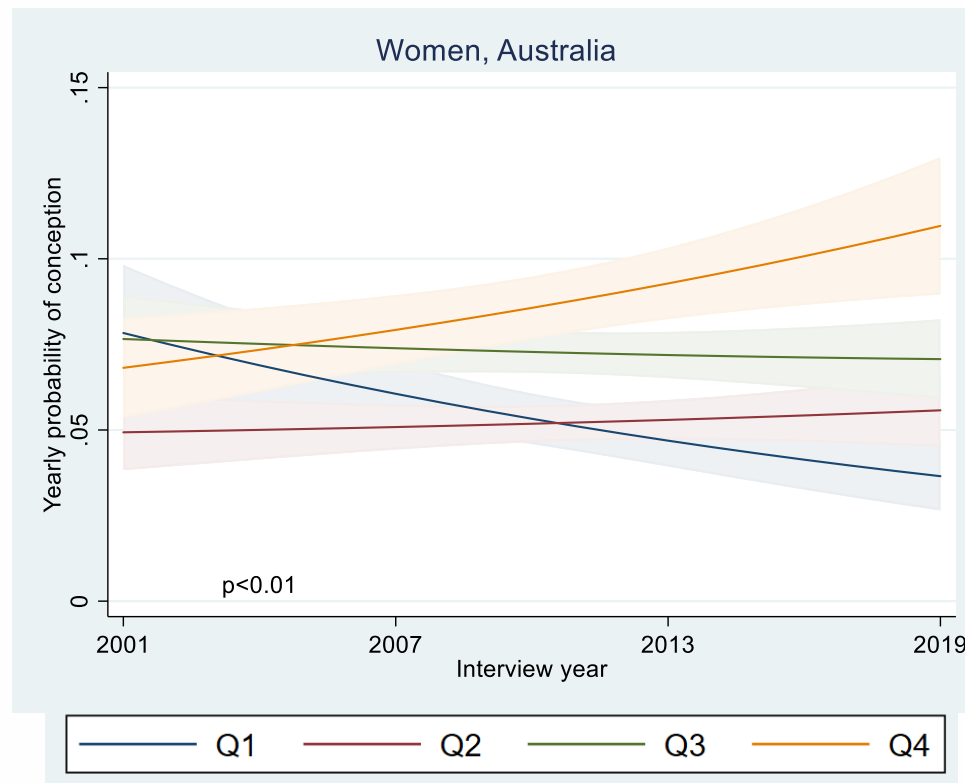
Strong support for H2a: income increases first birth rate among men and women in Australia, Germany, Korea, the UK, and the US

- But not significant in Russia and Switzerland

Results: income I

Strong support for H2b: income effects have become more strongly positive between late 1990s and late 2010s

- Most consistent for women, but also found for men in Australia, Germany, and the UK



Conclusion

Perceived economic uncertainty contributes little to the postponement of parenthood over the past two decades

Income prerequisites of parenthood increased over the past decades

- Explanation for macro-level postponement
- Consequences for social stratification

Future research

Operationalization of “economic uncertainty”

- Expected hardships or unknown probabilities?

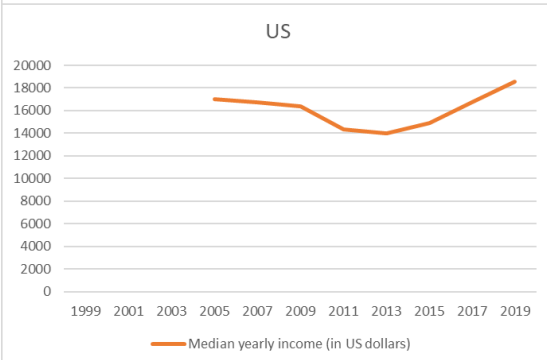
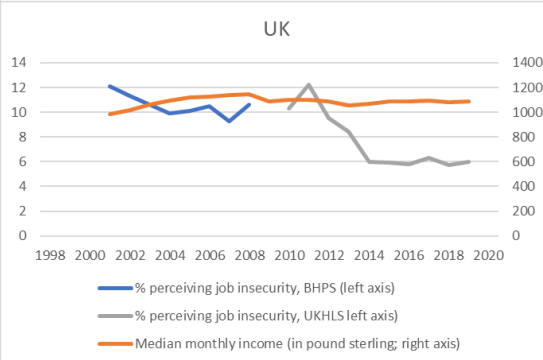
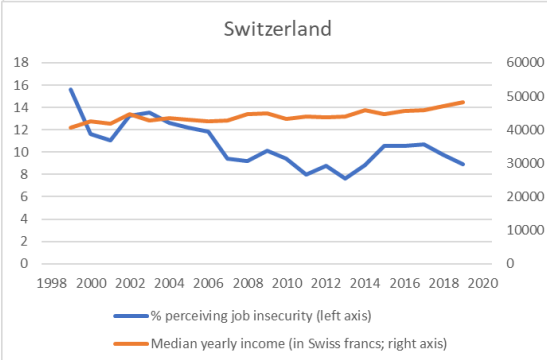
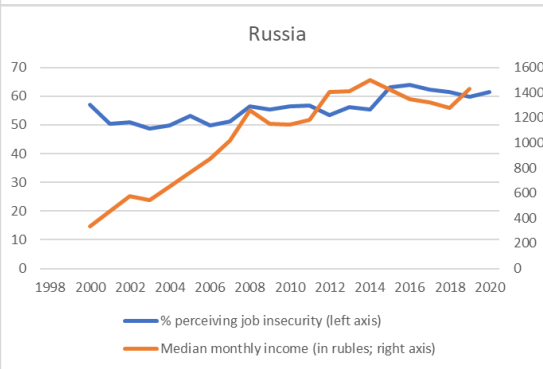
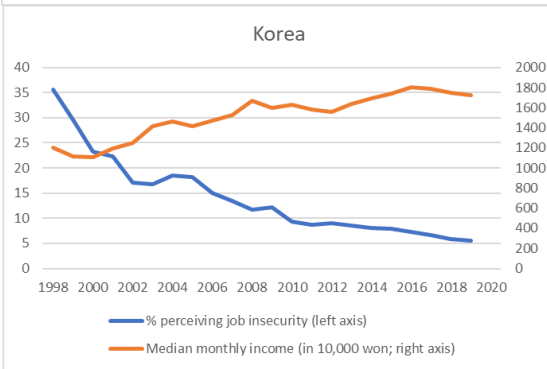
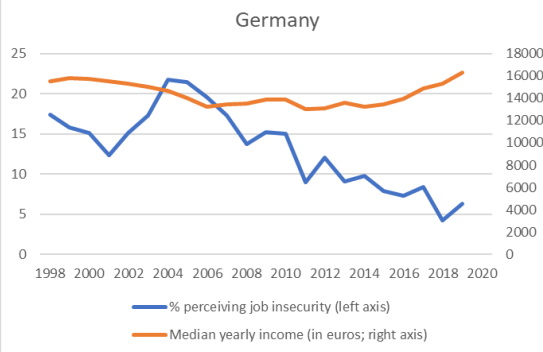
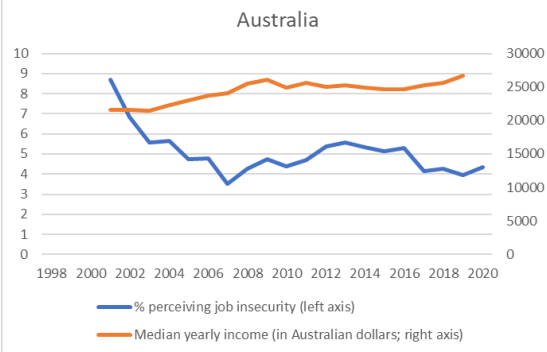
Mechanisms behind the strengthening link between income and parenthood

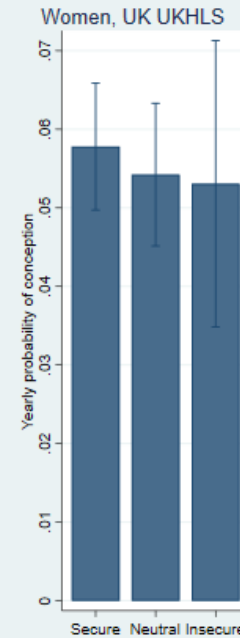
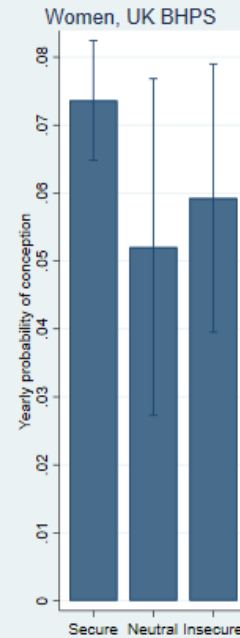
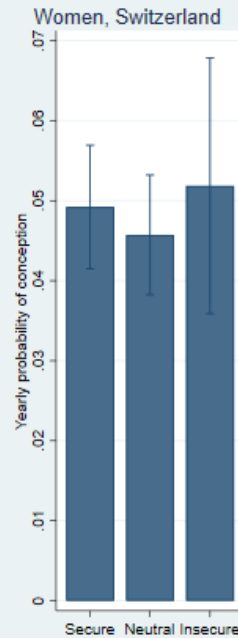
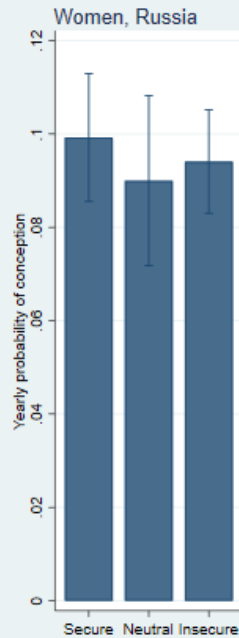
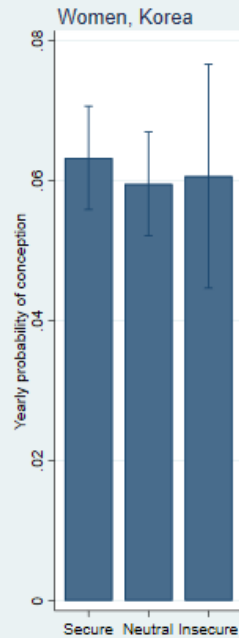
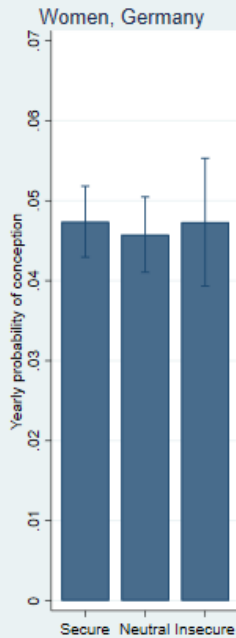
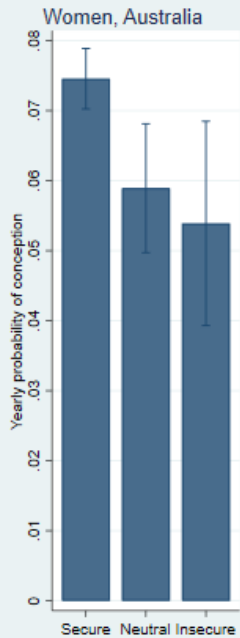
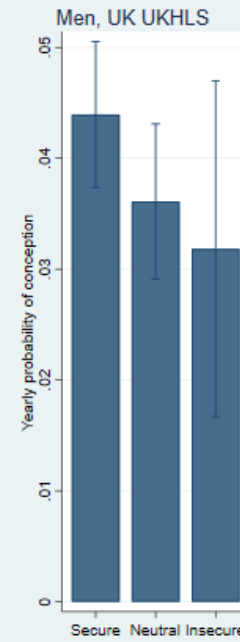
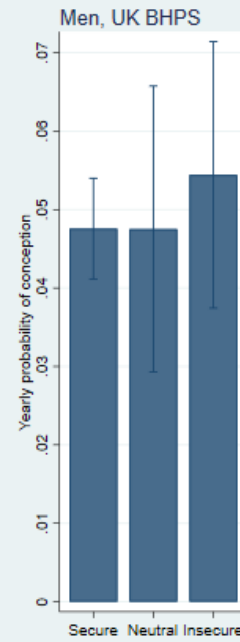
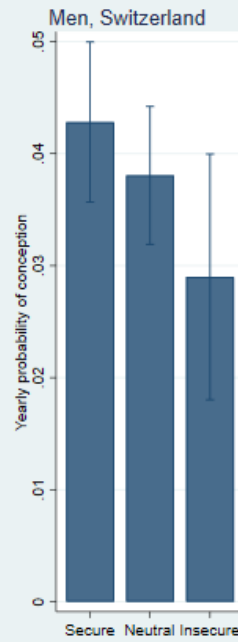
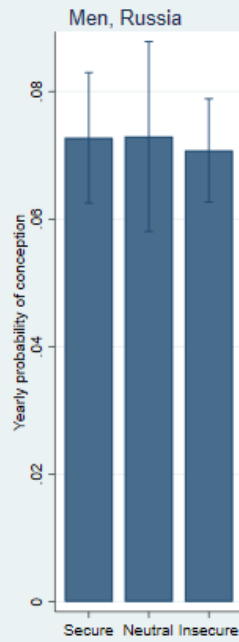
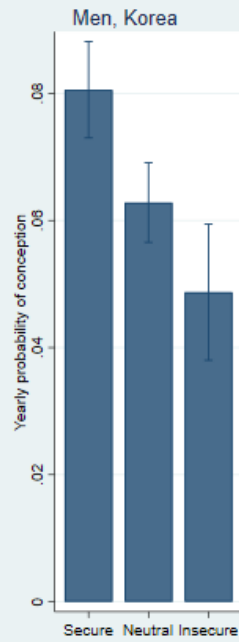
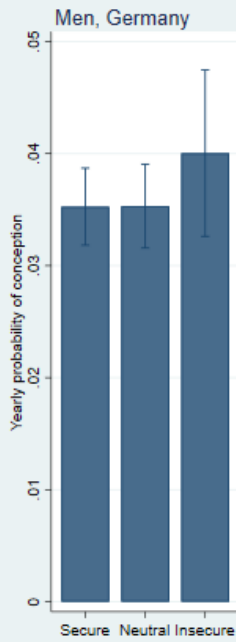
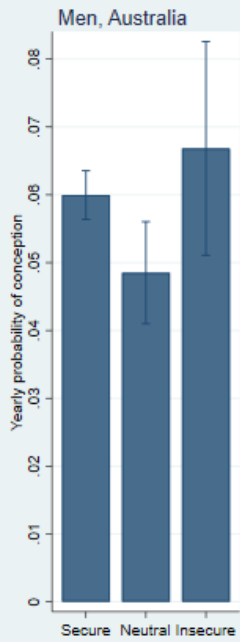
- Role of perceived prerequisites, housing and childrearing costs, union formation and stability

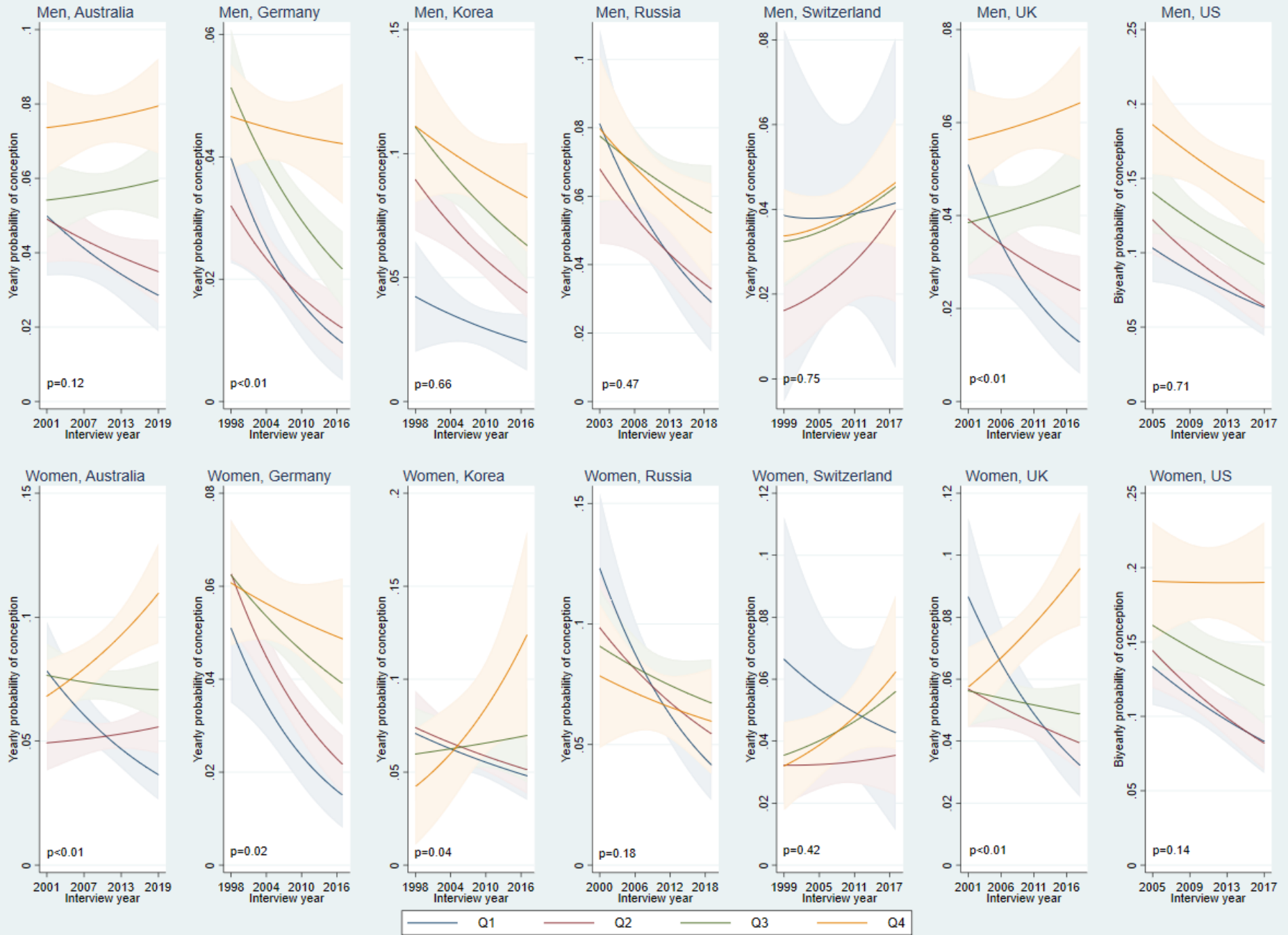
Subgroup differences in economic prerequisites of parenthood

Expand CPF with new waves, surveys, variables

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Increasing economic prerequisites of parenthood III

Some preliminary support

- Stronger demands for preconditions of parenthood among younger than older Swedes (Bodin et al. 2021)
- Positive income effect increased for Norwegian men and women between 1995 and 2010 (Hart 2015)
- Meta-analysis: negative effects of unemployment and temporary employment stronger in more recent studies (Alderotti et al. 2021)