Cornell University Three Minute Thesis (3MT) Competition

Pamela Meyerhofer, Policy Analysis and Management: "Paid Family Leave and Fertility"

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>> Narrator: Cornell University 2019 Three Minute Thesis finalist. Pamela Meyerhofer, Policy Analysis and Management: "Paid Family Leave and Fertility."

>> Meyerhofer: There's a lot of policy discussion about paid family leave in the United States right now. It was even mentioned in the State of the Union last month. And we know that short leaves benefit women's labor market outcome. We don't know as much about how it affects their fertility decisions. And this effect could really go either way. By lowering both the financial and the career trajectory cost of childbearing, paid family leave could increase women's fertility. On the other hand, by increasing their attachment to the labor force, it could also decrease fertility as woman focus more on their careers. Right now in the U.S., we're not having enough children to replace and maintain our current population. And this exacerbates concerns about funding Social Security and caring for our growing elderly population. Immigration policy in the U.S. is constantly changing, and so fertility plays a crucial role in maintaining our population. So when we're talking about policies like paid family leave, it's really important that we think about potential unintended fertility consequences of these policies. We know that really generous policies, European policies, expansions on the scale of about a year, have increased fertility. But that's not what we're talking about here in the U.S. We're talking about policies that are more like six to 12 weeks in length, and we really don't know very much about how those policies are going to affect women's fertility decisions, and that's where my research comes in. I studied California's paid family leave program. It was implemented in 2004. It is six weeks of paid family leave at 55 percent wage replacement, up to a cap, and this is what we are talking about in the U.S. California also is an example of the U.S. policy and labor market context. So it's a better predictor of what a U.S. policy would look like and act like. I use birth certificate data and, what in economics, it's called the synthetic control method to ask whether implementing this policy increased or decreased women's fertility. The synthetic control method means that I am comparing California women to a weighted group of control states. This weighted group of control states is a better match for California than any single state would be on its own. I find no effect of this policy on women's fertility. Not even amongst higher order births where previous research found the largest effect. So we're not seeing the increase that we might have wanted, but it's also not dampening women's fertility, which means that U.S. women can enjoy the labor market outcomes without us as a society worrying about this policy contributing to population decline. Thank you very much.

[Applause]