

Career Cost of Parenthood, Selective Fertility, and Dynamic Effects

Julius Ilciukas

University of Amsterdam

Motivation

Parenthood is often said to be the main cause of gender inequality in the labor market

- ▶ “Not surprisingly, **children** are the **main contributors** to women’s labor supply changes.” (Goldin, 2014)
- ▶ “...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 Has Proven Challenging

Fertility is endogenous

- ▶ Human capital, wealth, health, career prospects, the cost of parenthood

Effects of parenthood are dynamic

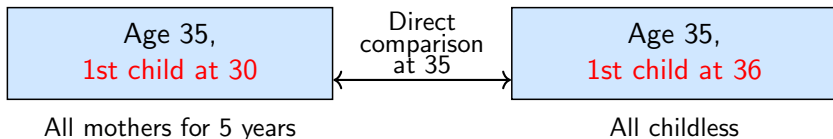
- ▶ Time spent in parenthood, career stage and age at the time of becoming a parent

Leading methods address one or the other

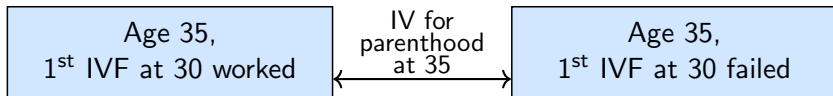
ES and IV-IVF

“Some of the most compelling evidence of the crucial role children (...) has been produced over the past few years” (Bertrand, 2020)

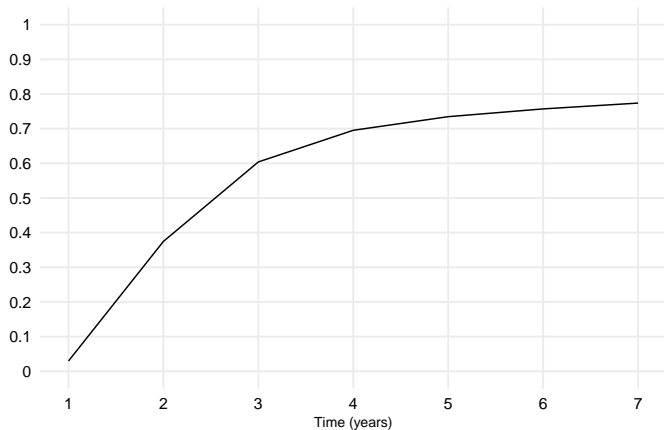
Event study (Kleven, Landaais, & Sørgaard, 2019):



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



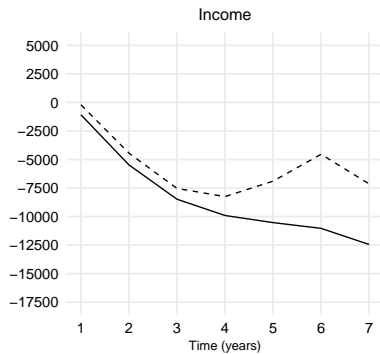
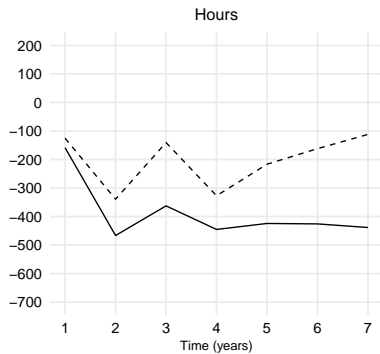
Motherhood After 1st Procedure Fails



$$\tau_{RF} = 0.25\tau_{Parenthood} + 0.75\tau_{Earlier}$$

$$\tau_{IV} = \tau_{Parenthood} + 3\tau_{Earlier}$$

IV vs ES



-- IV — ES

ES extern.

This Paper

How much can we say about the causal effect of parenthood?

This Paper

How much can we say about the causal effect of parenthood?

1. Novel approach using assisted conception procedures (ACPs)
robust to endogenous timing and dynamic effects
 - ▶ IVF, IUI
2. Empirical evidence using Dutch data

This Paper

How much can we say about the causal effect of parenthood?

1. Novel approach using assisted conception procedures (ACPs)
robust to endogenous timing and dynamic effects
 - ▶ IVF, IUI
2. Empirical evidence using Dutch data
 - ▶ 1st success mothers vs 1st fail & childless
 - ▶ Challenge: childless women are a selective group

This Paper

How much can we say about the causal effect of parenthood?

1. Novel approach using assisted conception procedures (ACPs)
robust to endogenous timing and dynamic effects
 - ▶ IVF, IUI
2. Empirical evidence using Dutch data
 - ▶ 1st success mothers vs 1st fail & childless
 - ▶ Challenge: childless women are a selective group
 1. Use full ACP histories to account for selection via ACPs
 2. Bounding to address remaining births
 - ▶ Only assumption: (cond.) random ACP outcomes

Model

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

$$Y(1)$$

- ▶ Childless outcome:

$$Y(0)$$

- ▶ Outcome when motherhood begins after first ACP:

$$Y(later)$$

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” \supseteq “compliers” (no child if first ACP fails)

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” \supseteq “compliers” (no child if first ACP fails)

Parameter of interest:

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

Assumption

Assumption (Sequential Unconfoundedness)

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

- ▶ A - number of attempts
- ▶ D_j - success of attempt j

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

- ▶ $e = \Pr(D_j = 1 | A \geq j)$ for all j for illustration.

Intuition: Childless Outcome $Y(0)$

1. Childless women \subset reliers
2. Not represent. (only) due to unobs. het. in will. to try ACPs

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

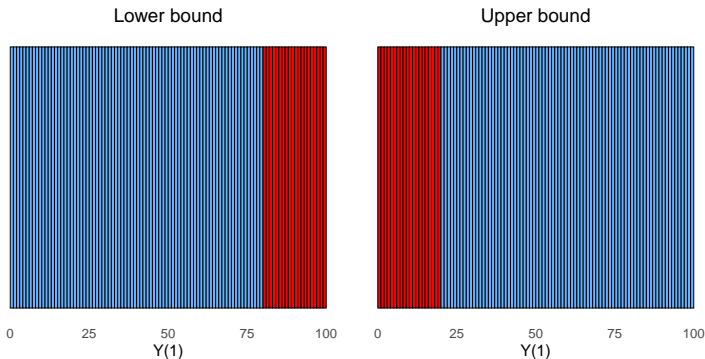
3. Observed number of ACPs is sufficient to account for it
 - ▶ Among childless $A = W$
 - ▶ Higher weights to women who tried more

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

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

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

ACPs

Data

Results: Bounds

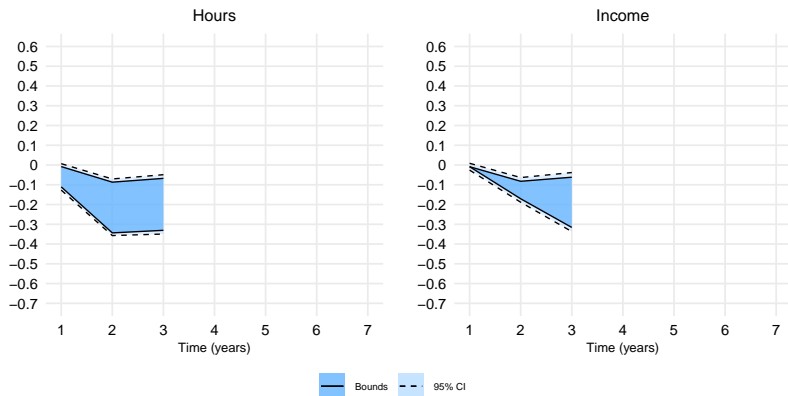


Figure 1: Bounds - short run

Baseline Lee bounds

Absolute effects

Results: Bounds

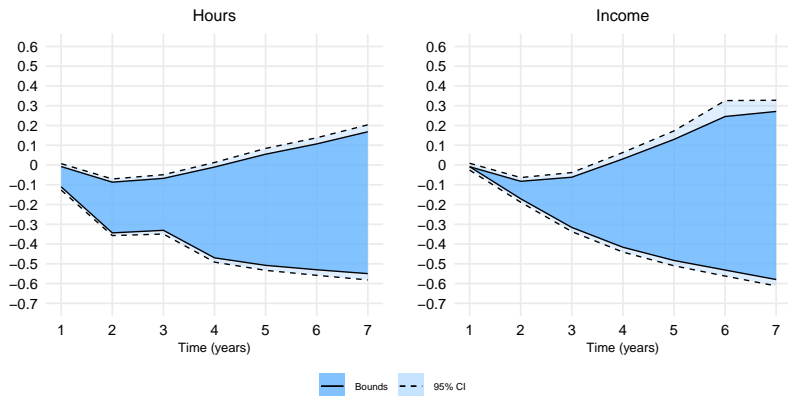


Figure 2: Bounds - medium run

Baseline Lee bounds

Absolute effects

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

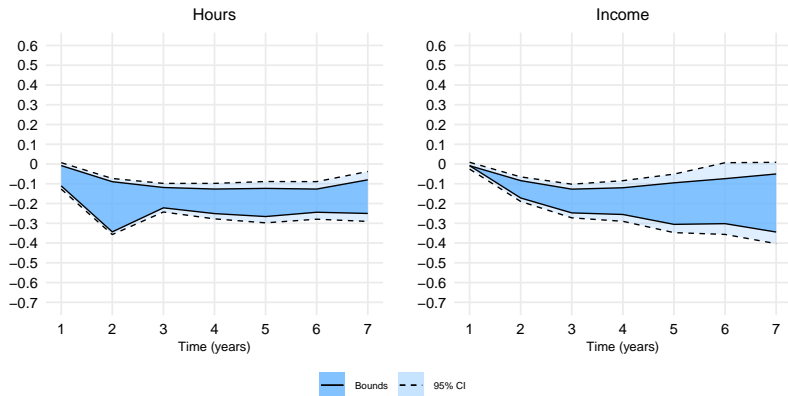


Figure 3: Bounds for percent effects

Absolute

How wide?

Bounds with Monotonicity - Gender Inequality

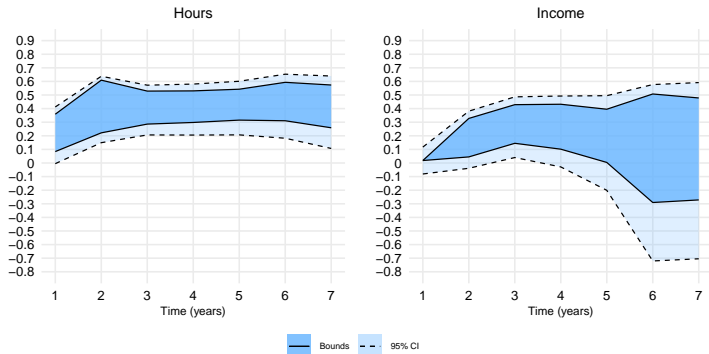


Figure 4: Share of gender inequality caused by parenthood

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 at most 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

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 than 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

Appendix

Literature

Identification Math

Treatment Success

Balance

Type Shares

Trimming Shares

Monotonicity

Bound Width

Extensions

Application to Other Settings

References

Related Literature

Gender inequality in labor market outcomes.

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

Related Literature

Gender inequality in labor market outcomes.

- ▶ Bertrand (2011); Blau & Kahn (2017) for review.
- ▶ Role of parenthood with selection and (partially) dynamic effects:
 - ▶ Bensnes et al. (2023); Gallen et al. (2023) [Discussion](#)
 - ▶ Static by time since birth and homogeneous across individuals.

Related Literature

Gender inequality in labor market outcomes.

- ▶ Bertrand (2011); Blau & Kahn (2017) for review.
- ▶ Role of parenthood with selection and (partially) dynamic effects:
 - ▶ Bensnes et al. (2023); Gallen et al. (2023) [Discussion](#)
 - ▶ Static by time since birth and homogeneous across individuals.

No paper to date addresses endogenous timing and dynamic (and heterogeneous) effects.

Related Literature

Gender inequality in labor market outcomes.

- ▶ Bertrand (2011); Blau & Kahn (2017) for review.
- ▶ Role of parenthood with selection and (partially) dynamic effects:
 - ▶ Bensnes et al. (2023); Gallen et al. (2023) [Discussion](#)
 - ▶ Static by time since birth and homogeneous across individuals.

No paper to date addresses endogenous timing and dynamic (and heterogeneous) effects.

Main methodological ideas closely related to:

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

[Back](#) [Literature](#)

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](#)

What are the counterfactuals?

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ Want/plan children

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ Get with medical assistance

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

Childless outcome:

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

Childless outcome:

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

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

Childless outcome:

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

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

Childless outcome:

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

What are the counterfactuals?

Broadly:

- ▶ Do not want/plan children
- ▶ **Want/plan children**

Motherhood outcome:

- ▶ Get immediately
- ▶ Get naturally after few attempts
- ▶ **Get with medical assistance**

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](#)

Identification Intuition (cont.)

Identification Intuition (cont.)

Step 0:

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

Identification Intuition (cont.)

Step 0:

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

Step 1:

$$\mathbb{E}[w(P)Y|C = 0] = \mathbb{E}[Y(0)|R = 1],$$

Identification Intuition (cont.)

Step 0:

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

Step 1:

$$\mathbb{E}[w(P)Y|C=0] = \mathbb{E}[Y(0)|R=1],$$

with:

$$w(P) \propto \frac{1}{\prod_{W=1}^P \Pr(D_W = 0|P \geq g)} \stackrel{\text{if } \Pr \equiv \text{const.}}{=} \frac{1}{\alpha^P}.$$

Identification Intuition (cont.)

Step 0:

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

Step 1:

$$\mathbb{E}[w(P)Y|C = 0] = \mathbb{E}[Y(0)|R = 1],$$

with:

$$w(P) \propto \frac{1}{\prod_{W=1}^P \Pr(D_W = 0|P \geq g)} \stackrel{\text{if } \Pr \equiv \text{const.}}{=} \frac{1}{\alpha^P}.$$

Step 2:

$$\mathbb{E}[N] = \mathbb{E}[w(P)C|\text{no success}],$$

Identification Intuition (cont.)

Step 0:

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

Step 1:

$$\mathbb{E}[w(P)Y|C = 0] = \mathbb{E}[Y(0)|R = 1],$$

with:

$$w(P) \propto \frac{1}{\prod_{W=1}^P \Pr(D_W = 0|P \geq g)} \stackrel{\text{if Pr const.}}{=} \frac{1}{\alpha^P}.$$

Step 2:

$$\mathbb{E}[N] = \mathbb{E}[w(P)C|\text{no success}],$$

Step 3:

1. Y 's among $D_1 = 1$ “reveal” the distribution of $Y(1)$'s
2. Assume women with $R = 1$ are in the left/right tail
3. Bounds on $\mathbb{E}[Y(1)|R = 1]$

Identification Intuition (cont.)

Step 0:

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

Step 1:

$$\mathbb{E}[w(P)Y|C = 0] = \mathbb{E}[Y(0)|R = 1],$$

with:

$$w(P) \propto \frac{1}{\prod_{W=1}^P \Pr(D_W = 0|P \geq g)} \quad \text{if } \Pr \stackrel{\text{const.}}{=} \frac{1}{\alpha^P}.$$

Step 2:

$$\mathbb{E}[N] = \mathbb{E}[w(P)C|\text{no success}],$$

Step 3:

1. Y 's among $D_1 = 1$ “reveal” the distribution of $Y(1)$'s
2. Assume women with $R = 1$ are in the left/right tail
3. Bounds on $\mathbb{E}[Y(1)|R = 1]$

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

$$\mathbb{E}[Y] = \mathbb{E}\left[\frac{1}{(1/2)^P} Y \mathbf{1}_{\{\text{no heads}\}}\right]$$

Back

Formal Identification

$$\Delta_L = \mu_L - \mu_C$$

$$\Delta_U = \mu_U - \mu_C$$

$$\mu_C = \mathbb{E} \left[\frac{Y}{\prod_j^P (1 - p_j(X_j))} \middle| \mathbf{1}_{Child} = 0 \right] \mathbb{E} \left[\prod_j^P (1 - p_j(X_j)) \middle| \mathbf{1}_{Child} = 0 \right]$$

$$\mu_L = \mathbb{E} \left[\frac{Y}{p_1(X_1)} \middle| D_1 = 1, Y < y(1 - s) \right] \mathbb{E} [p_1(X_1) | D_1 = 1, Y < y(1 - s)]$$

$$\mu_U = \mathbb{E} \left[\frac{Y}{p_1(X_1)} \middle| D_1 = 1, Y > y(s) \right] \mathbb{E} [p_1(X_1) | D_1 = 1, Y > y(s)]$$

$$y(q) = G^{-1}(q)$$

$$G(q) = \mathbb{E} \left[\frac{\mathbf{1}(Y \leq q)}{p_1(X_1)} \middle| D_1 = 1 \right] \mathbb{E} [p_1(X_1) | D_1 = 1]$$

$$s = \mathbb{E} \left[\frac{\mathbf{1}_{Child}}{\prod_j^P (1 - p_j(X_j))} \middle| W = 0 \right] \mathbb{E} \left[\prod_j^P (1 - p_j(X_j)) \middle| W = 0 \right],$$

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

Narrowing the Bounds with Covariates (cont.)

Alternative extension of Lee bounds (to my knowledge)

- ▶ Take some function $g(x)$
- ▶ $\mathbb{E}[g(X_1)|R = 1]$ 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
- ▶ ~25% success rate

Intrauterine insemination (IUI)

- ▶ Sperm injected directly into the uterus.
- ▶ ~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

Randomness in IUI and IVF

Treatment success is not completely random.

Randomness in IUI and IVF

Treatment success is not completely random.

- ▶ Arguably the most important factor for success also related to labor market outcomes is the age of the woman and their partner.

Randomness in IUI and IVF

Treatment success is not completely random.

- ▶ Arguably the most important factor for success also related to labor market outcomes is the age of the woman and their partner.
- ▶ I allow the probability of success at each attempt to depend on the age of the woman and their partner at the time of the attempt interacted with treatment type.

Randomness in IUI and IVF

Treatment success is not completely random.

- ▶ Arguably the most important factor for success also related to labor market outcomes is the age of the woman and their partner.
- ▶ I allow the probability of success at each attempt to depend on the age of the woman and their partner at the time of the attempt interacted with treatment type.

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

[Back](#)

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

Table 1: First treatment outcomes and descriptives

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

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 (0.009) | -0.002 (0.010) | 0.023 (0.011) | 0.008 (0.012) | 0.030 (0.013) | 0.007 (0.014) | -0.008 (0.017) | 0.016 (0.019) | 0.041 (0.026) |
| Work (P) | 0.011 (0.010) | 0.014 (0.010) | 0.005 (0.011) | 0.014 (0.012) | -0.004 (0.013) | -0.008 (0.014) | 0.001 (0.017) | 0.016 (0.020) | 0.040 (0.027) |
| Hours (W) | 37.050 (17.373) | -0.615 (18.648) | 45.477 (20.127) | 39.327 (21.930) | 68.596 (24.489) | 25.780 (26.043) | -5.734 (31.176) | 81.149 (36.869) | 29.860 (49.101) |
| Hours (P) | 29.074 (19.336) | 28.347 (20.807) | 18.441 (22.614) | 35.597 (24.685) | -7.332 (27.215) | -15.344 (28.618) | 0.360 (34.381) | 47.511 (41.158) | 49.279 (55.440) |
| Income 1000s € (W) | 1.786 (0.548) | 0.283 (0.592) | 1.123 (0.647) | 1.672 (0.710) | 1.380 (0.786) | 0.489 (0.831) | 0.417 (1.030) | 1.839 (1.240) | -0.297 (1.714) |
| Income 1000s € (P) | 0.221 (0.820) | 1.277 (0.846) | 1.588 (0.923) | 1.125 (1.018) | -0.542 (1.123) | -0.370 (1.212) | 1.567 (1.423) | 1.001 (1.666) | -0.202 (2.277) |
| Bachelor deg. (W) | 0.002 (0.013) | 0.026 (0.014) | -0.020 (0.015) | 0.001 (0.017) | -0.003 (0.019) | 0.003 (0.020) | 0.023 (0.024) | -0.012 (0.028) | 0.045 (0.038) |
| Bachelor deg. (P) | 0.005 (0.013) | 0.010 (0.014) | 0.011 (0.016) | 0.007 (0.017) | -0.003 (0.019) | 0.013 (0.020) | 0.020 (0.024) | 0.012 (0.029) | -0.014 (0.039) |
| Age (W) | 0.001 (0.011) | -0.007 (0.015) | -0.040 (0.019) | 0.024 (0.023) | 0.013 (0.026) | -0.001 (0.028) | -0.046 (0.036) | -0.027 (0.043) | -0.017 (0.059) |
| Age (P) | 0.001 (0.011) | -0.007 (0.015) | -0.040 (0.019) | 0.024 (0.023) | 0.013 (0.026) | -0.001 (0.028) | -0.046 (0.036) | -0.027 (0.043) | -0.017 (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 [0.323] | 0.863 [0.344] | 0.820 [0.335] | 0.800 [0.400] | 0.082 (0.010) | 0.020 (0.005) |
| Work (P) | 0.884 [0.320] | 0.865 [0.342] | 0.849 [0.345] | 0.782 [0.413] | 0.103 (0.010) | 0.068 (0.005) |
| Hours (W) | 1240.315 [604.666] | 1207.860 [635.194] | 1117.711 [584.369] | 1068.897 [698.712] | 171.418 (16.915) | 48.815 (8.442) |
| Hours (P) | 1474.530 [658.231] | 1438.590 [695.692] | 1390.699 [663.944] | 1242.166 [794.776] | 232.364 (19.241) | 148.533 (9.591) |
| Income 1000s € (W) | 28.065 [19.559] | 27.418 [20.219] | 24.976 [15.080] | 20.846 [17.990] | 7.219 (0.436) | 4.130 (0.218) |
| Income 1000s € (P) | 37.205 [26.482] | 36.952 [29.452] | 35.299 [23.982] | 27.471 [28.686] | 9.734 (0.694) | 7.828 (0.346) |
| Bachelor deg. (W) | 0.480 [0.500] | 0.451 [0.498] | 0.398 [0.411] | 0.411 [0.492] | 0.069 (0.012) | -0.012 (0.006) |
| Bachelor deg. (P) | 0.394 [0.489] | 0.381 [0.486] | 0.329 [0.397] | 0.345 [0.475] | 0.049 (0.012) | -0.015 (0.006) |
| Age (W) | 31.638 [4.015] | 32.388 [4.383] | 33.480 [3.896] | 28.375 [4.657] | 3.263 (0.113) | 5.105 (0.056) |
| Age (P) | 34.675 [5.513] | 35.461 [5.996] | 36.580 [3.927] | 28.375 [4.663] | 6.300 (0.113) | 8.205 (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 representative 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

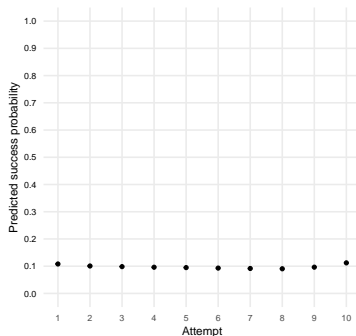


Figure 5: Predicted success probability holding X fixed at first attempt average

[Back](#)

Attempts

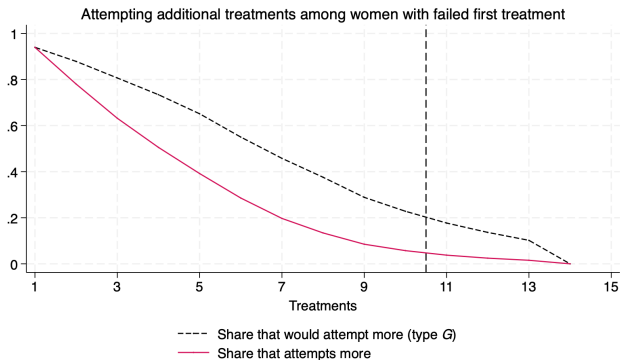


Figure 6: Number of treatments and type

Non-treatment Conception by Type

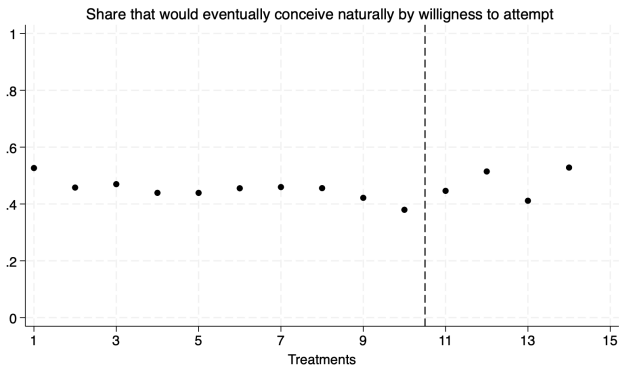


Figure 7: Conceiving naturally and willingness to attempt

Trimming shares

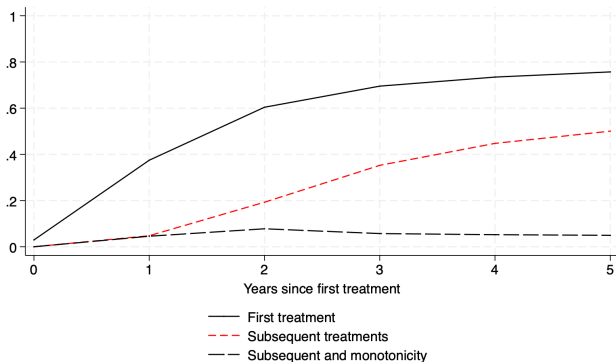


Figure 8: Trimming share under different information

[Back](#)

Correction Term

$$\begin{aligned} \text{corr}_L(\text{data}, \eta_0) &= q_1(s_0(X_1), X_1) \prod_{j=1}^P \frac{1 - D_j}{1 - e_j(X_j)} (S - s(0, X_1)) \\ &\quad - q_1(s_0(X_1), X_1) \frac{D_1}{e_1(X_1)} (1_{\{Y < q_1(s_0(X_1), X_1)\}} - s_0(X_1)) \\ &\quad - \frac{D_1 - e_1(X_1)}{e_1(X_1)} z_L^+(1, X_1) s(0, X_1) \\ &\quad + \sum_k \mathbb{1}_{P \geq j} \prod_j^{k-1} \frac{1 - D_j}{1 - e_j(X_j)} \frac{e_k(X_k) - D_k}{1 - e_k(X_k)} (s_k(0, X_k) \beta_k(0, X_k)) \\ &\quad + \sum_k \mathbb{1}_{P \geq j} \prod_j^{k-1} \frac{1 - D_j}{1 - e_j(X_j)} \frac{e_k(X_k) - D_k}{1 - e_k(X_k)} q_1(s_0(X_1), X_1) (s(0, X_1) - s_k(0, X_k)) \end{aligned}$$

Back

Bounds: Absolute

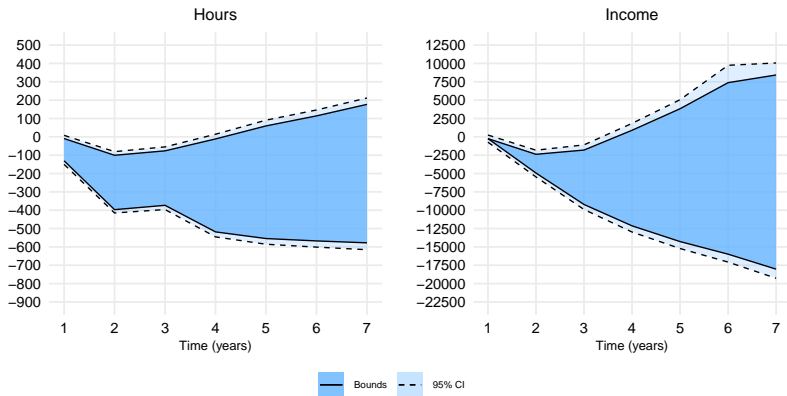


Figure 9: Bounds effects

[Back](#)

Bounds: Hours - Comparison to Baseline Lee Bounds

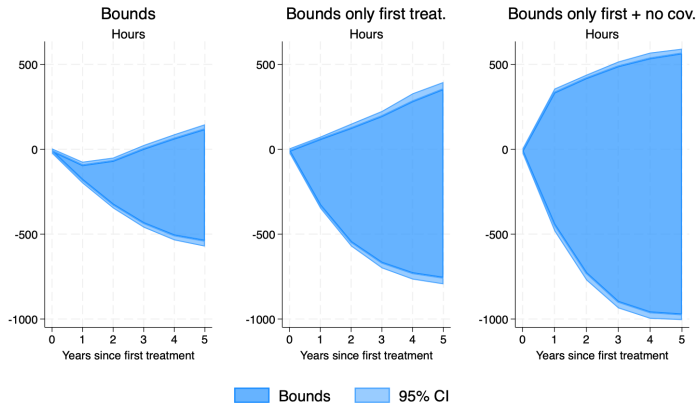


Figure 10: Comparison with baseline Lee: hours

[Back](#)

Bounds: Income - Comparison to Baseline Lee Bounds

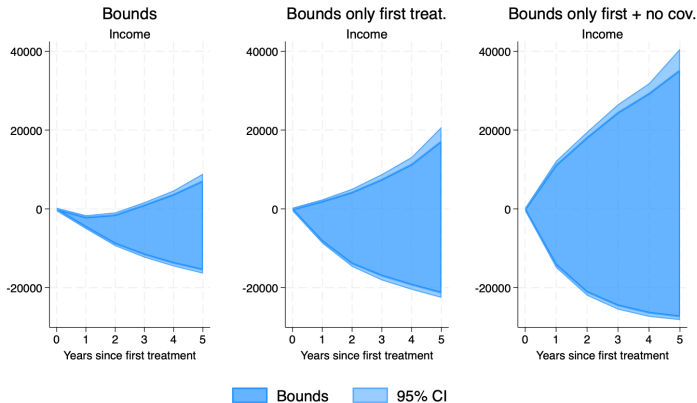


Figure 11: Comparison with baseline Lee: income

Monotonicity (cont.)

Is monotonicity realistic?

Monotonicity (cont.)

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.

Monotonicity (cont.)

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.

Monotonicity (cont.)

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.

Monotonicity (cont.)

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.

Monotonicity (cont.)

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

- ▶ 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.

Benefit of Monotonicity

- ▶ 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.

[Intuition](#)

[Back](#)

Monotonicity: Intuition (1)

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

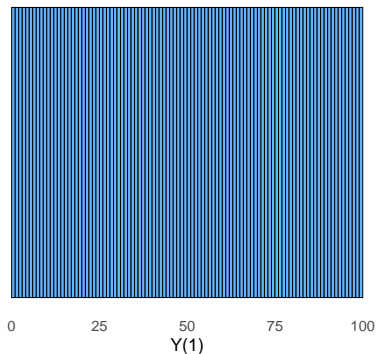


Figure 12: Distribution of potential motherhood outcomes

Monotonicity: Intuition (2)

Without monotonicity: 20 with highest/lowest outcomes:

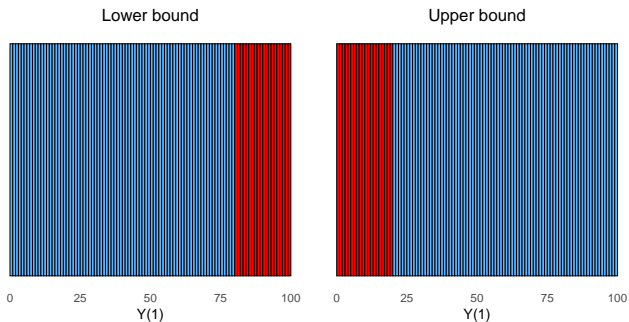


Figure 13: Distribution of potential motherhood outcomes

[Back](#)

Monotonicity: Intuition (3)

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

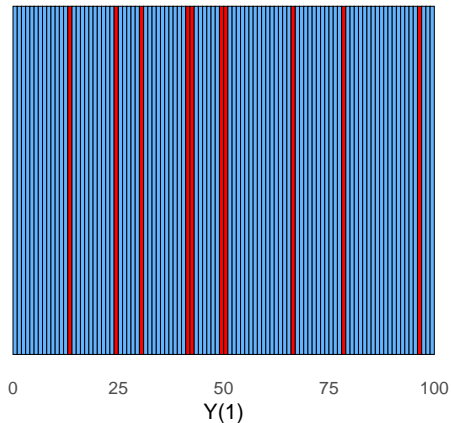


Figure 14: Distribution of potential motherhood outcomes

Monotonicity: Intuition (4)

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

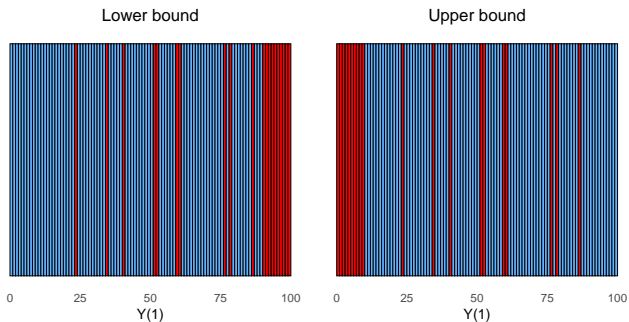


Figure 15: Distribution of potential motherhood outcomes

[Back](#)

Monotonicity: Intuition (5)

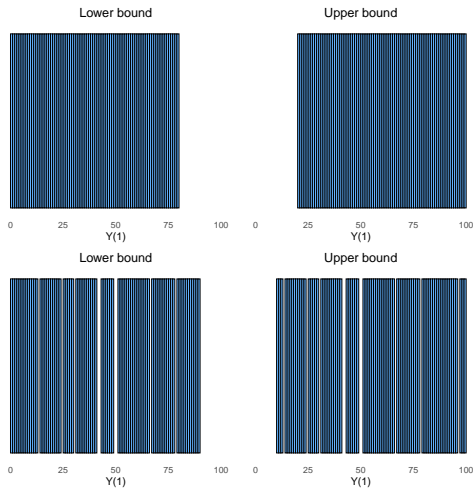


Figure 16: Distribution of potential motherhood outcomes

Monotone Bounds: Absolute

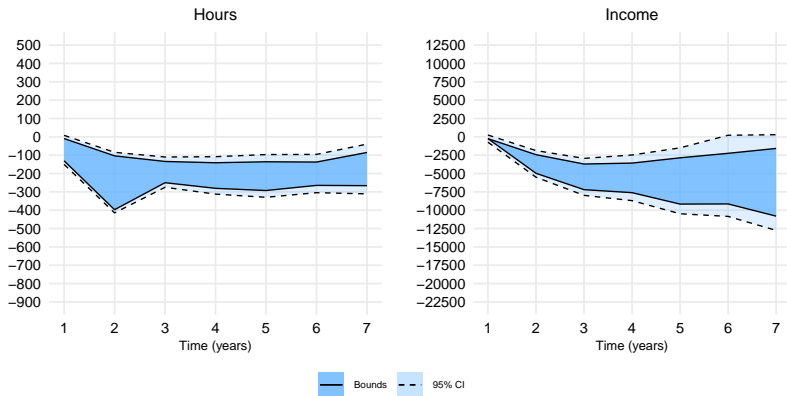


Figure 17: Monotone bounds: absolute terms

[Back](#)

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 estimators biased? Naive IV-IVF equiv. Plac. ES Place. ineq.
- ▶ Are estimates less informative than 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

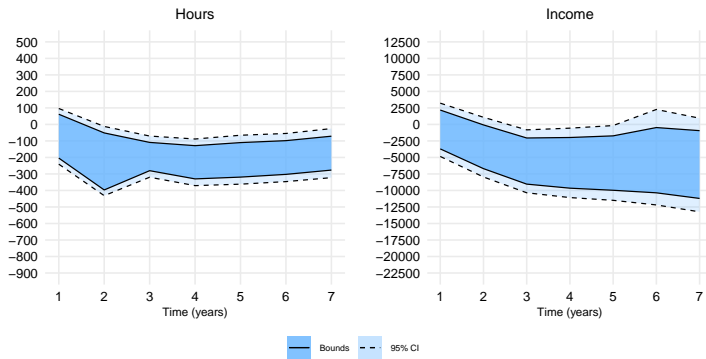


Figure 18: Monotone bounds using final status

[Back](#)

Event Study: Population vs IUI Sample

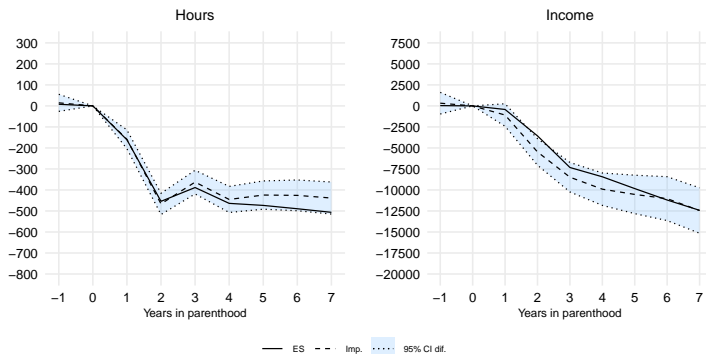


Figure 19: ES for population and women with first IUI success

[Back \(extensions\)](#)

[Back \(intro\)](#)

Imputing Population Motherhood Outcomes Using IUI Sample

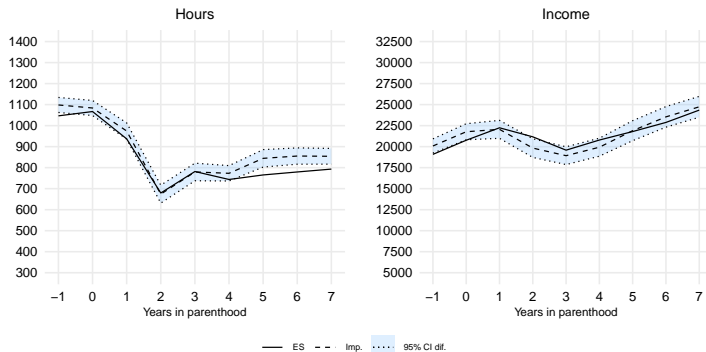


Figure 20: Population Outcomes vs IUI-imputation (age & education)

[Back](#)

Imputing Population Childless Outcomes Using IUI Sample

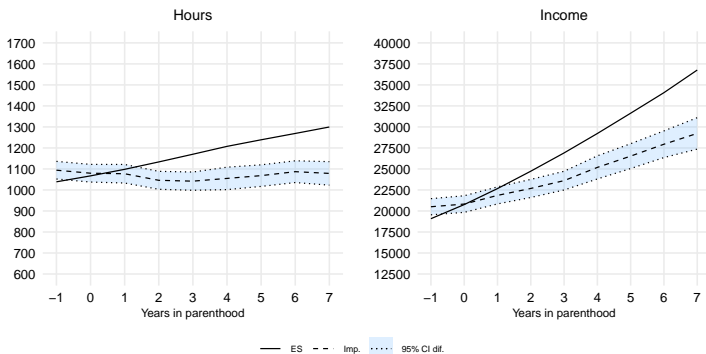


Figure 21: Population Outcomes vs IUI-imputation (age & education)

[Back](#)

Event Study vs IUI-imputation for Population

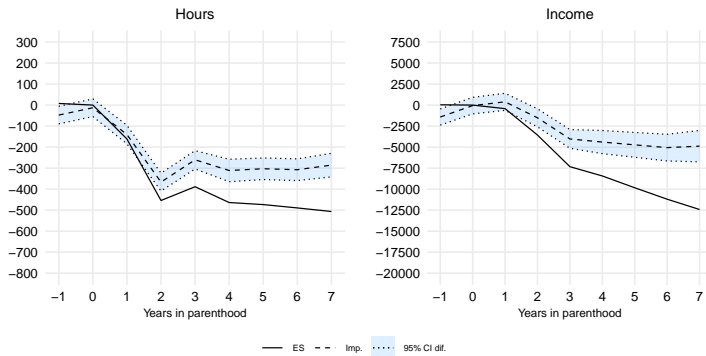


Figure 22: Event study vs IUI-imputation for population (age & education)

[Back](#)

Event Study vs IUI-imputation: Inequality

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

Event Study vs IUI-imputation: Inequality

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

Event Study vs IUI-imputation: Inequality

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

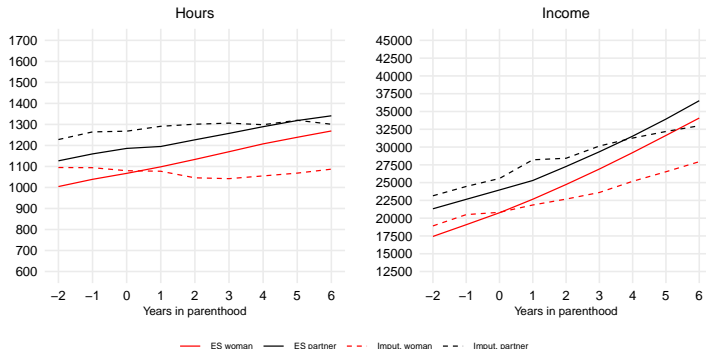
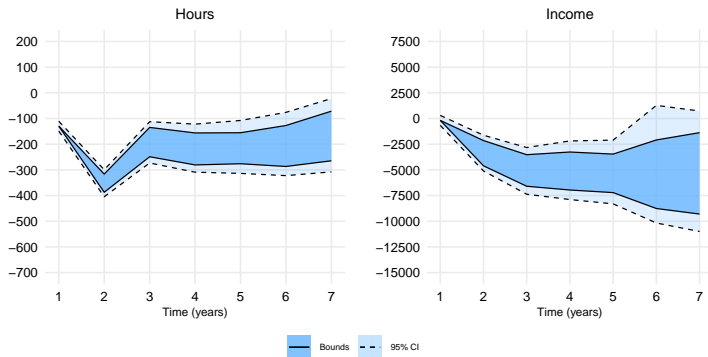


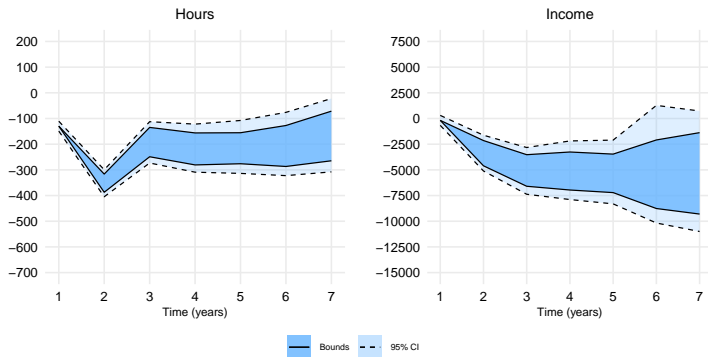
Figure 23: Event study vs IUI-imputation for population gaps (age & education), partner outcomes shifted 3 years

Simple estimator



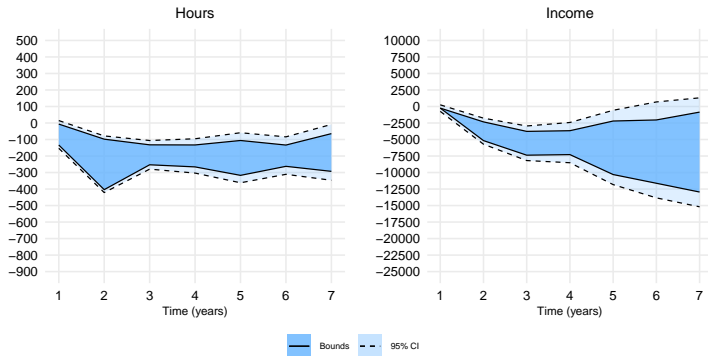
[Back](#)

Simple estimator



[Back](#)

Relaxing Monotonicity Direction



[Back](#)

Heterogeneity by Covariates

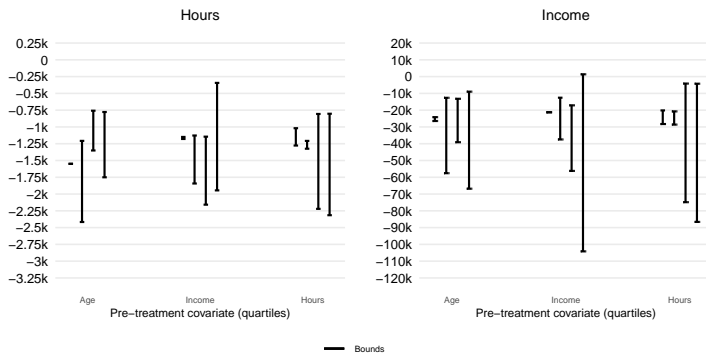


Figure 24: Cumulative outcomes after 6 years, pre-treatment covariates

[Back](#)

Heterogeneity by Willingness to Undergo Procedures

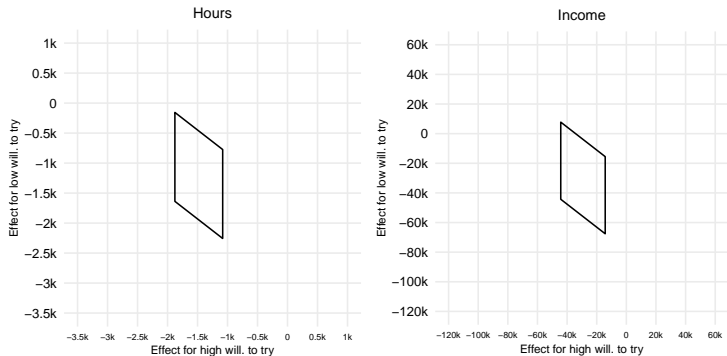


Figure 25: Cumulative outcomes 6 years after, G above or below 6

[Back](#)

Monotone Bounds: Excluding Depression

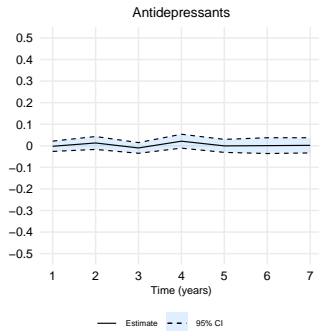


Figure 26: Sequential-IV estimates for effect on antidepressant take-up

[Back \(extensions\)](#)

[Back \(model\)](#)

Monotone Bounds: Excluding Depressed

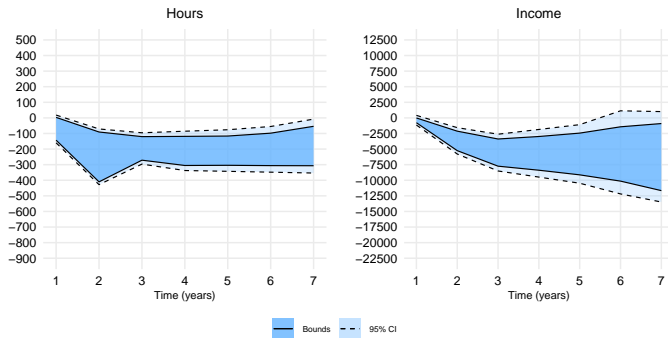


Figure 27: Monotone bounds for women who would not start antidepressants if they were to remain childless

[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

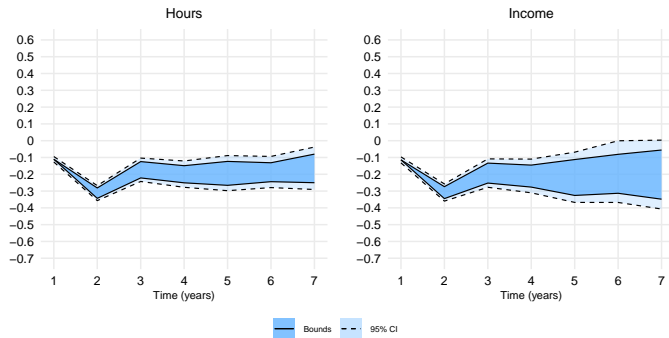


Figure 28: Monotone bounds scaling outcomes in years with childbirth by max. leave fraction

[Back](#)

Monotone Bounds: Correcting for Partner's age

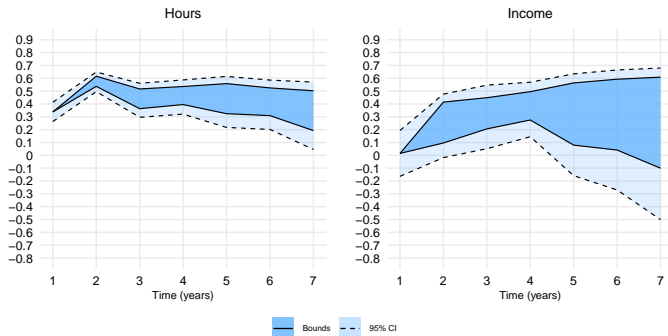


Figure 29: Monotone bounds using male income at same age as female

[Back](#)

Monotone Bounds: Fatherhood Penalty

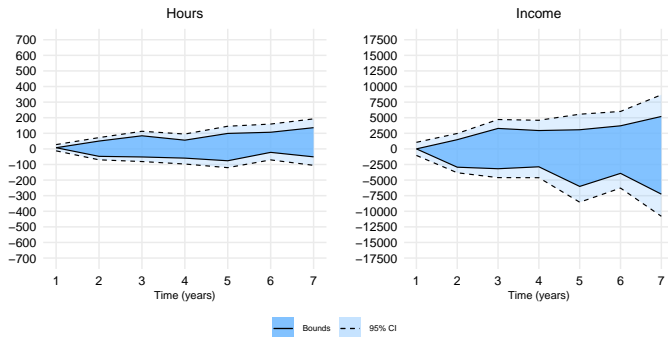


Figure 30: Monotone bounds for partners

[Back](#)

Monotone Bounds: Fatherhood Penalty in Percent

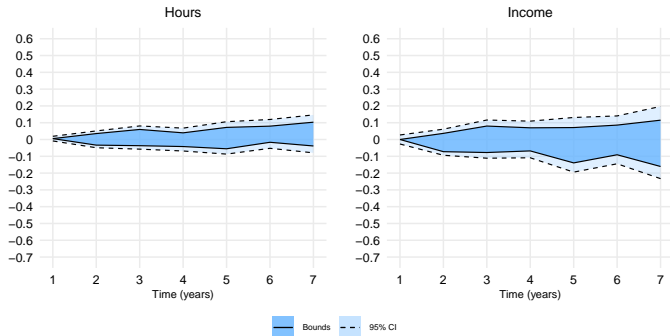


Figure 31: Monotone bounds for partners in percent

[Back](#)

Monotone Bounds: Explaining Gender Inequality

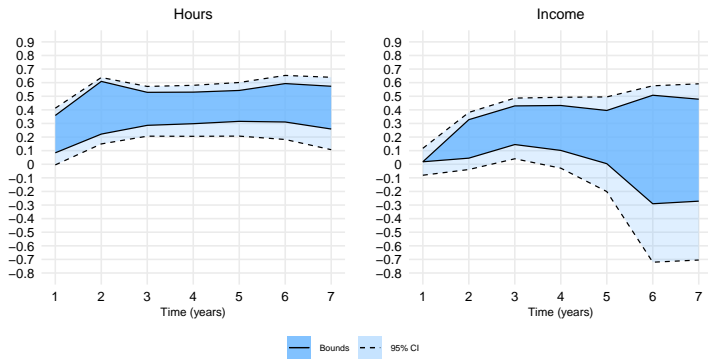


Figure 32: Share of gender inequality explained by parenthood

[Back](#)

Are Bounds Less Informative?

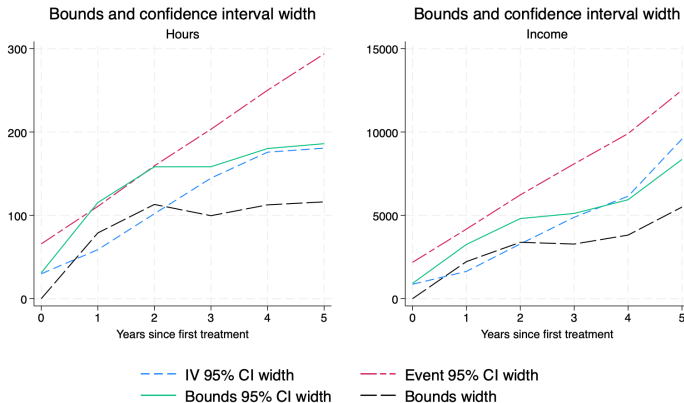


Figure 33: Confidence intervals for different methods

Naive Comparison

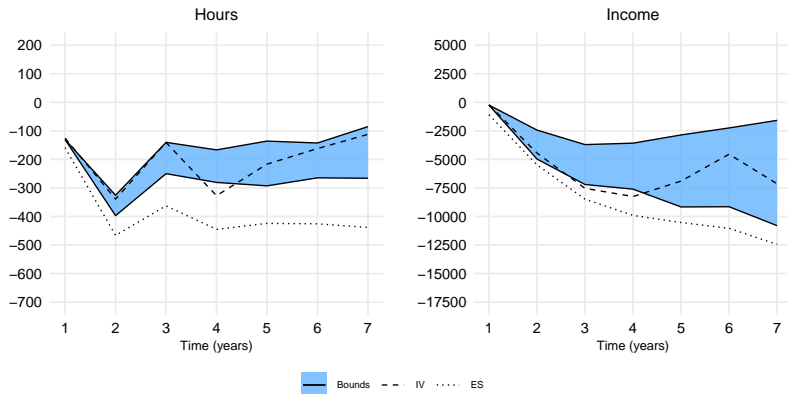


Figure 34: Estimates based on different methods

IV→women with lowest treated hours get children after ACPs fail [Back](#)

Monotone Bounds and IV

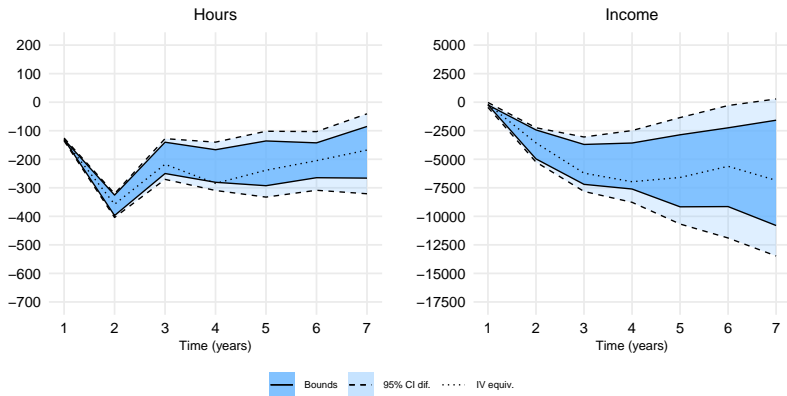


Figure 35: Bounds and IV equivalent for the same population

[Back](#)

Placebo Event

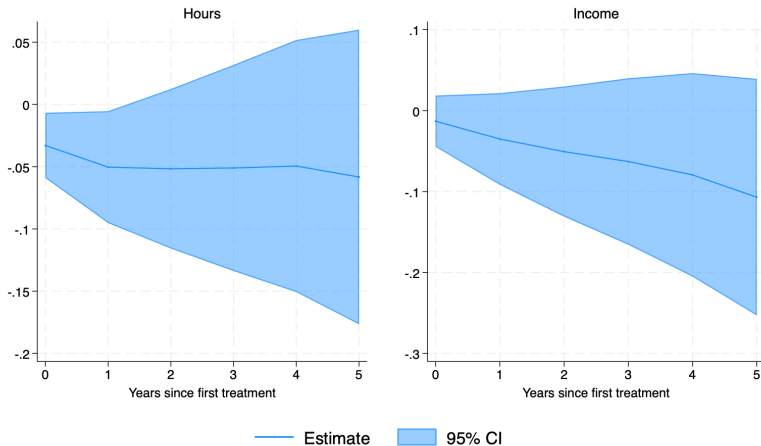


Figure 36: Placebo event study

Inequality treating ES bias as causal

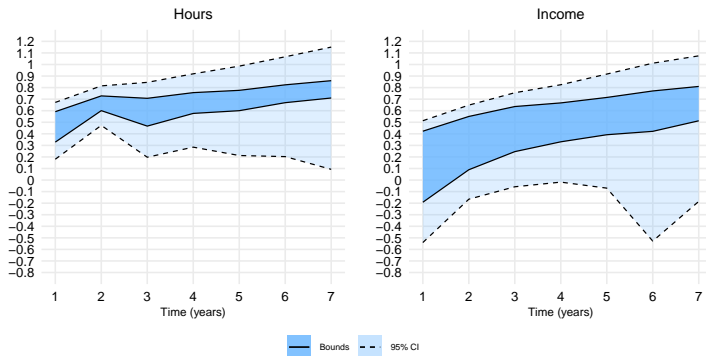


Figure 37: Placebo effects as share of bounds for the same population

Two possible interpretations:

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

[Back](#)

Yearly effect of Delaying Motherhood

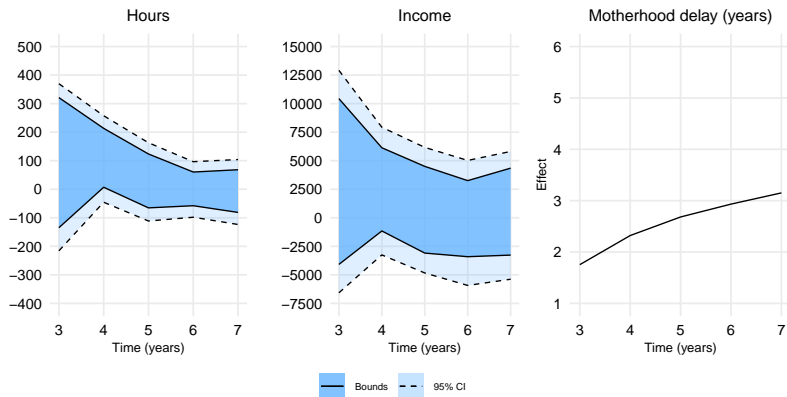


Figure 38: Effect of delaying relative to motherhood at first attempt

Opposite of what is frequently assumed!

[Back](#)

Cumulative effect of Delaying Motherhood

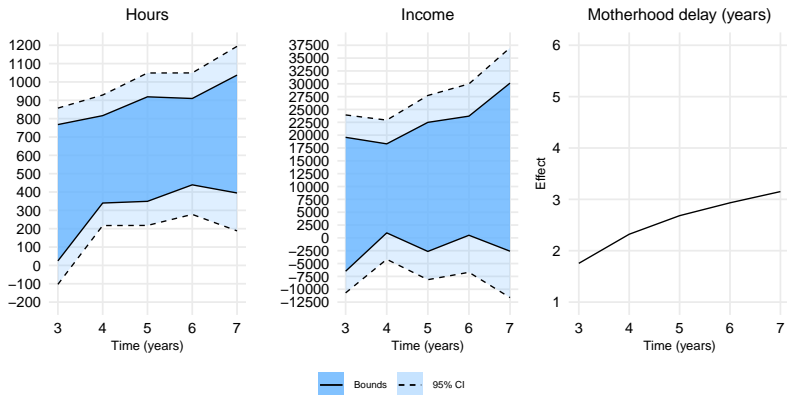


Figure 39: Effect of delaying relative to motherhood at first attempt

[Back](#)

Monotone Bounds: Women who Remain Childless

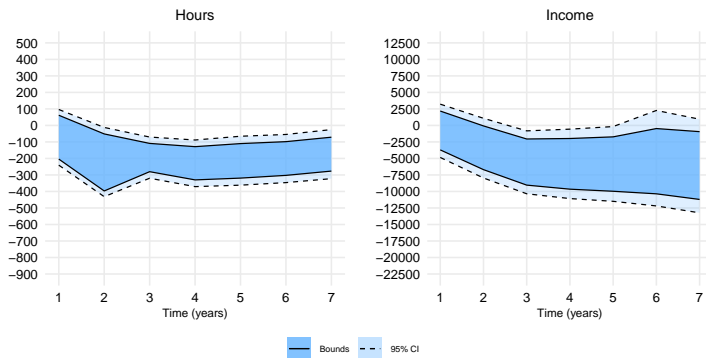


Figure 40: Monotone bounds using final status

[Back](#)

Relaxing Monotonicity to Partnered Women

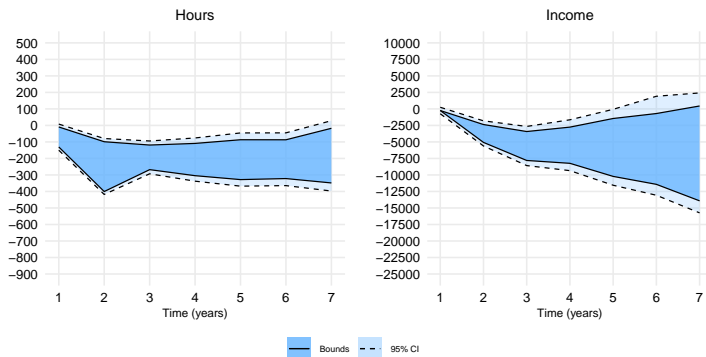


Figure 41: Monotone bounds using women who stay partnered

[Back \(extensions\)](#)

[Back \(monotonicity\)](#)

Testing the Plug-in Approach

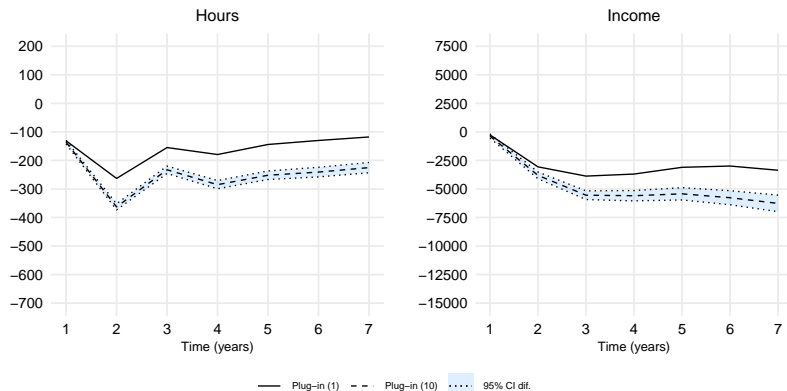


Figure 42: Plug-in estimators exploiting different number of treatments

[Back](#)

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.

Examples

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

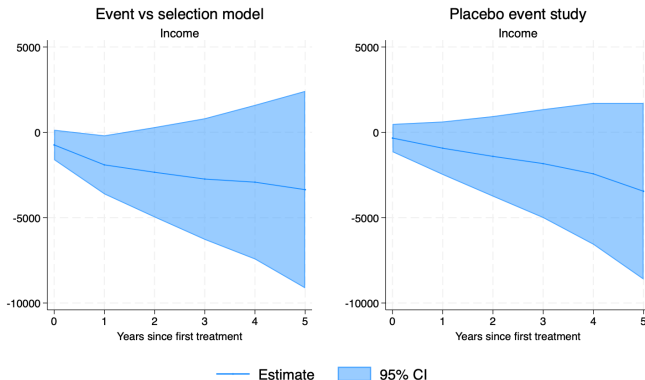


Figure 43: Difference between selection model estimate and event study estimate compared to placebo event study estimate

References I

- Agüero, J. M., & Marks, M. S. (2008). Motherhood and female labor force participation: evidence from infertility shocks. *American Economic Review*, 98(2), 500–504.
- Angelov, N., Johansson, P., & Lindahl, E. (2016). Parenthood and the gender gap in pay. *Journal of labor economics*, 34(3), 545–579.
- Angrist, J., & Evans, W. N. (1996). *Children and their parents' labor supply: Evidence from exogenous variation in family size*. National bureau of economic research Cambridge, Mass., USA.
- Bensnes, S., Huitfeldt, I., & Leuven, E. (2023). *Reconciling estimates of the long-term earnings effect of fertility* (Tech. Rep.). Institute of Labor Economics (IZA).
- Bertrand, M. (2011). New perspectives on gender. In *Handbook of labor economics* (Vol. 4, pp. 1543–1590). Elsevier.
- Bertrand, M. (2020). Gender in the twenty-first century. In *Aea papers and proceedings* (Vol. 110, pp. 1–24).
- Blau, F. D., & Kahn, L. M. (2017). The gender wage gap: Extent, trends, and explanations. *Journal of economic literature*, 55(3), 789–865.
- Bronars, S. G., & Grogger, J. (1994). The economic consequences of unwed motherhood: Using twin births as a natural experiment. *The American Economic Review*, 1141–1156.
- Brooks, N., & Zohar, T. (2021). *Out of labor and into the labor force? the role of abortion access, social stigma, and financial constraints* (Tech. Rep.).
- Chung, Y., Downs, B., Sandler, D. H., Sienkiewicz, R., et al. (2017). *The parental gender earnings gap in the united states* (Tech. Rep.).
- Cortés, P., & Pan, J. (2023). Children and the remaining gender gaps in the labor market. *Journal of Economic Literature*, 61(4), 1359–1409.
- Cristia, J. P. (2008). The effect of a first child on female labor supply: Evidence from women seeking fertility services. *Journal of Human Resources*, 43(3), 487–510.
- Cruces, G., & Galiani, S. (2007). Fertility and female labor supply in latin america: New causal evidence. *Labour Economics*, 14(3), 565–573.
- Eichmeyer, S., & Kent, C. (2022). *Parenthood in poverty*. Centre for Economic Policy Research.

References II

- Gallen, Y., Joensen, J. S., Johansen, E. R., & Veramendi, G. F. (2023). The labor market returns to delaying pregnancy. *Available at SSRN 4554407*.
- Goldin, C. (2014). A grand gender convergence: Its last chapter. *American economic review*, 104(4), 1091–1119.
- Han, S. (2021). Identification in nonparametric models for dynamic treatment effects. *Journal of Econometrics*, 225(2), 132–147.
- Heckman, J. J., Humphries, J. E., & Veramendi, G. (2016). Dynamic treatment effects. *Journal of econometrics*, 191(2), 276–292.
- Hirvonen, L. (2009). *The effect of children on earnings using exogenous variation in family size: Swedish evidence*.
- Hotz, V. J., McElroy, S. W., & Sanders, S. G. (2005). Teenage childbearing and its life cycle consequences: Exploiting a natural experiment. *Journal of Human Resources*, 40(3), 683–715.
- Iacovou, M. (2001). *Fertility and female labour supply* (Tech. Rep.). ISER Working Paper Series.
- Jacobsen, J. P., Pearce III, J. W., & Rosenbloom, J. L. (1999). The effects of childbearing on married women's labor supply and earnings: using twin births as a natural experiment. *Journal of Human Resources*, 449–474.
- Kleven, H., Landais, C., & Leite-Mariante, G. (2023). *The child penalty atlas* (Tech. Rep.). National Bureau of Economic Research.
- Kleven, H., Landais, C., Posch, J., Steinhauer, A., & Zweimüller, J. (2019). Child penalties across countries: Evidence and explanations. In *Aea papers and proceedings* (Vol. 109, pp. 122–126).
- Kleven, H., Landais, C., & Sogaard, J. E. (2019). Children and gender inequality: Evidence from Denmark. *American Economic Journal: Applied Economics*, 11(4), 181–209.
- Lee, D. S. (2005). *Training, wages, and sample selection: Estimating sharp bounds on treatment effects*. National Bureau of Economic Research Cambridge, Mass., USA.
- Lundborg, P., Plug, E., & Rasmussen, A. W. (2017). Can women have children and a career? IV evidence from IVF treatments. *American Economic Review*, 107(6), 1611–37.
- Maurin, E., & Moschion, J. (2009). The social multiplier and labor market participation of mothers. *American Economic Journal: Applied Economics*, 1(1), 251–272.

References III

- Miller, A. R. (2011). The effects of motherhood timing on career path. *Journal of population economics*, 24, 1071–1100.
- Rosenzweig, M. R., & Wolpin, K. I. (1980). Life-cycle labor supply and fertility: Causal inferences from household models. *Journal of Political economy*, 88(2), 328–348.
- Van den Berg, G. J., & Vikström, J. (2022). Long-run effects of dynamically assigned treatments: A new methodology and an evaluation of training effects on earnings. *Econometrica*, 90(3), 1337–1354.
- Vere, J. P. (2011). Fertility and parents' labour supply: new evidence from us census data: Winner of the oep prize for best paper on women and work. *Oxford Economic Papers*, 63(2), 211–231.
- Zhang, J. L., & Rubin, D. B. (2003). Estimation of causal effects via principal stratification when some outcomes are truncated by “death”. *Journal of Educational and Behavioral Statistics*, 28(4), 353–368.