Career Cost of Parenthood, Selective Fertility, and Dynamic Effects

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Motivation

The differential impact of parenthood on the careers of women and men is widely suspected to be a major cause of gender disparities in the labor market.

- "Not surprisingly, children are the main contributors to women's labor supply changes." (Goldin, 2014)
- "Parenthood has sharply asymmetric impacts on labor market outcomes between the genders, depressing mothers' earnings while leaving fathers' earnings essentially unchanged." (Bertrand, 2020)
- "...the remaining gender disparities in labor market outcomes are related to the fact that children impose significantly larger penalties on the career trajectories of women compared to men." (Cortés & Pan, 2023)
- ► "The effects of parenthood (...) account for most of the observed gender inequality in labor market outcomes" (Kleven et al., 2023)

Causal Identification Challenge

Fertility is endogenous

► Human capital, wealth, health, career prospects, the cost of parenthood

Effects of parenthood are dynamic

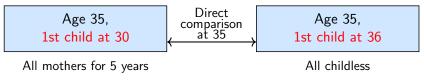
► Time spent in parenthood, career stage and age at the time of becoming a parent, number and age of children,

Leading methods address one or the other

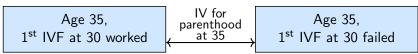
ES and IV-IVF

"Some of the most compelling evidence of the crucial role children (\dots) has been produced over the past few years" (Bertrand, 2020)

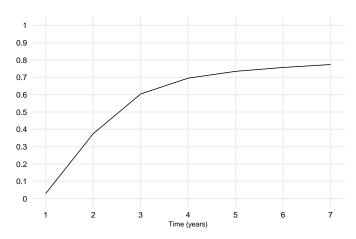
Event study (Kleven, Landais, & Søgaard, 2019):



IV-IVF (Lundborg et al., 2017):

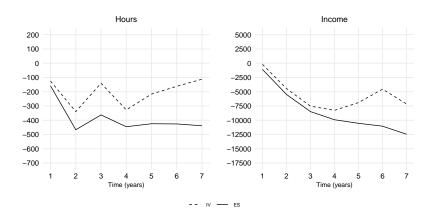


Motherhood After 1st Procedure Fails



$$au_{RF} = 0.25 au_{Parenthood} + 0.75 au_{Earlier}$$
 $au_{IV} = au_{Parenthood} + 3 au_{Earlier}$

IV vs ES



ES extern.

- 1. Novel approach using assisted conception procedures (ACPs) robust to endogenous timing and dynamic effects
 - ► IVF, IUI
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 - Endogenous # of attempts & non-ACP fertility
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- External validity
 - Extrapolation to when women choose to remain childless
 - Extrapolation to non-ACP families

Model

- Particular moment since woman's first ACP
- Outcome when motherhood begins at first ACP:

Childless outcome:

Outcome when motherhood begins after first ACP:

Counterfactuals discussion

Model (cont.)

Women differ in:

- ► Willingness to undergo ACP, W
 - ▶ Would try *W* times in case all ACPs fail (integer)
- Reliance on ACP, R
 - No child if ALL ACPs fail (dummy)
 - "Reliers" ⊇ "compliers" (no child if first ACP fails)

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Parameter of interest:

$$\tau_{ATR} = \mathbb{E}[Y(1) - Y(0)|R = 1]$$

Assumption

Assumption (Sequential Unconfoundedness)

$$(Y(1), Y(0), R, W) \perp D_i | A \geq j$$

- ► A number of attempts
- \triangleright D_i success of attempt j

In words: once sperm/eggs at ACP j are implanted, whether this results in a conception is as-good-as-random

• $e = \Pr(D_j = 1 | A \ge j)$ for all j for illustration.

Intuition: Childless Outcome Y(0)

- 1. Childless women ⊂ reliers
- 2. Selective subgroup ONLY due to unobs. willing. to try ACPs
 - Cond. on W relier fertility is as good as random
 - Reliers with higher W underrepresented

$$Pr(C = 0|R = 1, W = w) = (1 - e)^{W}$$

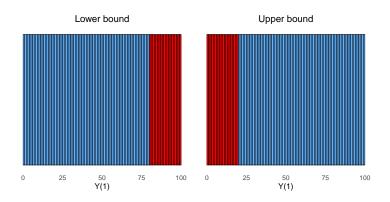
- 3. Observed number of ACPs is sufficient to account for it
 - ightharpoonup Among childless A = W
 - Higher weights to women who tried more

$$\mathbb{E}\left[Y\frac{(1-C)}{(1-e)^A}\right] = \mathbb{E}\left[Y(0)|R=1\right] \Pr(R=1)$$

$$\mathbb{E}\left[\frac{(1-C)}{(1-e)^A}\right] = \Pr(R=1),$$

Intuition: Motherhood Outcome Y(1)

- 1. Treated group is a rep. sample but their types are unobserved
- 2. Identify Pr(R = 1) = 0.8 on control group
- 3. Assume most extreme distributions of types in treated group
- 4. Bound $\mathbb{E}[Y(1)|R=1]$



Background

Assisted conception procedures

- ► IUI (primary procedure): sperm injected into uterus
- ▶ IVF (secondary procedure): embryo inserted into uterus

Data

- Dutch administrative data
- ▶ Labor market outcomes from 2011 to 2022



Results: Bounds

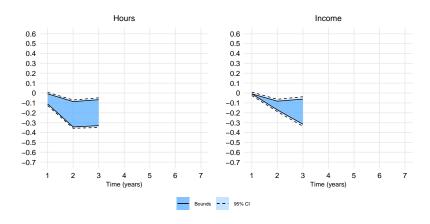


Figure 1: Bounds - short run



Results: Bounds

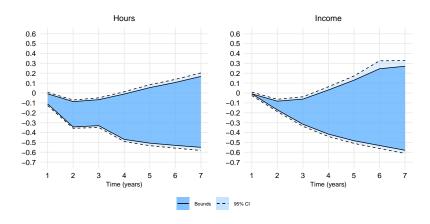


Figure 2: Bounds - medium run



Monotonicity

- Some women whose first ACP succeeds eventually conceive more children without ACP
- ▶ It may be reasonable to assume that they would have eventually conceived at least one child if all ACPs had failed

Plausibility discussion Benefit of monotonicity Graphic intuition

Bounds with Monotonicity

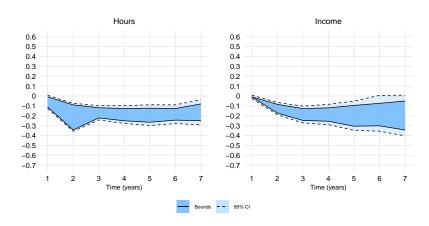


Figure 3: Bounds for percent effects



Monotone Bounds - Gender Inequality

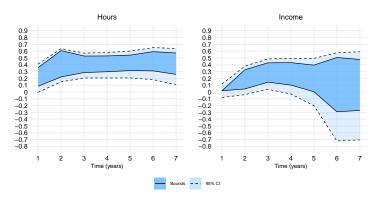


Figure 4: Share of gender inequality caused by parenthood

Extensions

Outcomes:

- ► Fatherhood Absolute Percentage
- ► Decomposing gender inequality Share explained by children
- ► Effect of delaying motherhood Absolute Cumulative

Existing estimators:

- ► Are existing estimates biased? Naive IV-IVF equiv. Plac. ES Place. ineq.
- ► Are estimates less informative that existing? Confidence intervals

Robustness:

- ▶ Bias due to depression Counterfact. Depr. effect Bounds non-depr. Arguments
- Inequality correcting for age De-aging partners
- ► Stable complier group Childless final period
- ► Estimator without DML Identification Effects
- ► Relaxing monotonicity Direction Partnered only

Other:

- ► Heterogeneity Covariates Willingness to try
- ▶ Population imputation* ES pop. Mother. imp. Childless imp. Effect imp. Gap

Conclusion

- Method for evaluating the career cost of children robust to selective fertility and dynamic effects
 - Applicable to settings with sequential treatment assignment and non-compliance
- Application to Dutch data:
 - Sizable career impacts of motherhood
 - ▶ Parenthood causes up to 56% (44%) of gender inequality in post-child work hours (earnings)
- Comparison to existing approaches
 - ► IV-IVF might overstate penalty in the short run
 - ES might overstate penalty in both short and medium run

Appendix

Literature

Identification Math

Treatment Success

Balance

Type Shares

Trimming Shares

Monotonicity

Bound Width

Extensions

Application to Other Settings

References

Gender inequality in labor market outcomes.

▶ Bertrand (2011); Blau & Kahn (2017) for review.

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- Role of parenthood with selection and (partially) dynamic effects:
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Main methodological ideas closely related to:

- Van den Berg & Vikström (2022): sequential treatment assignment.
- Lee (2005); Zhang & Rubin (2003): bounds with missing data.

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Back Literature
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Bensnes et al. (2023); Gallen et al. (2023)

Main idea:

- 1. Estimate effect in first period after treatment (while there are no later-mothers)
- 2. For individuals who are treated in second period, plug in estimate from the first
- 3. Repeat for all periods ...

Required (intuitive) assumptions:

- 1. Effect must be similar between women who do and who do not enter motherhood later
- 2. Effect cannot vary over the life-cycle

Back

Literature (cont.)

Parenthood, labor market outcomes, and gender equality:

- ► Event studies: Angelov et al. (2016); Chung et al. (2017); Kleven, Landais, Posch, et al. (2019); Eichmeyer & Kent (2022),
- ▶ Abortion access: Miller (2011); Brooks & Zohar (2021)
- ► Infertility: Agüero & Marks (2008); Cristia (2008)
- ➤ Sibling sex mix: Angrist & Evans (1996); Iacovou (2001); Cruces & Galiani (2007); Maurin & Moschion (2009); Hirvonen (2009)
- ➤ Twins: Rosenzweig & Wolpin (1980); Bronars & Grogger (1994); Jacobsen et al. (1999); Vere (2011)
- ► Miscarriages: Hotz et al. (2005)

Methodological paper on dynamic compliance and treatment effects:

► Heckman et al. (2016); Han (2021); Van den Berg & Vikström (2022)

Back

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Childless outcome:

- Do not try
- ► Try and fail naturally
- Try and fail with medical assistance (+ naturally?)

Extrapolation requires carefully addressing mental health consequences of failure (and medical procedures)

Back (model) Back (extensions) Depr. effect Bounds non-depr. Arguments

Step 0:

$$\mathbb{E}[Y|C=0, P=j] = \mathbb{E}[Y(0)|j \text{ fails, } R=1, W=j]$$
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ToC

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 - 2. Assume women with R=1 are in the left/right tail
- 3. Bounds on $\mathbb{E}[Y(1)|R=1]$ Graph int. Coins Det. int Trimming int. Back

Estimator Intuition: Math with Coins

- Each individuals flips a coin once
- Some may chose to flip again if heads come up
- ▶ Number of flips (*P*) observed
- Y only revealed for those who never flip heads

$$\mathbb{E}[Y] = \mathbb{E}\left[rac{1}{(1/2)^P}Y\mathbf{1}\{\mathsf{no}\;\mathsf{heads}\}
ight]$$

Back

Formal Identification

$$\begin{split} & \Delta_{L} = \mu_{L} - \mu_{C} \\ & \Delta_{U} = \mu_{U} - \mu_{C} \\ & \mu_{C} = \mathbb{E}\left[\frac{Y}{\prod_{j}^{P}(1 - p_{j}(X_{j}))} \middle| \mathbf{1}_{Child} = 0\right] \mathbb{E}\left[\prod_{j}^{P}(1 - p_{j}(X_{j})) \middle| \mathbf{1}_{Child} = 0\right] \\ & \mu_{L} = \mathbb{E}\left[\frac{Y}{p_{1}(X_{1})} \middle| D_{1} = 1, Y < y(1 - s)\right] \mathbb{E}\left[p_{1}(X_{1}) \middle| D_{1} = 1, Y < y(1 - s)\right] \\ & \mu_{U} = \mathbb{E}\left[\frac{Y}{p_{1}(X_{1})} \middle| D_{1} = 1, Y > y(s)\right] \mathbb{E}\left[p_{1}(X_{1}) \middle| D_{1} = 1, Y > y(s)\right] \\ & y(q) = G^{-1}(q) \\ & G(q) = \mathbb{E}\left[\frac{1(Y \leq q)}{p_{1}(X_{1})} \middle| D_{1} = 1\right] \mathbb{E}\left[p_{1}(X_{1}) \middle| D_{1} = 1\right] \\ & s = \mathbb{E}\left[\frac{1_{Child}}{\prod_{i}^{P}(1 - p_{i}(X_{i}))} \middle| W = 0\right] \mathbb{E}\left[\prod_{i}^{P}(1 - p_{j}(X_{j})) \middle| W = 0\right], \end{split}$$

where $W = 1 - \prod_{j=1}^{P} (1 - D_j)$.

Narrowing the Bounds with Covariates (cont.)

Alternative extension of Lee bounds (to my knowledge)

- ightharpoonup Take some function g(x)
- $ightharpoonup \mathbb{E}[g(X_1)|R=1]$ can be identified on women who remain childless
- ▶ Take $\mathbb{E}[Y(1)|R=1] = \mathbb{E}[g(X_1) + \varepsilon|R=1]$
- ▶ Only need to bound $\mathbb{E}[\varepsilon|R=1]$
- ▶ $g(X_1)$ can be directly chosen to minimize the spread in residuals, e.g. OLS of Y on X_1 for women with $D_1 = 1$.
- Since residuals typically have a narrower distribution, this gives narrower bounds.
- Also, likely to improve asymptotic efficiency: only need to compare residuals in both groups, $\mathbb{E}[g(X_1)|R=1]$ is the same for treated and control.

Back (DML) Back (extensions)

Assisted Conception Procedures

In vitro fertilization (IVF)

- Relatively invasive procedure performed under sedation/anesthesia
- \sim 25% success rate

Intrauterine insemination (IUI)

- Sperm injected directly into the uterus.
- $ightharpoonup \sim 10\%$ success rate
- First-line infertility treatment in most countries

I use the moment embryos/sperm are transferred into the uterus

Is success as-good-as-random? Background

Data

- Administrative data from Statistics Netherlands
 - Data on fertility treatments from 2013 to 2017
 - Labor market outcomes from 2011 to 2021
- Unlimited IUI and first 3 IVF attempts covered by mandatory insurance (later IVF attempts cost 2500-5000 Eur per cycle)
- ▶ Sample of opposite sex couples cohabiting before first IUI attempt

Balance Treatment success Success prob. change Background

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Other (medical) factors relevant for IVF success appear to be largely unrelated to labor market outcomes (Lundborg et al., 2017).

Treatment Success

- ▶ I impute treatment success as having a child born within 10 months after treatment without subsequent treatments in between.
 - Validated to reflect medical records of treatment success (Lundborg et al., 2017).

Back

Balance

Table 1: First treatment outcomes and descriptives

	Success	Fail	Difference	Dif. cond. age FE
	(1)	(2)	(1)-(2)	(1)-(2) cond. age
Work (W)	0.881	0.863	0.018	0.008
	[0.324]	[0.344]	(0.009)	(0.009)
Work (P)	0.884	0.865	0.019	0.014
	[0.320]	[0.341]	(0.009)	(0.009)
Hours (W)	1239.696	1208.255	31.441	17.578
	[605.070]	[634.840]	(16.168)	(15.812)
Hours (P)	1473.383	1438.880	34.502	22.690
	[658.917]	[695.345]	(17.699)	(17.587)
Income 1000s € (W)	28.049	27.434	0.615	0.942
	[19.559]	[20.232]	(0.516)	(0.496)
Income 1000s € (P)	37.173	36.959	0.214	0.896
	[26.484]	[29.443]	(0.746)	(0.732)
Bachelor deg. (W)	0.608	0.605	0.002	0.018
	[0.488]	[0.489]	(0.013)	(0.012)
Bachelor deg. (P)	0.593	0.598	-0.004	0.008
	[0.491]	[0.490]	(0.013)	(0.012)
Age (W)	31.643	32.384	-0.741	
	[4.016]	[4.383]	(0.111)	
Age (P)	34.672	35.459	-0.787	
,	[5.527]	[5.993]	(0.152)	
Observations	1,716	13,788		
Joint p-val.	_	·	0.000	0.536

 $\it Note:$ Labor market outcomes measured year before first treatment. (W) - woman, (P) - partner. Standard deviations in brackets. Standard errors in parentheses.

Balance in Later Treatments

Table 2: Balance in later treatments

	D2	D3	D4	D5	D6	D7	D8	D9	D10
Work (W)	0.013	-0.002	0.023	0.008	0.030	0.007	-0.008	0.016	0.041
	(0.009)	(0.010)	(0.011)	(0.012)	(0.013)	(0.014)	(0.017)	(0.019)	(0.026)
Work (P)	0.011	0.014	0.005	0.014	-0.004	-0.008	0.001	0.016	0.040
	(0.010)	(0.010)	(0.011)	(0.012)	(0.013)	(0.014)	(0.017)	(0.020)	(0.027)
Hours (W)	37.050	-0.615	45.477	39.327	68.596	25.780	-5.734	81.149	29.860
	(17.373)	(18.648)	(20.127)	(21.930)	(24.489)	(26.043)	(31.176)	(36.869)	(49.101
Hours (P)	29.074	28.347	18.441	35.597	-7.332	-15.344	0.360	47.511	49.279
	(19.336)	(20.807)	(22.614)	(24.685)	(27.215)	(28.618)	(34.381)	(41.158)	(55.440
Income 1000s € (W)	1.786	0.283	1.123	1.672	1.380	0.489	0.417	1.839	-0.297
	(0.548)	(0.592)	(0.647)	(0.710)	(0.786)	(0.831)	(1.030)	(1.240)	(1.714)
Income 1000s € (P)	0.221	1.277	1.588	1.125	-0.542	-0.370	1.567	1.001	-0.202
	(0.820)	(0.846)	(0.923)	(1.018)	(1.123)	(1.212)	(1.423)	(1.666)	(2.277)
Bachelor deg. (W)	0.002	0.026	-0.020	0.001	-0.003	0.003	0.023	-0.012	0.045
	(0.013)	(0.014)	(0.015)	(0.017)	(0.019)	(0.020)	(0.024)	(0.028)	(0.038)
Bachelor deg. (P)	0.005	0.010	0.011	0.007	-0.003	0.013	0.020	0.012	-0.014
	(0.013)	(0.014)	(0.016)	(0.017)	(0.019)	(0.020)	(0.024)	(0.029)	(0.039)
Age (W)	0.001	-0.007	-0.040	0.024	0.013	-0.001	-0.046	-0.027	-0.017
	(0.011)	(0.015)	(0.019)	(0.023)	(0.026)	(0.028)	(0.036)	(0.043)	(0.059)
Age (P)	0.001	-0.007	-0.040	0.024	0.013	-0.001	-0.046	-0.027	-0.017
	(0.011)	(0.015)	(0.019)	(0.023)	(0.026)	(0.028)	(0.036)	(0.043)	(0.059)
Observations	12,955	10,759	8,714	6,969	5,403	3,938	2,718	1,848	1,173
Joint p-val.	0.071	0.737	0.057	0.439	0.420	0.991	0.836	0.508	0.437

Note: Each column describes the differences between those treated successfully and those treated unsuccessfully at the respective treatment attempt conditional on fixed effects for age-at-treatment interacted with fixed effects for treatment type. Labor market outcomes and age measured year before first treatment. (W) – woman, (P) – partner. Standard errors in parentheses.

Representative and Relevant Treatment group

Table 3: Full sample, relier sample, and representative sample

	Success (1)	Fail (2)	Reliers (3)	Representative (4)	Success vs rep. (1)-(4)	Rel. vs rep. (3)-(4)
Work (W)	0.882	0.863	0.820	0.800	0.082	0.020
	[0.323]	[0.344]	[0.335]	[0.400]	(0.010)	(0.005)
Work (P)	0.884	0.865	0.849	0.782	0.103	0.068
	[0.320]	[0.342]	[0.345]	[0.413]	(0.010)	(0.005)
Hours (W)	1240.315	1207.860	1117.711	1068.897	171.418	48.815
,	[604.666]	[635.194]	[584.369]	[698.712]	(16.915)	(8.442)
Hours (P)	1474.530	1438.590	1390.699	1242.166	232.364	148.533
` '	[658.231]	[695.692]	[663.944]	[794.776]	(19.241)	(9.591)
Income 1000s € (W)	28.065	27.418	24.976	20.846	7.219	4.130
	[19.559]	[20.219]	[15.080]	[17.990]	(0.436)	(0.218)
Income 1000s € (P)	37.205	36.952	35.299	27.471	9.734	7.828
	[26.482]	[29.452]	[23.982]	[28.686]	(0.694)	(0.346)
Bachelor deg. (W)	0.480	0.451	0.398	0.411	0.069	-0.012
	[0.500]	[0.498]	[0.411]	[0.492]	(0.012)	(0.006)
Bachelor deg. (P)	0.394	0.381	0.329	0.345	0.049	-0.015
	[0.489]	[0.486]	[0.397]	[0.475]	(0.012)	(0.006)
Age (W)	31.638	32.388	33.480	28.375	3.263	5.105
	[4.015]	[4.383]	[3.896]	[4.657]	(0.113)	(0.056)
Age (P)	34.675	35.461	36.580	28.375	6.300	8.205
	[5.513]	[5.996]	[3.927]	[4.663]	(0.113)	(0.057)
Observations	1,714	13,809	4,882	376,157	•	

Note: Labor market outcomes measured year before first treatment for main sample and year and 9 months before birth of first child for represenstative sample. Representative sample selected to match main sample by year of conception. Relier sample consists of women who remain childless 7 years after their first ART attempt with weights described under implementation. (W) - woman. (P) - partner. Standard deviations in brackets. Standard errors in parentheses.

Predicted Success Prob. per Treatment

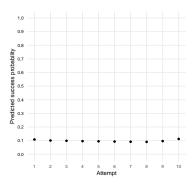


Figure 5: Predicted success probability holding X fixed at first attempt average

Back



Attempts

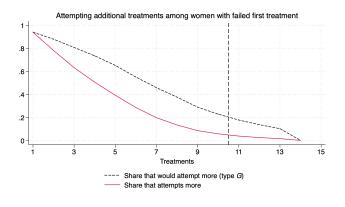


Figure 6: Number of treatments and type





Non-treatment Conception by Type



Figure 7: Conceiving naturally and willingness to attempt





Trimming shares

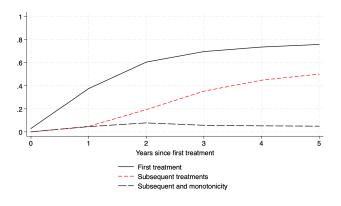


Figure 8: Trimming share under different information



Correction Term

$$\begin{aligned} &corr_{L}(data,\eta_{0}) = q_{1}(s_{0}(X_{1}),X_{1})\Pi_{j=1}^{P}\frac{1-D_{j}}{1-e_{j}(X_{j})}(S-s(0,X_{1})) \\ &-q_{1}(s_{0}(X_{1}),X_{1})\frac{D_{1}}{e_{1}(X_{1})}(1_{\{Y < q_{1}(s_{0}(X_{1}),X_{1})\}}-s_{0}(X_{1})) \\ &-\frac{D_{1}-e_{1}(X_{1})}{e_{1}(X_{1})}z_{L}^{+}(1,X_{1})s(0,X_{1}) \\ &+\sum_{k}\mathbb{1}_{P \geq j}\Pi_{j}^{k-1}\frac{1-D_{j}}{1-e_{j}(X_{j})}\frac{e_{k}(X_{k})-D_{k}}{1-e_{k}(X_{k})}(s_{k}(0,X_{k})\beta_{k}(0,X_{k})) \\ &+\sum_{k}\mathbb{1}_{P \geq j}\Pi_{j}^{k-1}\frac{1-D_{j}}{1-e_{j}(X_{j})}\frac{e_{k}(X_{k})-D_{k}}{1-e_{k}(X_{k})}q_{1}(s_{0}(X_{1}),X_{1})(s(0,X_{1})-s_{k}(0,X_{k})) \end{aligned}$$

ToC

Bounds: Absolute

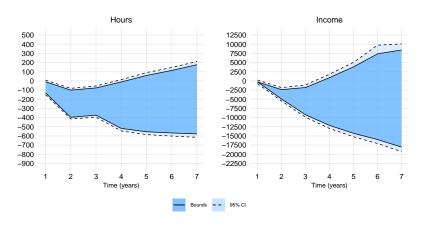


Figure 9: Bounds effects





Bounds: Hours - Comparison to Baseline Lee Bounds

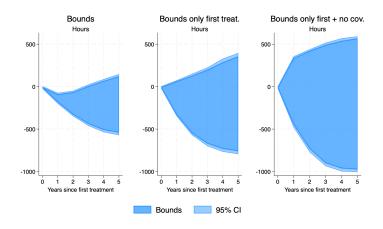


Figure 10: Comparison with baseline Lee: hours



Bounds: Income - Comparison to Baseline Lee Bounds

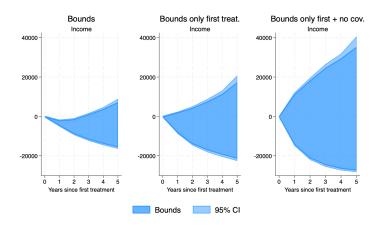


Figure 11: Comparison with baseline Lee: income





- Yes, if families are determined to have at least one child.
 - Decreasing marginal returns to children.
 - Stronger sufficient assumption: success cannot increase total (natural) births.

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- No, if first treatment success increases the likelihood of attempting to conceive naturally.
 - Couples may realize they are fertile and try more.
 - First child may "save the relationship" resulting in more attempts to conceive.

Is monotonicity realistic?

- Yes, if families are determined to have at least one child.
 - Decreasing marginal returns to children.
 - Stronger sufficient assumption: success cannot increase total (natural) births.
- No, if first treatment success increases the likelihood of attempting to conceive naturally.
 - Couples may realize they are fertile and try more.
 - First child may "save the relationship" resulting in more attempts to conceive.
- Robustness: restrict to only couples that stay together Effects

Back Benefit of monotonicity Graphic intuition

Benefit of Monotonicity

Women who conceive a second child naturally are not the women who would remain childless.

Benefit of Monotonicity

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- This restricts which women among successfully treated could have remained childless had all treatment attempts failed.

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- Women who conceive a second child naturally are not the women who would remain childless.
- This restricts which women among successfully treated could have remained childless had all treatment attempts failed.
- Narrower bounds.



Monotonicity: Intuition (1)

Identify distribution of motherhood outcomes from group whose first treatment succeeds:

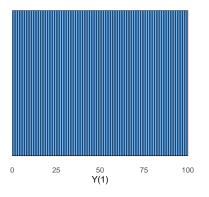


Figure 12: Distribution of potential motherhood outcomes

Monotonicity: Intuition (2)

Without monotonicity: 20 with highest/lowest outcomes:

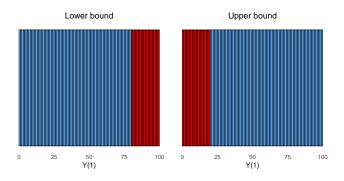


Figure 13: Distribution of potential motherhood outcomes

Back

Monotonicity: Intuition (3)

With monotonicity: first, drop 10 who conceive again naturally:

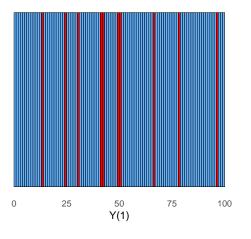


Figure 14: Distribution of potential motherhood outcomes

Monotonicity: Intuition (4)

With monotonicity: second, drop another 10 with highest/lowest outcomes:

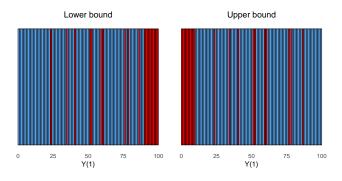


Figure 15: Distribution of potential motherhood outcomes



Monotonicity: Intuition (5)

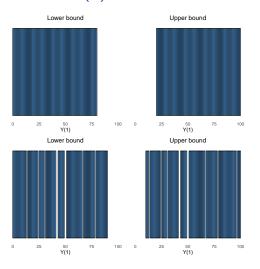


Figure 16: Distribution of potential motherhood outcomes

Monotone Bounds: Absolute

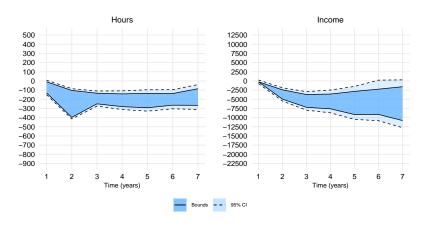


Figure 17: Monotone bounds: absolute terms





How Wide are the Bounds?

6 years after first treatment:

- Bounds:
 - ▶ 1 SD of pre-treatment hours
 - ▶ 1 SD of pre-treatment earnings
- Monotone bounds:
 - ▶ 0.15 SD of pre-treatment hours
 - 0.25 SD of pre-treatment earnings

Back

Extensions

Outcomes:

- ► Fatherhood Absolute Percentage
- ► Decomposing gender inequality Share explained by children
- ► Effect of delaying motherhood Absolute Cumulative

Existing estimators:

- ► Are existing estimates biased? Naive IV-IVF equiv. Plac. ES Place. ineq.
- Are estimates less informative that existing? Confidence intervals

Robustness:

- ▶ Bias due to depression Counterfact. Depr. effect Bounds non-depr. Arguments
- Correcting for parental leave Max leave
- ► Inequality correcting for age De-aging partners
- Stable complier group Childless final period
- ► Estimator without DML Identification Effects
- ► Relaxing monotonicity Direction Partnered only

Other:

- ► Heterogeneity Covariates Willingness to try
- ▶ Population imputation* ES pop. Mother. imp. Childless imp. Effect imp. Gap

Monotone Bounds: Women who Remain Childless

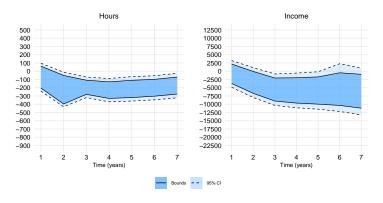


Figure 18: Monotone bounds using final status





Event Study: Population vs IUI Sample

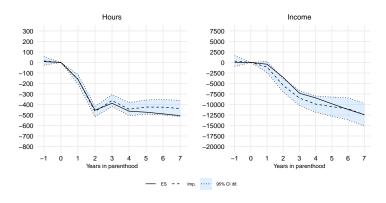


Figure 19: ES for population and women with first IUI success

Back (extensions) Back (intro)



Imputing Population Motherhood Outcomes Using IUI Sample

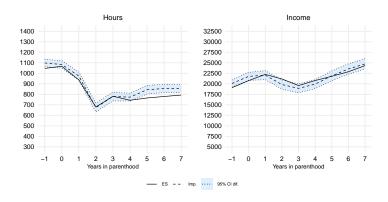


Figure 20: Population Outcomes vs IUI-imputation (age & education)





Imputing Population Childless Outcomes Using IUI Sample

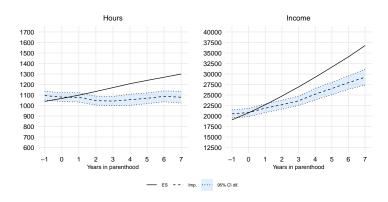


Figure 21: Population Outcomes vs IUI-imputation (age & education)





Event Study vs IUI-imputation for Population

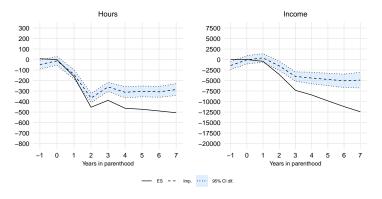


Figure 22: Event study vs IUI-imputation for population (age & education)





Event Study vs IUI-imputation: Inequality

Ineq. cause by children =
$$\frac{\tau}{\text{Ineq. w/o children} + \tau}$$

Event Study vs IUI-imputation: Inequality

Ineq. cause by children =
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Event Study vs IUI-imputation: Inequality

Ineq. cause by children =
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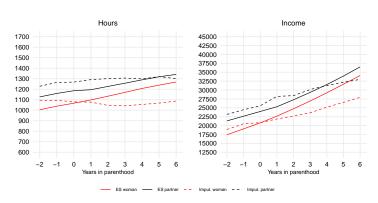
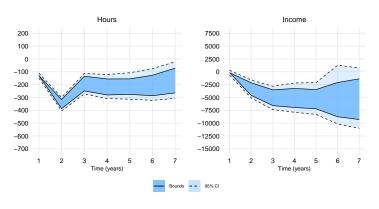


Figure 23: Event study vs IUI-imputation for population gaps (age & education), partner outcomes shifted 3 years

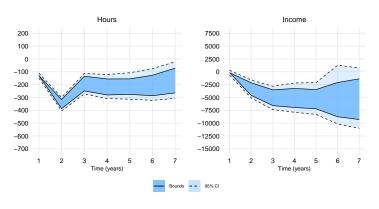


Simple estimator



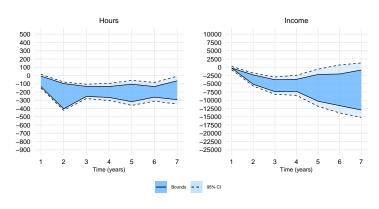
Back

Simple estimator



Back

Relaxing Monotonicity Direction







Heterogeneity by Covariates

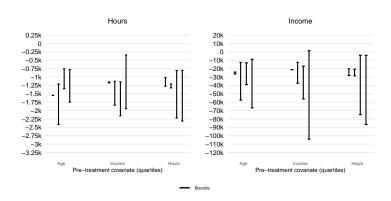


Figure 24: Cumulative outcomes after 6 years, pre-treatment covariates





Heterogeneity by Willingness to Undergo Procedures

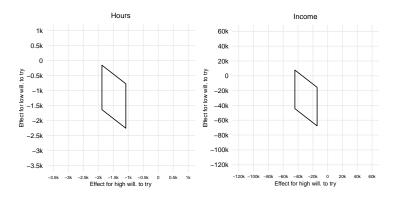


Figure 25: Cumulative outcomes 6 years after, G above or below 6





Monotone Bounds: Excluding Depression

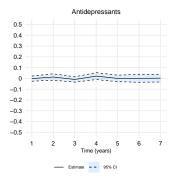


Figure 26: Sequential-IV estimates for effect on antidepressant take-up

Back (extensions) Back (model)

Monotone Bounds: Excluding Depressed

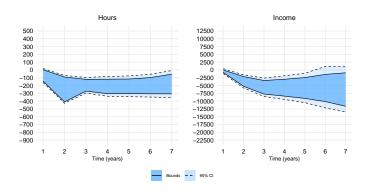


Figure 27: Monotone bounds for women who would not start antidepressants if they were to remain childless

Back (extensions) Back (model)



Arguments Regarding Mental Health

- Mental health consequences of not having a child are arguably a part of the relevant counterfactual
- ► IUI is significantly less invasive than IVF
- "Effects" of severe health shocks (including mental health shocks and psychical shocks that are followed by invasive treatments) are "relatively" small
- Partners' mental health might also suffer, which could alleviate concerns for inequality estimates

Back (extensions) Back (model)

Monotone Bounds: Assuming Maximum Leave

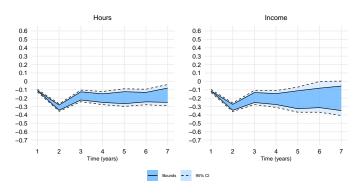


Figure 28: Monotone bounds scaling outcomes in years with childbirth by max. leave fraction





Monotone Bounds: Correcting for Partner's age

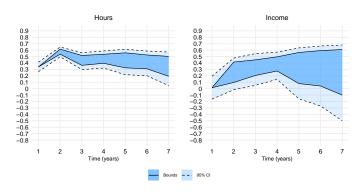


Figure 29: Monotone bounds using male income at same age as female

Back

Monotone Bounds: Fatherhood Penalty

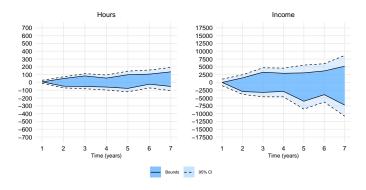


Figure 30: Monotone bounds for partners





Monotone Bounds: Fatherhood Penalty in Percent

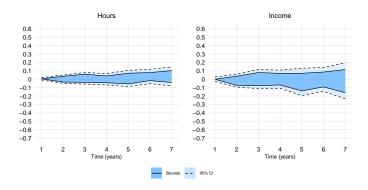


Figure 31: Monotone bounds for partners in percent





Monotone Bounds: Explaining Gender Inequality

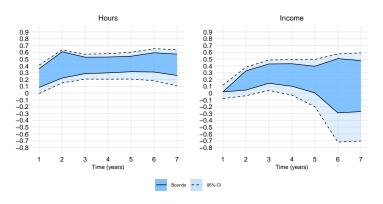


Figure 32: Share of gender inequality explained by parenthood





Are Bounds Less Informative?

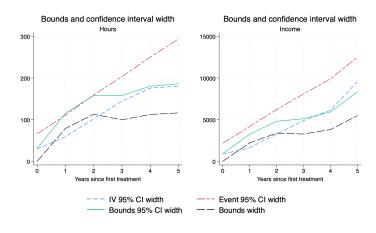


Figure 33: Confidence intervals for different methods





Naive Comparison

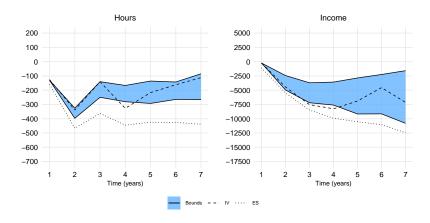


Figure 34: Estimates based on different methods

IV-women with lowest treated hours get children after ACPs fail Back



Monotone Bounds and IV

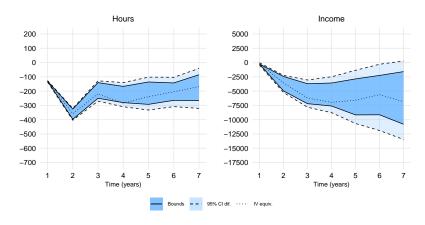


Figure 35: Bounds and IV equivalent for the same population





Placebo Event

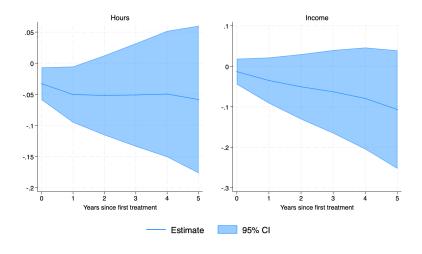


Figure 36: Placebo event study



Inequality treating ES bias as causal

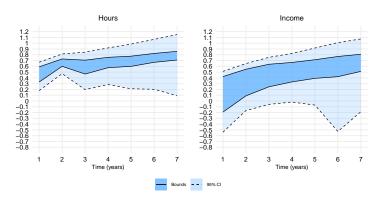


Figure 37: Placebo effects as share of bounds for the same population

Two possible interpretations:

- Event study severely overstates the penalty
- ▶ Large share of penalty is due to trying to conceive not parenthood per se



Yearly effect of Delaying Motherhood

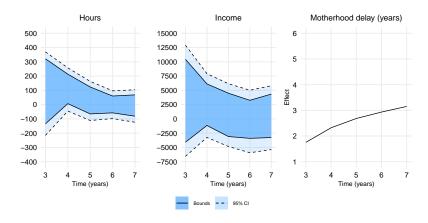


Figure 38: Effect of delaying relative to motherhood at first attempt Opposite of what is frequently assumed!



Cumulative effect of Delaying Motherhood

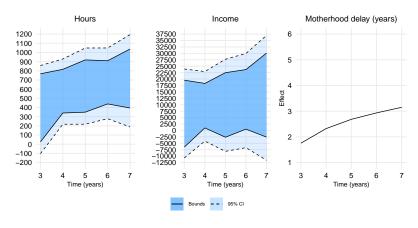


Figure 39: Effect of delaying relative to motherhood at first attempt

Back



Monotone Bounds: Women who Remain Childless

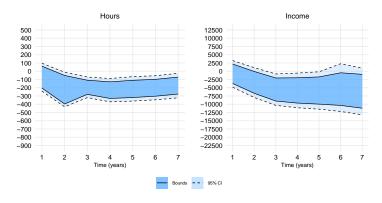


Figure 40: Monotone bounds using final status





Relaxing Monotonicity to Partnered Women

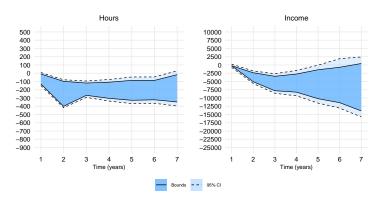


Figure 41: Monotone bounds using women who stay partnered

Back (extensions) Back (monotonicity)

Testing the Plug-in Approach

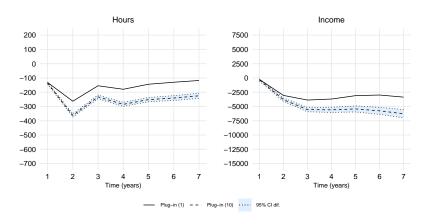


Figure 42: Plug-in estimators exploiting different number of treatments





Application to Other Settings

Key features:

- 1. Dynamic treatment effects.
- 2. Individuals (may choose to) "re-apply" for random treatment assignment.
- 3. Some may obtain treatment endogenously.

Application to Other Settings

Key features:

- 1. Dynamic treatment effects.
- 2. Individuals (may choose to) "re-apply" for random treatment assignment.
- 3. Some may obtain treatment endogenously.

Few examples:

▶ Education, medical trials, research grants, job training.



Application to Other Settings (Examples)

- Education: grade retention, school admission lotteries, special and gifted education programs.
- Medical trials: individuals assigned to control may eventually choose to participate in other medical trials or selectively receive a different treatment.
- Research grants: after unsuccessful application can apply for another or receive funding other ways.
- Job training: those not assigned to training may re-apply, some assignments may be non-random.

Back

Estimated Bias and Placebo Event Study

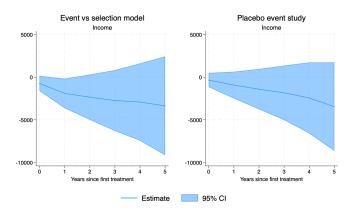


Figure 43: Difference between selection model estimate and event study estimate compared to placebo event study estimate



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