

Research Statement

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1 Background and Interests

I am an applied microeconomics researcher interested in topics related to public policy, development, and labor economics. My first research line focuses on the impact of paid maternity leave on fertility and mother's labor force participation. My second line of research relates to birth order effects, building on the theory that siblings may have different educational achievements based on their birth order.

My interest in understanding the effects of paid parental leave began when I moved to the United States and observed friends raising children without access to paid leave while both parents worked. Growing up in a country that offers generous parental leave, this was a cultural shock, and I always wondered: What is the optimal choice for women after childbirth? To reenter the labor force and seek childcare or quit and care for the newborn? Are women likely to have more children if they have family and career obligations? What are the educational outcomes of children who are not close to their mother during the first months of their lives?

Furthermore, I am intrigued in the mechanism behind birth order. We are all familiar with the stereotypes about children: firstborn children are spoiled, middle children get ignored, and youngest children act out because they crave attention. Research has shown that children from more affluent families get more education and earn more, but there is substantial variation in success across children within families. Thus, understanding the birth order effects would contribute to a deeper comprehension of human capital development.

2 Current Research

My main research focus relates to the effect of paid maternity leave on women's labor supply and fertility. The research literature suggests that extended maternity leave would incentivize women to exit the labor force. Researchers also argue that low fertility rates threaten government's ability to fund its benefit programs, such as pension or healthcare, because fewer people contribute to tax revenues necessary for these systems. Maternity leave aims to improve family well-being and promote women's career continuity. In my job market paper, I use

regression discontinuity design and difference-in-differences estimation to analyze maternity leave's effects on subsequent fertility and mother's labor force participation. My findings show that maternity leave, which aims to reduce the opportunity cost of having children and facilitates both child-rearing and mother's career, increases subsequent fertility by 3 percentage-points and has no significant effect on mothers' employment two years after the policy. From a policy perspective, higher fertility in developed countries increases tax revenues, making programs economically viable. Therefore, my research provides evidence that more generous maternity leave policies can improve welfare.

In a subsequent paper, I study the impact of paid maternity leave on families' living arrangements (i.e., single motherhood, divorce). The main mechanisms through which families' living arrangements may be affected are change in income (Cancian, Meyer, Brown, and Cook (2014)) and improvement in the mother's bargaining power (Lundberg and Pollak (1996)). I analyze the impact of two maternity leave reforms on the probability of single motherhood, marriage, and living with grandparents. I find insignificant effects of the reforms on these outcomes two to five years after they were enacted.

The literature primarily suggests that, in developed countries, first-born children have better educational outcomes than their siblings (negative birth order effects); meanwhile, in developing countries, first-born children perform worse than their siblings (positive birth order effects) (De Haan, Plug, and Rosero (2014)). The most common explanation for these differences in outcomes is that, in developing countries, many families have limited financial resources, so first-born children generally work more outside of the home at an earlier age, making them more likely to drop out of school. In a research paper co-authored with Mihaela I. Pinte, Ph.D., we seek to understand whether the educational attainment patterns of first-born children from lower-income households in the United States behave more like that of first-born children in developing countries and if the educational attainment patterns of first-born children from wealthier households behave more like first-born children in developed countries. We use parental income during childhood to test if financial resources contribute to birth order effects on educational attainment. We find positive birth order effects among low-income households (similar to the results seen in developing countries) and statistically negative effects among wealthier households in the United States (similar to the results seen in developed countries). This pattern suggests that financial resources may drive the effects of birth order on educational attainment.

3 Future Research

Building on my current research agenda, outlined above, I endeavor to understand further how a new maternity leave reform will impact women's labor supply. This policy was enacted in January 2011 in Romania. It replaced a fixed benefit policy that offered mothers a fixed amount regardless of previous income with an earnings dependent benefit, where women are paid a percentage of their income. Using the Family Budget Survey from 2006-2018, for which

I have access, and difference-in-differences regression, I will estimate the differential impact on women's labor supply along the income distribution. The data include information on allowances and social security benefits, revenues and other cash income, and month and year of birth.

In the research literature, one crucial question that has not been fully answered is whether maternity leave impacts children's long-term educational outcomes. The literature posits that maternity leave increases breastfeeding duration (Baker and Milligan (2008)), which in turn is associated with long-term protection against chronic diseases, and improvement in cognitive development (Binns, Lee, and Low (2016)). Therefore, my next research project, co-authored with Andrei Munteanu (Ph.D. candidate, McGill University, Canada), will analyze the effect of paid maternity leave extension—from sixty days to one year—on educational and labor market outcomes. More specifically, we will compare high school admission and graduation records of children born immediately before and after the policy implementation. Moreover, we will contrast the labor market outcomes using the 2011 Romanian census.

I plan to expand my work by analyzing the effects of the family leave policy, implemented in 2004 in California, United States (US), on fertility rates. Currently, the US has a fertility rate below the replacement rate of 2.1 children per woman necessary to maintain the current population. This raises concerns about funding Social Security and caring for the growing elderly population. Also, immigration policies in the US are continually changing, so the fertility rate plays a crucial role in maintaining the current population. I will use birth certificate data from the United States Centers for Disease Control and Prevention with restricted access and regression discontinuity regression to compare mothers' probability of giving birth to an additional child among mothers who had childbirth immediately before and after the policy implementation.

The third chapter of my dissertation authored in collaboration with Mihaela I. Pinte, Ph.D., which focuses on birth order mechanisms, opens avenues for future research. Specifically, using the Child Development Supplement- PSID data and family fixed effects estimation, we will analyze how the amount of quality time children spend with their parents affects their academic success. We hypothesize that, because first-born children spend more time with their parents relative to later-born children, more time should positively influence academic performance.

References

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