

Does Government belong in the bedroom? Population policy in lowfertility countries.

David Coleman University of Oxford

david.coleman@spi.ox.ac.uk

http://www.spi.ox.ac.uk/oxpop

'In the multitude of the people is the King's honour; but in the want of people is the destruction of the Prince.' *Proverbs XIV 28*

'The most decisive mark of the prosperity of any country is the increase in the number of its inhabitants.' *Adam Smith 1776, An Enquiry into the Nature and Causes of the Wealth of Nations.*

Topics

Fear of population decline History Responses to the the early fertility transition Modern examples Bridging the gap **Tempo policies** Measuring effectiveness Intended and unintended consequences of public policy

Antiquity of pro-natalist laws and policy

Fear and reality of population decline.

- Mercantilist views.
- Military power and labour force.
- Survival of elites.
 - Code of Hammurabi (Babylon, c. 1790 BC)
 - Athens 5thC BC
 - Augustan laws 18BC-9AD, Nerva (96-98) Trajan (98-117)
 - Philip IV of Spain (1605-1665)
 - Louis XIV and Jean-Baptiste Colbert (1619-1683) 1666
 - Tokugawa Japan (1605-1868) intensified after Meiji restoration 1868 (1873 code)

The modern world - population decline and population ageing

Previous two centuries of population growth historically abnormal, now ending.

- 20th C concerns arose from fertility transition.
- Population ageing inevitable, permanent consequence of low death and birth rates.
- Low /negative natural increase in most developed countries, since 1930s.
- Diversity– population growth substantial in (e.g.) UK, France, Sweden, USA (migration).
 - Japan, Germany, CEE, FSU face decline.

Total Fertility and Completed Family Size in France, 1875 – 1976 and Total Fertility in the German Reich 1921 – 45, Federal Republic 1946-71 (and DDR 1947-76).





Figure 2.9: Total fertility rates in the German Reich 1921-45, in the Federal Republic 1946-76 Democratic Republic 1947-76 Source: Statist. Jb. BRD 1950 ff. Festy 1974, 822; Statist. Jb. DDR 1978, and author's calculations.

Parallel pessimism: 1930s population projections of England and Wales 1935 - 2035, and Germany 1925 – 2000.

Source: Glass, 1936. **England and Wales:** (a) constant birth and death rates (b) fertility declines to 1985 © fertility returns to 1931 level. **Germany:** (a) births remain constant at 1927 level (b) fertility falls by 25% to 1955, then remains constant.



Estimates of the Future Growth of the German Population⁵

A. Assuming that the annual number of live births remains equal to that in 1927.

 Assuming a fall of 25 per cent. in the fertility of potentially fertile women by 1955, fertility then remaining constant.

Total fertility and Net Reproduction, 1930s to 2000s

		1930s		2000)	2007
	Year	TFR	NRR	TFR	NRR	TFR
Australia	1932/4	2.15	0.96	1.70	0.82	1.93
Canada	1931	3.19	1.32	1.48	0.71	1.57
England and Wales	1935	1.78	0.76	1.65	0.79	1.91
France	1935	2.06	0.87	1.89	0.91	2.00
Germany	1933	1.64	0.91	1.38	0.69	1.37
Italy	1930/2	3.29	1.24	1.24	0.58	1.29
New Zealand	1933	2.16	0.98	2.01	0.96	2.17
Sweden	1934	1.67	0.75	1.54	0.75	1.85
United States	1933	2.14	0.94	2.14	1.05	2.05

Sources: Glass and Blacker 1938 t.5, Eurostat, National Statistical Yearbooks.

Population pyramids. past and projected, of Austria (1869, 1910, 1934, 1951, 1971, 1995, 2015, 2030 and 2050) and Germany (1997, 2015, 2050, 2100).





Figure VI: Development of the age profile in former West and East Germany (Population projection variant 5- including migration and economic feedback)

2025

@Males (East) @Males (West) # Females (East) @ Females (West)

1997

European government views on the level of fertility, 1976 and 2005. Source: United Nations Figure IV. Government views on the level of fertility, Europe, 1976 and 2005



TFR trends, former Communist countries1950 – 2006.



East Asia: sub-replacement TFR in Japan and Far East 'Little Dragons' 1950 – 2007.

Total fertility trends, Japan and the Far East 'little dragons' to 2006

Source: national statistical offices.



Japan: population projection to 3000 (population in millions: right hand scale. age-structure: left hand scale). Source: National Institute of Social Security and Population Research.



Three examples of developing pronatalist / family policy from the early 20th century.

France, Germany, Soviet Union.

- Prewar polices mostly cash compensation for child costs to 'male breadwinner' family, with restrictions on family planning, abortion.
- France, Germany –restricting access to fp, cash compensation for child costs, maximising male employment.
- USSR additionally, need to maximise (female) workforce; state childcare in workplace creches etc.
- 'Opportunity cost' to married women not then a major consideration.
- Post-war 'family policies' aimed at getting / keeping women in workforce, averting child poverty
- Structure depends on type of social welfare regime (individualistic /family oriented / 'liberal').

Origins of French demographic concern

	1800	1900	1914	1978
Austria-Hungary	24	46	51	-
British Isles	16	42	45	59
England and Wales	9	33	36	49
France	29	41	41	53
Germany (Reich)	24	57	68	-
Germany (modern)	18	43		79
Italy	19	34	36	56
Russia (European)	36	100		160
Russian Empire / USSR		126	170	255
Ottoman Empire	24	25	24	-

Source McEvedy and Jones, Mitchell

French pronatalist policy

- 1666-83 Colbert's legislation (promoting marriage, restricting emigation prizes for large families etc)
- 1813 Napoleonic marriage law doubled Crude Marriage Rate, CBR increased 10%
- 1896 Alliance National pour L'Accroissment de la Population Francaise. 1914-18 Family Allowances (cost 22% of GDP by 1949)
- 1920 Laws outlawing abortion and contraception, Medaille de la Famille Francaise instituted (relaunched 1982).

1939 Code de La Famille. Consistent family support throughout 20th c.
1944 INSEE, INED, Ministere du Travail et de la Population (Vichy)
1967, 1974 'Loi Neuwirth' liberalises contraception, 'Loi Veil' abortion.
Numerous benefits for 'familles nombreuses', extra benefits for third+ children.

- 1979 Giscard D' Estaing 'Four great issues face France: economy, Europe, defence, population'
- 2003 1.1 billion Euro scheme : 800 Euro for first child, more creches, preschool care.

2006 Tax-based incentives benefit higher-earning mothers (Randall 2005).

ALLIANCE NATIONALE - POPULATION ET AVENIR

Association reconnue d'utilité publique, fondée en 1896

35 rue Marbeuf - 75008 PARIS

Tél. (1) 42 25 18 81 - FAX (1) 53 76 02 22

! **32230/JEUNESSE** !

Pour que la France ne se suicide pas par dénatalité

Appel pour sauver l'avenir

Lancé par

- Evelyne SULLEROT, sociologue, co-fondatrice du Planning Familial
- Jean-Claude CHESNAIS, démographe, économiste, auteur de "Le crépuscule de l'Occident" (Laffont, 1995)
- Jacques DUPÂQUIER, démographe, historien, rédacteur en chef de Population et Avenir
- Michel GODET, professeur au Conservatoire National des Arts et Métiers, chaire de prospective industrielle
- Philippe ROSSILLON, président de Population et Avenir

Janvier 1996

L'évolution démographique de la France et de la plupart des pays européens est dramatique. Le constat des chiffres est alarmant :

- La France a perdu un million et demi de jeunes depuis 1975, soit presque autant que la saignée de la guerre de 1914 ! Ces enfants ne sont pas nés, ils ne sont donc pas morts et il n'y aura jamais de monuments à l'entrée de nos villes.
- Si, comme probable, la projection basse de fécondité à 1,5 enfant par femme se réalisait, dans vingt ans la France compterait près de trois millions de jeunes en moins !
- L'effondrement sera encore plus fort en Italie du Nord et en Catalogne où la fécondité est tombée à moins d'un enfant par femme.

Qui financera la protection sociale des anciens, lorsque la pyramide des àges se sera transformée en toupie ? Personne n'est là pour défendre les générations futures. Elles ne votent pas et l'on peut donc continuer à tirer des traites qu'elles seront censées régler un jour. Cette facture sera d'autant plus insupportable qu'elle pèsera sur un nombre sans cesse restreint d'actifs. Déjà aujourd'hui la jeunesse est devenue minoritaire et se trouve sacrifiée au nom de l'égoïsme et de l'intérêt des générations nombreuses de l'après-guerre.

German population policy

1920 Family allowances – for welfare reasons.

1926 Liberalisation of abortion law.

- 1931 Family allowances increased according to parity.
- 1933 Nazi anti-Malthusian policy; contraception not outlawed but clinics closed, abortion on eugenic grounds more liberal.
- 1933 marriage loans to encourage marriage and births, reduce unemployment. 1.1 million by 1938, most cancelled through childbearing.
- 1938 Tax on unmarried increased to 80% more than married.

1939 3 grades of Mutterkreuz introduced.

1940 severe restrictions on abortion and contraception.

1990s First renewed attempts at family-friendly legislation.

Improved parental leave and child-care.

- 2007 earnings-related leave payment 67% for 12 months. Family friendly legislation, administrative change to remove impediments to working motherhood (school hours, shopping hours, part-time work etc)
- Explicit encouragements to larger families by Ministers Dr Ursula von der Leyen, Kristina Schroder and MEP Dr Silvana Koch-Mehrin.

German demographic trends 1876 - 1939

		Ratio		Abortion
	CBR	1932=100	NRR	ratio
1876-1880	39.2	260		
1906-1910	31.6	209	1.5	400
1932	15.1	100		850-1130
1933	14.7	97	0.7	
1934	18.0	119		
1935	18.9	125		
1936	19.0	126		
1937	18.8	125		
1938	19.7	130		
1939	20.4	135		
1940	20.1	133		
1941	18.1	120		
1942	14.9	99		
1943	16.0	106		

Soviet population policy



1920 Abortion on demand (the first example)

- 1935-6 Severe restriction on abortion, state support for mothers, creches.
- 1941 Tax on single and childless.
- 1944 Medal for 'Mother Hero' (ten children raised!)
- 1955 abortion on demand re-instated
- 1966 Divorce re-instated, differentiated family policy discussed (European USSR vs. Central Asia).
- 1980s Gorbachev policy to reduce death rate.
- 1991 Old policy in disarray, family support continues. Putin regime strongly pro-natalist, new bonuses for mothers.



The 'Nazi princess' who provides comfort for her father's comrades Pages 38-39

Medvedev promises land for babies as population suffers from Soviet hangover

Russia

Tony Halpin Moscow

The Kremlin's rulers used to boast that they were creating a New Man fit for a communist paradise on Earth. Now they are facing up to a devastating legacy of poverty, alcohol and suicide that threatens to destroy Russia.

President Medvedev warned yesterday that a demographic slump put the country's future at risk as he started a campaign to persuade millions of families to have more children.

He painted a grim picture of an abandoned generation of young Russians uffering poor health and impovershed lives as a result of years of indiffere by parents and the State.

amilies should be encouraged to ave three or more children with offers of free land to build their own homes. The state should also pay couples 3,000 roubles (£60) a month for a third child and every subsequent baby they produced. Greater efforts should also be made to support young families by creating additional places at kindergartens. Mr Medvedev also demanded action to protect children from the damaging effects of alcohol by introducing tough penalties against people who sold drink to minors.

"The 26 million children and adolescents living in our country should fully develop, grow up healthy and happy and become proper citizens - this is task No I for all of us," he said. He

WTL a bladh and



World

And some exciting news from Norway

N a bid to counter the tedious stereotyping of Scandinavians, we bring exciting news from Norway. On Wednesday, 40 female employees of the local school - 30 teachers and 10 cleaners - in the north-western town of Saltdal were given the day off by headmaster Kgell Skogstad and asked to engage in an all day "lovein" in the harn in the centre of the town. This event was a dramatic attempt to save Saltdal from depopulation. Or so the official explanation has it.

Can policy affect family formation?

- When modern states can spend 50% of GDP, many policies will affect rational choices on union formation and family (education, health, employment, housing) unintentionally.
- Demand for children assumed to be axiomatic, or has to be 'encouraged'.
- 'unmet need' inferred from mismatch of birth-rate and survey responses.
- Three channels of influence: reducing costs, increasing income, increasing preferences.
- Policies need to address impediments:
 - Motivation and desire for children and marriage / union formation.
 - Money costs (direct and opportunity).
 - Time costs (parental leave, pre-school care).
 - Life-course costs (job protection).
 - Other burdens on women (gender equity, school and shopping hours).
 - Timing of union formation and births (postponement) tertiary education, youth unemployment, housing, labour protection.

Germany and Austria break ranks? Ideal family size, European countries 2001. (Source:

Eurobarometer 2001; Goldstein, Lutz and Rita Testa 2002)

Figure 2 Distribution of Personal Ideal Family Size, Women aged 20 to 34.



Cumulative Percentage

Total fertility and proportion of births outside marriage Total fertility and proportion of births outside marriage, 43 developed countries 2009.



Effects of policies (intended or unintended) categories are not rigid or exclusive!

Explicit active pronatalism (usually in totalitarian regimes)

Restriction of abortion / contraception

Propaganda and prizes

Compensations and punishments (creches, allowances, fines).

Democratic pronatalism (Japan, Singapore)

Welfare based or cash compensation

Parity-specific measures

Positive official attitudes and propaganda.

Primarily welfare-oriented (most of Europe).

Scandinavian 'state feminism', emphasis on gender equity, work-based benefits

Equality, non-discrimination legislation relating to the labour market.

Comprehensive state child care

Southern Europe

Mostly financial incentives -protecting pensions, job security.

US 'non-policy'

State relief for poor (AFDC etc)

Private sector child care (low tax, immigrant labour)

'private sector' feminism

Does it work?

Methodology neglected until recently..

International comparisons:

- Gauthier and Hatzius (1997) only modest effects 25% increase 0.07child.
- Castles 2003 more powerful effects
- Grant 2004, Adkins 2003 10% income increase 25% increase in TFR.
- Cash baby bonuses increase tempo, not quantum.
- Methodological limitations: single country studies better?
 - Kravdal 1996, Hoem (various)
 - Neyer and Andersson 2008 event-history analysis in specific countries better than aggregate measures.
- Broad-brush comparison of child-friendly political culture (Hoem 2005, McDonald 2006).
- International TFR gap: 0.8 child. Preference / actual gap 0.5 child. Policy prospect 0.2 child (Gauthier 2007).

Divergent neighbours; TFR of two Germanies, 1950 - 2007

TFR trends, Federal German Republic and German Democratic Republic, 1950 - 2007



Swedish family policy 'speed premium'.

Women are paid 80% of their pre-birth salary for a year after leaving work to have a child. If a second child is born within 24 months, the 80% is carried over (not reduced to 64%) to the next period of leave. Allowance extended to 30 months in 1986. A marked reduction in birth intervals, and increase in asfr has followed,. Source: Andersson et al. 2006.

Standardized second-birth rates, by number of years since first birth.

a) Swedish-born women



Norway: effect of child care availability on fertility. Source: Rindfuss et al. 2010.

Simulated completed f	fertility by age 35
Norwegian women bir	th cohorts 1957–62
by level of child-care a	availability to 1973
Child-care	Children
availability (%)	ever-born
0	1.51
10	1.62
20	1.74
30	1.85
40	1.97
50	2.08
60	2.18

Relationship between index of gender equality and total fertility, selected European countries 2004. Source: Rindfuss et al. 2010.

FIGURE 1 Relationship between an index of gender equality and total fertility rates for 13 European Union countries



Why do many policies fail?

- Singapore persistent failure since 1980s
- Japan Angel Plan, New Angel plan etc
- Korea tax and workforce measures
- Southern, Eastern Europe mostly financial help, exhortations and transient inducements.
- Weak gender equity, , excessive working hours, precarious employment / job protection more difficult to address.
- Culture change more difficult than fiscal adjustments

Conclusion

'National fertility is possibly best seen as a systemic outcome that depends more on broader attributes, such as the degree of family friendliness of a society, and less on the presence and detailed construction of monetary benefits'. (Jan Hoem 2008)

'Look after the interests of women, and population will look after itself.' (Heather Joshi).



If inevitable... Gianpiero Dalla Zuanna's model in summary

Persistent low fertility and persistent strong immigration can be endogenous components of economic growth



Immigrations are indispensable for a long period economic growth in low fertility countries, contrasting the repugnant consequences of low fertility: lack of unskilled workers and aging of population



The social process in the real case...



... are these hypotheses confirmed?

TFR trends, groups of Western countries, 1950-2006 TFR trends Major European Regions 1950 - 2006



Feedback between (foreign) immigration and (native) emigration?



Declining population - alternative responses and feedbacks. Blue arrows -positive effect. Red arrows -negative effect.

