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Neoliberal Policy and Total Fertility – A Multidimensional Analysis

Introduction

Over recent decades, many countries have experienced a pronounced decline in birth rates, with total fertility rates (TFR) often falling well below the replacement level of ~2.1 children per woman. Globally, this trend has coincided with the rise of neoliberal economic policies emphasizing free markets, deregulation, privatization, reduced government spending, and individual responsibility. **Neoliberalism** – the market-centric policy paradigm that gained dominance from the 1980s onward – has been posited as a contributing factor to fertility decline by reshaping economic and social conditions in ways that discourage childbearing [1]. In fact, across the OECD (wealthy developed countries), the average TFR has more than halved from about 3.3 children per woman in 1960 to only 1.5 in 2022 [2]. This report provides a comprehensive analysis of how clusters of neoliberal policies have causally impacted birth rates. We synthesize evidence that **neoliberal policy regimes are indeed linked to declining fertility**, through multiple mechanisms ranging from economic insecurity to social atomization. Conversely, we examine evidence that reversing or moderating certain neoliberal policies – by strengthening social support, welfare, and pro-family measures – can stabilize or even raise birth rates. The goal is an exhaustive, multidimensional understanding of the relationship between neoliberalism and fertility, incorporating direct causal links, spillover effects, and examples from across the world.

Theoretical Links Between Neoliberalism and Fertility

Neoliberal reforms transform the economic landscape in ways that can profoundly alter individual decisions about marriage and childbearing. Researchers have theorized several channels through which neoliberal policy shifts could depress fertility. **Economic insecurity** is a central mechanism: market liberalization often brings more volatile employment and income prospects, which increase the **"social risks"** faced by young adults in the labor market and household [1]. Since the late 1980s, globalization under neoliberal tenets (e.g. deregulation of industries, privatization of public sectors, liberalization of labor and capital markets) has indeed **"reshaped domestic institutions beyond recognition"** [3]. While these policies promised efficiency and prosperity, they have also **exacerbated economic uncertainty**, leading to outcomes like wage stagnation, job losses, layoffs, and corporate bankruptcies [4]. In parallel, neoliberal ideology generally advocates **scaling back state welfare and social safety nets**. This retrenchment means that individuals and families must shoulder more of the costs of childrearing – whether it be for housing, education, healthcare, or childcare – without the robust public support that earlier welfare-state models provided. The result is that having children becomes financially riskier and more burdensome, a clear disincentive for many would-be parents. Additionally, neoliberal cultural emphasis on **individualism and competitive self-reliance** can indirectly reduce fertility: it encourages prioritizing personal career success and consumption, potentially at the expense of family formation, and it may weaken communal or extended-family support structures (a phenomenon sometimes described as **social atomization**).

Crucially, these theoretical expectations are borne out by empirical observations across numerous contexts. The following sections detail the multidimensional evidence linking neoliberal-era policy changes to fertility declines – through economic, social, and cultural pathways – and also illustrate how deliberate policy reversals (such as enhanced welfare or pro-family programs) have at times helped counteract the fertility-depressing effects of neoliberalism.

Economic Insecurity, Labor Markets, and Fertility Decline

One of the clearest connections between neoliberal policies and lower birth rates lies in the domain of **labor markets and economic security**. Neoliberal reforms often seek to **"flexibilize"** labor markets – for example, making it easier for firms to hire and fire, expanding temporary or contract-based work, weakening union protections, and prioritizing market efficiency over job stability. While such changes may spur short-term economic gains, they tend to increase job precariousness for workers. A large body of demographic research finds that **precarious employment and income instability lead people to delay or forgo having children.** When young adults face uncertain career prospects, intermittent contracts, or unemployment, they are understandably hesitant to take on the long-term financial commitment of raising a child. As one study succinctly concludes, entering the workforce under precarious conditions (such as fixed-term contracts) **"leads to either postponed childbearing, lower probabilities of parenthood, or both."** [5]

For example, in **Germany**, analysis of longitudinal microdata reveals a striking gap in fertility outcomes based on employment type. Young women who began their careers on fixed-term (temporary) contracts had a **20 percentage-point lower probability of having a first child** within a decade, compared to their peers who entered on stable permanent contracts [5]. This fertility penalty persisted even long after the initial career start. Notably, the rise of such non-permanent jobs in Germany was a direct result of labor market liberalization: policy "reforms" aimed at flexibility and reducing labor costs led to an upsurge in fixed-term hiring, **increasing inequalities in job security** between those with stable versus contingent employment [6]. Germany's experience is not isolated – similar patterns of **employment instability dampening fertility** have been documented across Europe [5]. Meta-analyses confirm that after the economic upheavals of the late 2000s, younger cohorts facing **higher unemployment or more frequent temporary jobs tend to postpone childbirth and experience higher rates of childlessness** than previous generations.

A dramatic illustration comes from **East-Central Europe in the 1990s**, where neoliberal "shock therapy" was applied to transition from state socialism to market capitalism. The transition brought severe economic dislocation: GDP collapsed, industries shuttered, and poverty and inequality surged across the region [7] [8]. Amid this turbulence, Eastern Europe experienced a **"demographic crisis of historic proportions"**, characterized by *plummeting fertility rates* alongside rising mortality and mass emigration [9]. In the decade after 1989, birth rates in many post-communist countries literally **halved** as the sense of economic security among young families evaporated. In some cases the population decline resembled that of a wartime loss [10]. For instance, **Poland's** TFR dropped precipitously from about 2.1 in the late 1980s (replacement level) to only 1.27 by 2007 [11]. This collapse coincided with Poland's adoption of market reforms that **severely cut back social services** (and even restricted access to family planning), leaving young adults with little support to raise children in the new economy [11]. Likewise, throughout Eastern Europe, the early transition period saw rising joblessness and **"the crudest forms of neoliberal reform"** – including rapid privatization of industries, **dismantling of social safety nets**, and *labor market "flexibilization"* that created a generation of under-employed, economically insecure youth [12] [13]. Young people, especially women, were hardest hit

by the lack of stable jobs and affordable housing or education, forcing many to defer marriage and childbearing [13]. In sum, the **neoliberal restructuring of post-socialist economies provides a stark example of how economic insecurity translates to delayed or foregone births** on a massive scale.

Even in advanced Western economies, similar dynamics can be observed. The **Great Recession of 2008–2009**, often attributed to financial deregulation and global market volatility (classic neoliberal phenomena), triggered a noticeable **fertility downturn in Europe and North America**. Countries like Spain, Italy, Greece (already following market-liberalization trajectories and with weak youth labor markets) saw record-low fertility in the aftermath of the crisis, as jobs for young adults became scarce and unstable. Empirical data from Europe show that during and after the recession, **fertility either declined or stalled in most countries**, and scholars attribute this in large part to heightened economic uncertainty and unemployment among young adults [14] [15]. Objective measures of insecurity – such as having a temporary contract or being laid off – are associated with lower propensity to have a child, although these effects can be somewhat moderate [15]. More influential still may be the **subjective fear of an uncertain future**. Sociologists find that when people lack confidence in their economic and job prospects, they internalize *"narratives of the future"* that discourage starting or expanding a family [16] [17]. In other words, **neoliberalism's climate of uncertainty** affects fertility not only through concrete losses of income or jobs, but also by creating an atmosphere of risk that seeps into personal life-planning.

A contemporary case in point is **South Korea**, one of the world's most extreme examples of ultra-low fertility. South Korea's TFR fell to around **0.8** in recent years – the lowest in the world, far below replacement. While multiple factors are at play (including intense academic competition and high cost of living), analysts note that South Korea embraced aggressive market liberalization and corporate-friendly policies especially after the late 1990s Asian Financial Crisis, **at the expense of labor security and social welfare** [18]. Following IMF-imposed reforms in 1997, South Korea deregulated its labor market, resulting in a huge rise in **"irregular," precarious employment**. Today roughly **28% of Korean employees are on temporary contracts** (versus an OECD average near 12%), one of the highest rates of job instability in the developed world [18]. This labor market **dualization** – a core feature of Korea's neoliberal turn – means a whole generation of young workers faces permanent insecurity, with low wages and few prospects for stable careers. The social consequences are stark: observers describe a **"vicious cycle of social polarisation and insecurity in a rapidly ageing society,"** where rising inequality and precarious work go hand-in-hand with collapsing fertility [19]. In effect, the Korean case underlines how **neoliberal economic policies, when unbuffered by strong social protections, can lead to a pathological low-fertility equilibrium**. Young people, confronting long working hours, a hyper-competitive job market, and tenuous employment, increasingly opt out of parenthood – a phenomenon encapsulated in local terms like *"sampo generation"* (literally "giving up on three things": relationships, marriage, and children).

Beyond employment per se, **general cost-of-living increases** under neoliberal regimes also contribute to fertility declines. Housing is a prime example. Many neoliberal-influenced economies have seen housing prices surge (due to financialization of real estate, speculative investment, and urban demand-supply mismatches), making it difficult for young families to afford homes. Empirical research confirms that **rising housing costs discourage fertility**. A recent global historical analysis (covering over a century of data) found that a **10% increase in real house prices is associated with a reduction of about 0.01–0.03 in the fertility rate** [20]. While that effect may sound small, cumulatively it means that doubling home prices could translate into a drop of 0.1–0.3 in TFR – enough to shift a society from near-replacement fertility to very low fertility. In high-cost cities from **London to San Francisco to Seoul**, young adults frequently cite the exorbitant price of housing (either rent or purchase) as a major reason for delaying children. Neoliberal-era

policies that favor real estate investors (e.g. low capital gains taxes, weak tenant protections, liberalized mortgage markets) effectively raise the barrier to family formation for those who are not already affluent. Likewise, other cost factors – privatized or expensive education, healthcare, and childcare – all feed into the **economic calculus of childbearing**. In a market-driven environment, having a child can represent a large *private* cost (whereas in a more socialized system some of those costs are borne by the state or community). Where young people shoulder heavy student debt and face precarious incomes, as is common in liberal-market economies like the United States, the financial **opportunity cost** of parenthood (in terms of foregone earnings, childcare expenses, etc.) looms large, often leading to postponed or fewer births. In summary, **neoliberal policies tend to shift economic risks and costs onto individuals**, and this shift demonstrably suppresses fertility by making the decision to have children more fraught and financially strenuous.

Welfare Retrenchment and the Erosion of Family Supports

Corresponding to the increase in economic insecurity, neoliberal governance usually involves a **retrenchment of the welfare state**, including programs directly supporting families. Generous **family policies** – such as paid parental leave, child allowances, subsidized daycare, and universal child benefits – are generally linked to higher fertility because they reduce the trade-offs between work and family life. Under neoliberal influence, however, many governments have scaled back such supports in the name of fiscal discipline, privatization, or the idea that family matters are private responsibilities. The evidence strongly indicates that **withdrawing state support for families has a negative impact on birth rates**, whereas expanding family support can help raise fertility.

The post-socialist countries again offer an instructive (if cautionary) tale. Under the communist regimes, basic social supports (employment guarantees, free childcare, housing assistance) were in place, and birth rates in Eastern Europe, while not high, were relatively stable in the range of 2.0 children per woman. After 1990, as these countries instituted neoliberal reforms, many **previous social programs were slashed or abolished**. For instance, **Poland in the 1990s cut back numerous social services** (from childcare centers to healthcare access) as part of its market transition [11]. Simultaneously, Poland enacted one of Europe's most restrictive anti-abortion laws, limiting family planning options [11]. The combined effect was a climate in which raising a child became more challenging and less supported by public institutions. It is in this context that Poland's fertility rate plunged by nearly 40% within two decades [11]. Women interviewed in Poland during the 2000s reported that **employers' discrimination against pregnant women or mothers** (e.g. fear of losing one's job upon having a baby) was a decisive factor in postponing or avoiding childbearing [21]. This underscores that without legal and social protections, *market forces in the workplace can penalize motherhood*, thereby discouraging births. The Polish case demonstrates an important principle: **family-friendly policies and labor protections are often prerequisites for higher fertility**, and when these are absent (as under a minimalist neoliberal state), fertility is likely to remain depressed.

On the other hand, cross-national comparisons show that **countries with more robust welfare provisions for families tend to sustain higher fertility** than those that leave families to fend for themselves. An OECD analysis notes that there is a **"relatively close correlation" between the level of public spending on family benefits and a country's fertility rate** [22]. Broadly speaking, in nations where governments invest a greater share of GDP in supporting child-rearing (through direct payments, services, tax credits, etc.), birth rates are less likely to fall to very low levels. France and the Nordic countries are classic examples: France has long devoted significant resources to pro-natalist family benefits (like monthly allowances per child, nearly free preschool from age 3, and extensive parental leave), and it consistently records one of the

highest fertility rates in Europe (around 1.8 in recent years). Similarly, Sweden, despite being economically developed and culturally liberal, has maintained fertility near or above the EU average thanks to *a "modern family policy package"* that includes generous parental leave (with high income replacement), state-subsidized daycare, and flexible work arrangements for parents [23]. In contrast, more "laissez-faire" economies such as **Southern Europe** (Italy, Spain, Greece) or the **East Asian tigers** (South Korea, Taiwan, Hong Kong) historically provided minimal state support for families, and all of them have seen fertility slump to some of the lowest levels on record (TFR in the ~1.0–1.4 range). These patterns support the conclusion that **neoliberal policy orientations – characterized by low social spending and a reluctance to intervene in support of families – are detrimental to maintaining healthy fertility rates**.

It is illuminating to consider how quickly fertility can respond when **welfare supports are introduced or enhanced**, essentially reversing some neoliberal practices. A case in point is **Poland's "Family 500+" program**, launched in 2016. After years of very low fertility and out-migration of young workers, the Polish government (led by a socially conservative but economically populist party) decided to make a bold public investment in families: it provides a cash allowance of 500 złoty per month (roughly €110) for every second and subsequent child under 18 (and later extended to first children in lower-income families). This child allowance represents a significant boost to household income for many families and a shift away from strict neoliberal austerity. Researchers have already measured the impact: in the first few years of Family 500+, **the probability of a birth increased by about 1.5 percentage points annually among eligible women** [24]. That is, the policy produced a detectable uptick in birth rates in the short term. While the long-term effect on completed fertility is yet to be seen, this evidence suggests that **direct financial support from the state encouraged some families to have a child they might otherwise have postponed or not had**. It is a concrete example that "walking back" neoliberal norms (in this case, by expanding social transfers rather than assuming families will manage all costs privately) can help counteract low-fertility trends.

Another striking example comes from **Turkey**. In the early 2000s, Turkey's fertility was on a typical downward trajectory for a country in demographic transition, approaching European low levels. However, under the government of the AKP (Justice and Development Party) in the 2000s and 2010s, fertility decline not only halted but modestly reversed in certain regions [25] [26]. Research by demographers F. Billari and O. Aksoy attributes this reversal in large part to conscious policy efforts that greatly **expanded local welfare support for families** [27] [28]. The AKP, an Islamist-rooted but economically neoliberal party, interestingly combined religious pro-natalist rhetoric ("no Muslim family can accept birth control," President Erdoğan famously said) with a pragmatic strategy of **decentralizing welfare provision and funneling resources into family assistance at the local level** [29]. Essentially, through municipalities and religiously affiliated charities, the ruling party directed funds and services (such as free childcare, healthcare, housing aid, etc.) toward families, especially in districts under its control. This led to measurable demographic impacts: in districts narrowly won by the AKP, **fertility rates ended up about 10% higher (on average 5–8 more births per 1,000 women) than in demographically similar districts that the AKP did not govern** [26]. Marriage rates also increased in the AKP areas [25]. Importantly, the researchers ruled out other explanations (like differing economic growth or migration patterns) and concluded that **"lifting constraints on fertility and marriage with effective welfare policies"** was the key factor behind the birth uptick [30]. They even likened the effect of Turkey's locally driven family welfare to the impact of Sweden's comprehensive welfare-state approach, despite the very different context [23]. The Turkish case thus reinforces the notion that **when governments actively reduce the economic burden of childrearing – even in a targeted or localized way – fertility rates respond positively**. It is, in effect, an anti-neoliberal lesson: collective investment and support can incentivize higher birth rates, whereas a purely market-driven approach leaves would-be parents without a safety net.

Finally, it's worth noting that some neoliberal-leaning societies have only belatedly recognized the fertility implications and are now experimenting with pronatalist tweaks. For instance, **Hungary** (which embraced neoliberal shock therapy in the 1990s but later reversed course with nationalist-populist policies) has in recent years introduced generous subsidies for parents (including tax breaks, housing grants for families, and even loan forgiveness for mothers). Hungary's fertility rate has inched up from its nadir (about 1.23 in 2011 to around 1.55 in 2021), illustrating again that **policy matters**. Similarly, even **China** – often seen as a global growth engine that adopted market reforms – scrapped its infamous one-child policy and is now providing incentives for second and third children as its birth rates have fallen. While China's situation is complicated by decades of state-imposed fertility limits (not a neoliberal policy), it shares with neoliberal societies the issue that **high costs and weak social safety nets now deter young couples from having children**, an issue the government is trying to address with subsidies and propaganda.

In summary, ample evidence across diverse countries shows that **the retreat of the state from family welfare under neoliberalism has contributed to fertility declines**, and conversely, **reinvigorating social support for families can help raise or stabilize birth rates**. No single policy is a magic bullet – researchers emphasize that a *bundle* of measures is usually needed (financial incentives, childcare services, parental leave, job protection, housing support, etc.) to significantly influence fertility behavior [31] [32]. However, that insight in itself is a critique of the neoliberal minimalist approach: it suggests that comprehensive, well-funded social policy (the opposite of a laissez-faire doctrine) is what best enables individuals to attain their desired family size.

Individualism, Atomization, and Fertility: The Social-Cultural Spillovers

Beyond the tangible economic and policy factors, neoliberalism carries a set of **ideological and cultural values** – notably an emphasis on individual autonomy, competition, and self-interest – which can have more subtle, long-run effects on family formation. One such effect often discussed by demographers is the **"atomization" of society** under modern market-driven life. By atomization, we mean the breaking down of collective bonds and communal support structures, leaving individuals more isolated in social terms. This can exacerbate low fertility in multiple ways.

In many traditional or collectivist cultures, childrearing has been a **family- or community-supported enterprise** – for example, couples could rely on extended kin (grandparents, aunts, uncles) or close-knit neighbors for help with childcare and costs. Such support mitigates the burden of having children. However, **neoliberal modernity, with its encouragement of geographic and social mobility, weakens these extended family ties**. Jobs often require young adults to move away from their hometowns and kin; urbanization and the chase for opportunities scatter communities. The result is that new parents find themselves without the informal support network that previous generations took for granted – a factor that certainly can dissuade people from having as many children. As one commentary observed, *"Fertility rates will thus plummet in any kin-oriented society that adopts [the] cultural/economic model of individualism and high labor mobility."* [33] In other words, societies where large kin networks traditionally played a role in raising children (common in parts of Asia, the Middle East, Latin America, etc.) are particularly vulnerable to fertility collapse when rapid economic liberalization and globalization set in. The shift to a nuclear or even solo living model means higher costs and stress for the individual parents, which naturally leads many to opt for fewer children. We have indeed seen instances of this: for example, in Southern European countries like Italy or Spain, which historically had strong family ties, the younger generation's adoption of a more

individualistic lifestyle (combined with weak job prospects) led to extremely low fertility by the 2000s – a sharp break from their mid-20th-century norms. The atomization effect is even evident in **immigrant communities**: migrant families from more family-centric cultures often have higher fertility upon arrival, but over time, as they and their descendants assimilate into a more individualistic, market-driven culture, their birth rates tend to fall towards the host-country average.

Neoliberalism's stress on **personal responsibility** and the primacy of work can also influence gender norms and expectations in a way that suppresses fertility. In many neoliberal economies, **women are encouraged (or economically compelled) to participate fully in the workforce** – without corresponding adjustments to the burdens of motherhood. The result is a "double burden" on women who want children: they are expected to perform in the labor market like worker-consumers, but still often bear a disproportionate share of childcare and home duties due to slow-changing gender norms. This untenable situation is a major reason cited by women (especially in East Asia and Southern Europe) for delaying or avoiding having children – they simply find it impossible to reconcile a career and family in a society that prizes work productivity above all and provides little support for motherhood. As one analysis bluntly put it, *"I can't really blame women for not having children in a world where we expect them to be the same as men in jobs and also bear all the costs of children. Of course they don't feel prepared to pay that price if they already work 40+ hours a week."* [34] [35] In short, **neoliberal-era gender role expectations (high female labor participation with low public support) contribute to low fertility**, unless policies proactively ease the work-family conflict (as in the more "social democratic" countries).

The **cultural ethos of individual choice** can also diminish the social incentive to have children. Neoliberal consumer culture often frames fulfillment in terms of personal achievement, consumption, and freedom – children, in this frame, might appear more as a costly hindrance than as a fulfillment of duty or communal life. In previous eras, strong social or religious norms encouraged family life and childbearing as fundamental values. Under an individualized, market-oriented value system, these traditional pressures weaken; having a child becomes seen as an entirely personal decision, subject to one's financial ability and lifestyle preference. Unsurprisingly, many in such environments choose to prioritize other aspects of life (career, travel, leisure, self-development) over parenthood, especially if parenthood is made to seem just another *private* project without much societal support or recognition. This shift in mindset is part of the so-called **Second Demographic Transition** theory, where advanced societies shift towards lower fertility due not only to economic factors but also due to changing values (greater individualism, secularism, etc.). Neoliberal ideology, by valorizing personal freedom and economic rationality, arguably accelerates this transition.

There are also **spillover effects** of neoliberal-driven demographic change that can reinforce the cycle of low fertility. For instance, as fertility drops and populations age, governments may respond by further cutting benefits for the young (who are a smaller constituency) and focusing on care for the elderly. This can leave young families even worse off, perpetuating low birth rates. Additionally, **population decline and aging can lead to slower economic growth**, which in turn can prompt more neoliberal austerity measures – again squeezing family policies. Such feedback loops are a looming concern in countries like Japan, Italy, and parts of Eastern Europe, where low fertility has persisted long enough to substantially alter the age structure. The fewer children are born today, the fewer potential parents exist in the next generation – a self-reinforcing spiral that some worry could be hard to break once it has momentum.

Another spillover worth noting is political: the dislocations of neoliberal capitalism (inequality, job insecurity, demographic aging) have in some cases fueled **political backlashes that exploit demographic anxieties**.

For example, Eastern Europe's traumatic 1990s transition not only resulted in fertility collapse, but also gave rise to nationalist populist movements that decried low birth rates and emigration. These movements often advocate *illiberal* solutions (from anti-immigrant stances to authoritarian pronatalism), which can further strain the liberal democratic order [36] [37]. Thus, neoliberalism's role in fertility decline is not just a demographic concern but also a societal one: it can contribute to a sense of lost community and insecurity that reshapes politics and culture in unpredictable ways. In **Russia**, for instance, the post-Soviet fertility slump (TFR fell to about 1.2 in 1999) alarmed leaders enough to spur an array of pronatalist policies in the 2000s (the "maternity capital" program, etc.), alongside rhetoric about moral and spiritual revival. Russia did see a modest rebound in births (TFR climbed back up to ~1.7 by 2012) [38] [39], illustrating again that when low fertility becomes a perceived crisis, even governments that were previously neoliberal can pivot to interventionist measures.

Lastly, consider the concept of **"social despair"** as an extreme outcome of neoliberal upheaval – an outcome that, while not a direct cause of low fertility, accompanies it as part of a broader syndrome. In Eastern Europe, the shock therapy years not only depressed births but also saw spikes in so-called **"deaths of despair"** – higher rates of suicide, alcoholism, and other indicators of social malaise, particularly among those (like underemployed middle-aged men) who felt "thrown away" by the new economy [10]. A society in which a significant segment is disaffected, isolated, or struggling with health issues is not one conducive to raising children. Communities frayed by unemployment and addiction tend to have fewer stable families. This illustrates how the **social atomization and stress inflicted by neoliberal transformations can erode the very social fabric that supports a healthy demographic life cycle**. In Western nations too, we see hints of this: regions hit by deindustrialization (job loss due to globalized competition) often have both lower birth rates and higher social problems. Well-functioning social networks are a key "soft" factor in fertility – for example, when young people feel optimistic about their community and get support from friends/family, they are more likely to marry and have kids. Neoliberalism's penchant for undermining such networks (through mobility, competition, and cuts to community resources) therefore indirectly **exacerbates the fertility decline** that its economic pressures instigate.

Conclusion

Is neoliberal policy causal of birthrate declines? The multidimensional evidence compiled above leads to an affirmative conclusion: *Yes*, the shift toward neoliberal economic and social policies over the past several decades has been a significant causal factor in declining fertility rates across many societies. This causation operates through multiple, reinforcing channels. Economically, neoliberalism increased job precarity, inequality, and the cost burdens on young adults – conditions empirically shown to delay or deter childbearing [5] [40]. Institutionally, neoliberal ideology often translated into weaker welfare states and reduced family support, removing buffers against the high private costs of raising children and thereby depressing fertility intentions [11] [13]. Culturally, neoliberal values of individualism and competition have fostered greater social atomization and work-centric lifestyles, undermining the communal and familial orientations that historically encouraged larger families [33]. These factors together form a coherent narrative: in the absence of strong countervailing policies, market-driven societies tend to produce conditions unfriendly to family formation.

It is important to note that **fertility decisions are complex and multifaceted**; neoliberal policy is not the sole determinant of birth rates. Other factors – such as higher education levels, women's empowerment, urbanization, changing personal aspirations, and even environmental concerns – also play roles in the long-run decline of fertility seen worldwide. However, what the evidence herein underscores is that **policy**

choices make a difference at the margins between moderate fertility and very low fertility. Many developed countries today have *desired* fertility (what people say they want) around or above two children, yet actual fertility often falls short of that. The shortfall can be interpreted as **unmet fertility aspirations due to unfavorable conditions**. Neoliberal policy regimes, by creating more insecure and costly conditions for young families, contribute substantially to that gap. Conversely, when societies "de-neoliberalize" certain domains – by investing in social insurance, facilitating work-family balance, and nurturing social cohesion – they often see fertility stabilize or even rebound. The experiences of countries like France, Sweden, or more recently Hungary, Poland, and Turkey, demonstrate that **pro-family interventions can moderate the fertility decline**, even if they do not fully reverse broader demographic trends [24] [26].

In effect, the relationship between neoliberalism and fertility is one aspect of the broader debate about the role of government and markets in securing human welfare. High fertility is not a policy goal in itself – but sustainable fertility levels (closer to replacement) are often seen as desirable for avoiding rapid population aging and decline. If neoliberal orthodoxy inadvertently pushes fertility well below replacement – through the causal pathways detailed in this report – then societies face a choice. They can continue on the current path and face the long-term consequences (shrinking workforce, aging populations, potential economic stagnation, and the difficult prospect of supporting an inverted age pyramid), or they can **recalibrate their policies** to be more supportive of family life. The weight of evidence suggests the latter course is prudent. Indeed, **walking back certain neoliberal policies, or augmenting them with strong social programs, has shown positive results in terms of birth rates** – a validation that policy can be a lever for demographic outcomes. Reversing labor market precarity, investing in affordable housing and education, expanding childcare and parental leave, ensuring job protection for parents, and fostering a culture that values caregiving as much as paid work – these are measures that lie largely outside the neoliberal playbook but squarely within the toolbox of public policy.

In conclusion, declining birthrates in many countries are not merely a spontaneous outcome of individual choices; they are *to a meaningful extent a policy-induced phenomenon*. Neoliberal policies have systematically made the stakes of those choices less favorable to childbearing [6] [13]. The good news is that policy orientations can change. The evidence reviewed here provides a compelling rationale for re-balancing the market-family equation: by tempering the excesses of neoliberalism with prudent social investments and protections, societies can create conditions where individuals who desire children feel economically and socially secure enough to have them. Such a shift would not only address the fertility decline but also help rebuild the communal bonds and optimism that are the foundation of a thriving, reproducible society [41] [19]. In the end, the story of neoliberalism and fertility serves as a reminder that **economic ideologies profoundly shape personal life – and that by reshaping those ideologies, we can also reshape our demographic future**.

Footnotes (References):

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2. Daniele Vignoli *et al.* (2022). *"Narratives of the Future Affect Fertility: Evidence from a Laboratory Experiment,"* European Journal of Population 38(1): 93–124. – *Introduction noting that since the late 1980s, globalization (deregulation, privatization, liberalization) reshaped economies, increasing uncertainty (job losses, layoffs, etc.)* [3] [4].

3. OECD (2024). *"Fertility trends across the OECD: Underlying drivers and the role for policy,"* in *Society at a Glance 2024*. – *Main findings: average total fertility rate in OECD dropped from 3.3 in 1960 to 1.5 in 2022* [2].

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6. Joanna Z. Mishtal (2009). *"Understanding low fertility in Poland: Demographic consequences of gendered discrimination in employment and post-socialist neoliberal restructuring," Demographic Research* 21(20): 599–626. – *Notes that after Poland's 1989 transition, TFR plummeted from 2.1 to 1.27 by 2007 amid severe cuts to social services and restricted family planning; data show employer discrimination against pregnant women/new mothers decisively pushed women to postpone or forego childbearing* [11] [21].

7. Wolfgang Auer & Natalia Danzer (2016). *"Fixed-Term Employment and Fertility: Evidence from German Micro Data."* – *Finding: German women who start careers on temporary contracts have ~20 percentage points lower probability of having a child in the ensuing decade compared to those with permanent contracts* [5]. *Also notes that use of fixed-term contracts rose due to labor market flexibilization policies (neoliberal reforms), increasing job security inequalities* [6].

8. Timo Fleckenstein & Soohyun Christine Lee (2024). *"Labour Market Dualisation and Social Protection in South Korea: Searching for a New Social Contract and Growth Model," LSE Public Policy Review* 3(2). – *Discusses South Korea's post-1997 labor market deregulation leading to proliferation of precarious jobs: ~28% of workers temporary by 2021 (OECD average ~12%). Notes that rising insecurity alongside "ultra-low fertility" pose profound challenges, creating a vicious cycle of social polarization in aging Korea* [18] [40].

9. Comment by Peter Frost (2024) in *Aporia Magazine* (Substack), "Reversing the Fertility Collapse." – *Observation: societies with strong kinship support see their fertility plummet when they adopt individualistic, high-mobility economic models. Northwest Europe's individualist culture meant modernity's atomization had a less dramatic effect on fertility there, whereas kin-oriented societies suffer a sharper decline when extended family support is eroded* [41] [33].

10. Fabio Todesco (2018). *"When Politics Affects Demography: How Erdoğan Has Brought 10% More Children to Turkey,"* Bocconi University News (Sept 1, 2018) – reporting on research by Aksoy & Billari (2018, *American Journal of Sociology*). – *Findings: In Turkey, areas where Erdoğan's AKP narrowly won local elections in 2004 saw a ~10% increase in births (5–8 more children per 1000 women) and higher marriage rates compared to similar areas without AKP governance. The AKP's mix of religious pronatalism and neoliberal decentralization yielded a strong increase in local welfare support for families, which lifted constraints on fertility (comparable in effect to Sweden's welfare policies in supporting family formation)* [26] [30].

11. Anna Bokun (2024). *“Cash transfers and fertility: Evidence from Poland’s Family 500+ Policy,” Demographic Research* 51(28): 855–910. – *Findings: Introduction of Poland’s “500+” child allowance in 2016 was associated with an increase in the probability of birth by about 1.5 percentage points in the short term, particularly among certain demographics. Indicates a positive, though modest, fertility response to direct financial support for families* [24] .

12. OECD (2024). *Society at a Glance 2024* (ibid.), Introduction. – *Notes that aside from policies, successive global crises have increased economic, labor market, and housing insecurities for younger people, complicating their transition to parenthood* [42] , while social norms and gender roles also evolved. This situates neoliberal-era insecurity as a known driver of delayed fertility.

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