

Female Employment and Fertility in Comparative Perspective:

Lessons for Japan

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Introduction

Two key facts:

- 1) One of the most significant changes in postindustrial economies over the past three decades has been the increase in women's labor force participation

This has been driven principally by the increased economic participation of mothers

- 2) Birth rates in postindustrial countries have fallen to historic lows

These facts give rise to a central question:

Is the rise in women's labor force participation related to fertility decline?

The evolving relationship between women's employment and fertility

Expectations of human capital theory

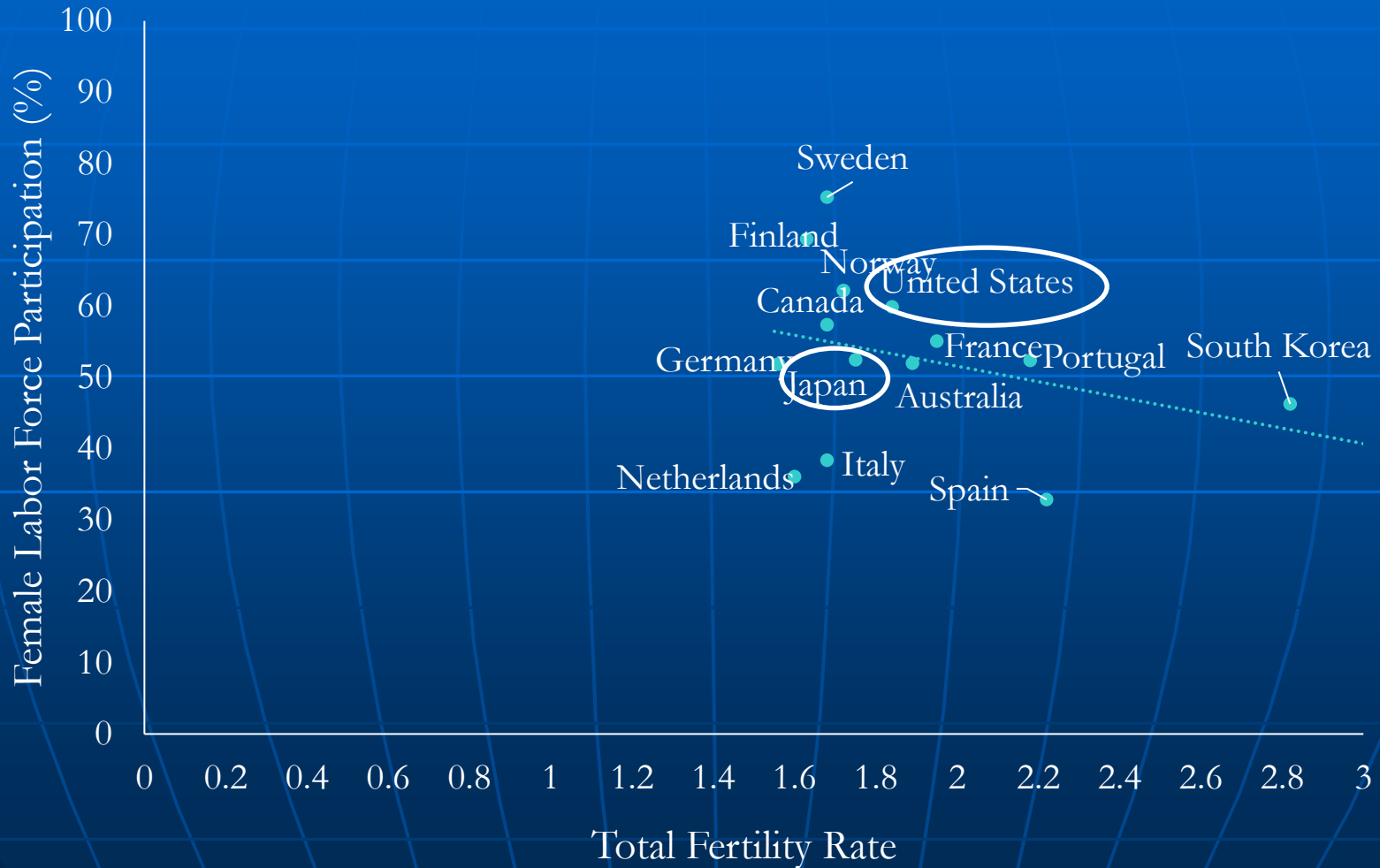
Predicted negative association between women's labor force participation and fertility (Becker 1981)

The role of opportunity costs

Predicted negative association between women's earnings and fertility (Butz and Ward 1979)

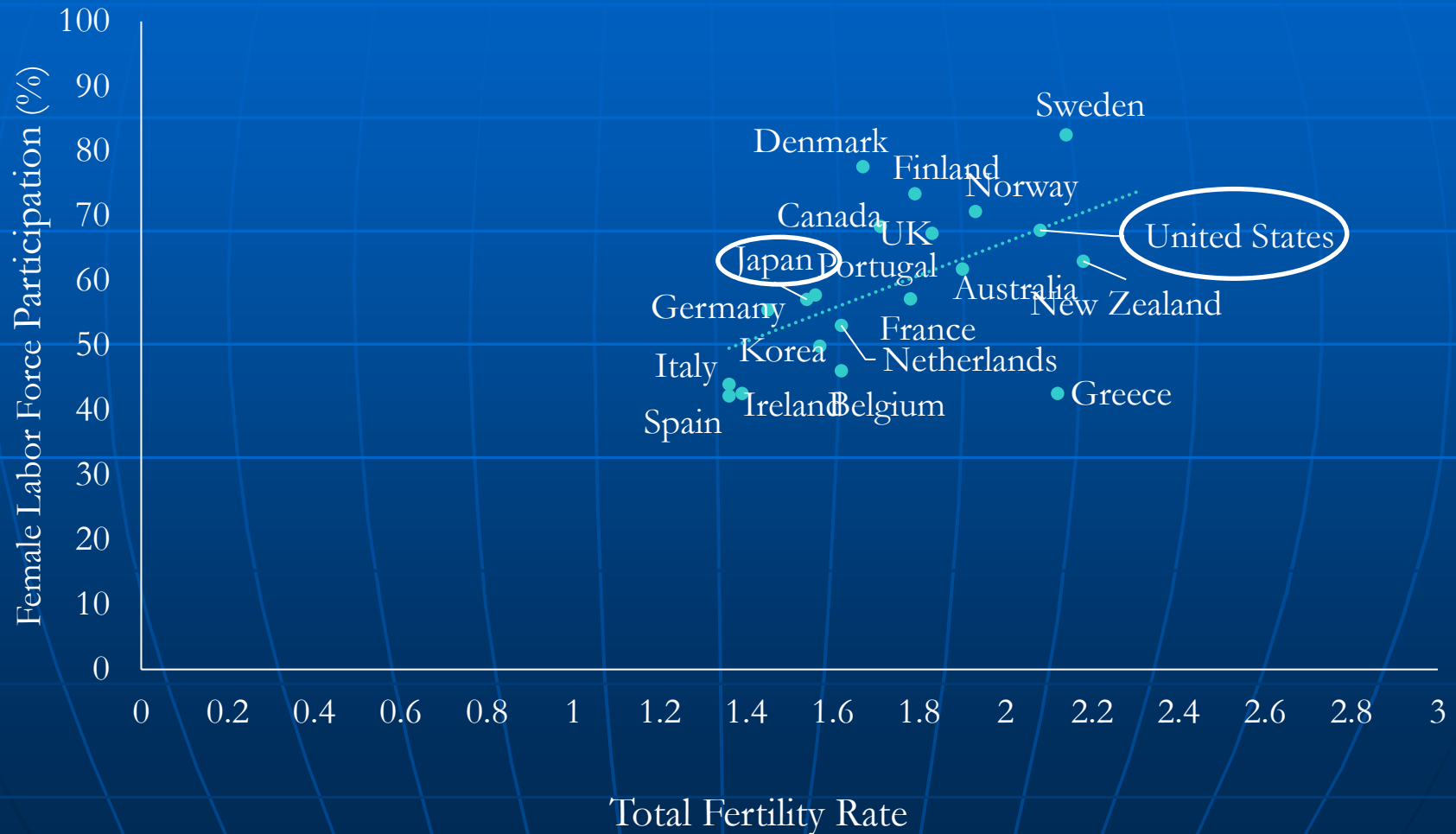
Women's Economic Participation and the Birth Rate in Postindustrial Countries

1980

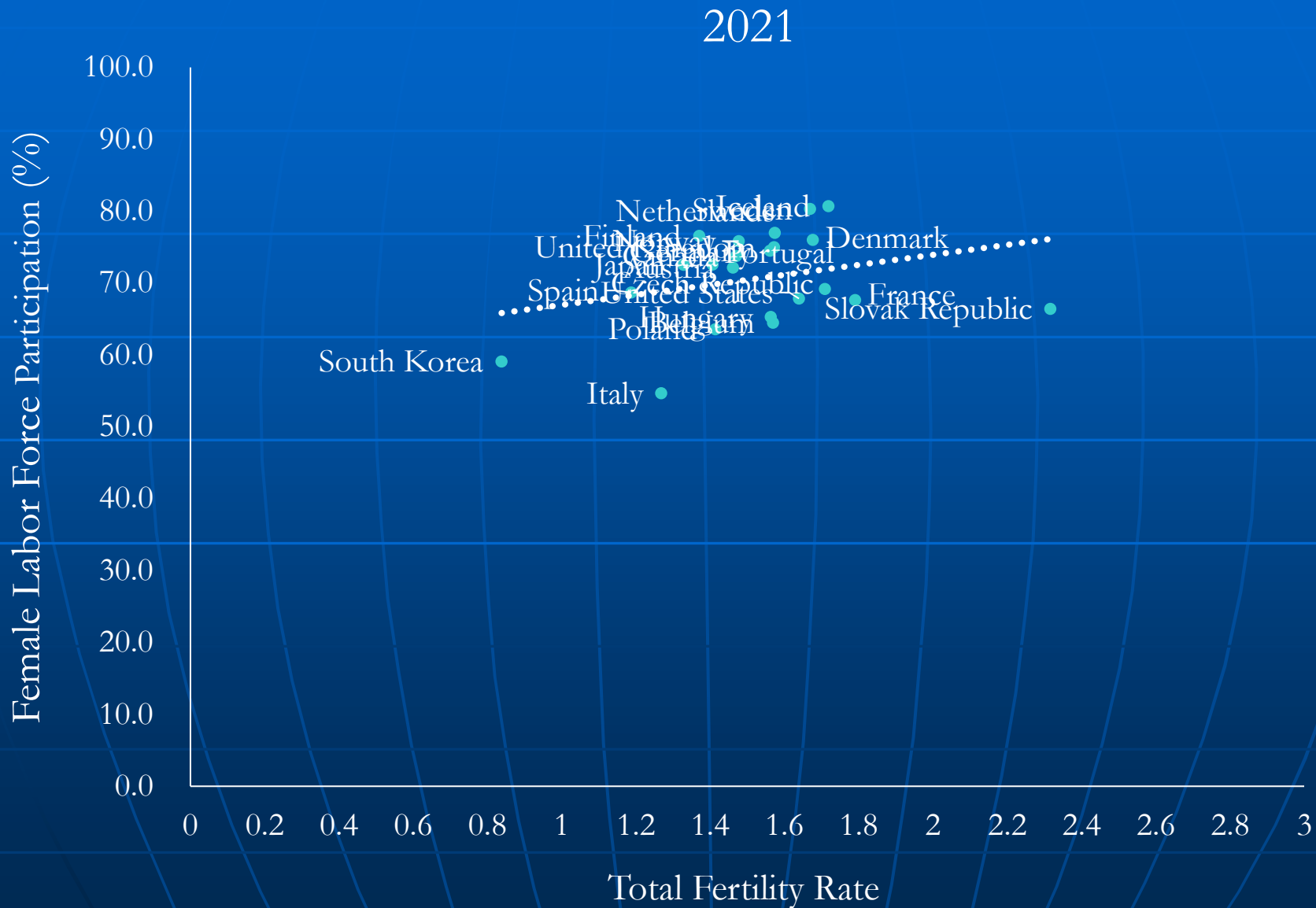


Then, the surprising reversal of the negative association by 1990

Women's Economic Participation and the Birth Rate in Postindustrial Countries 1990

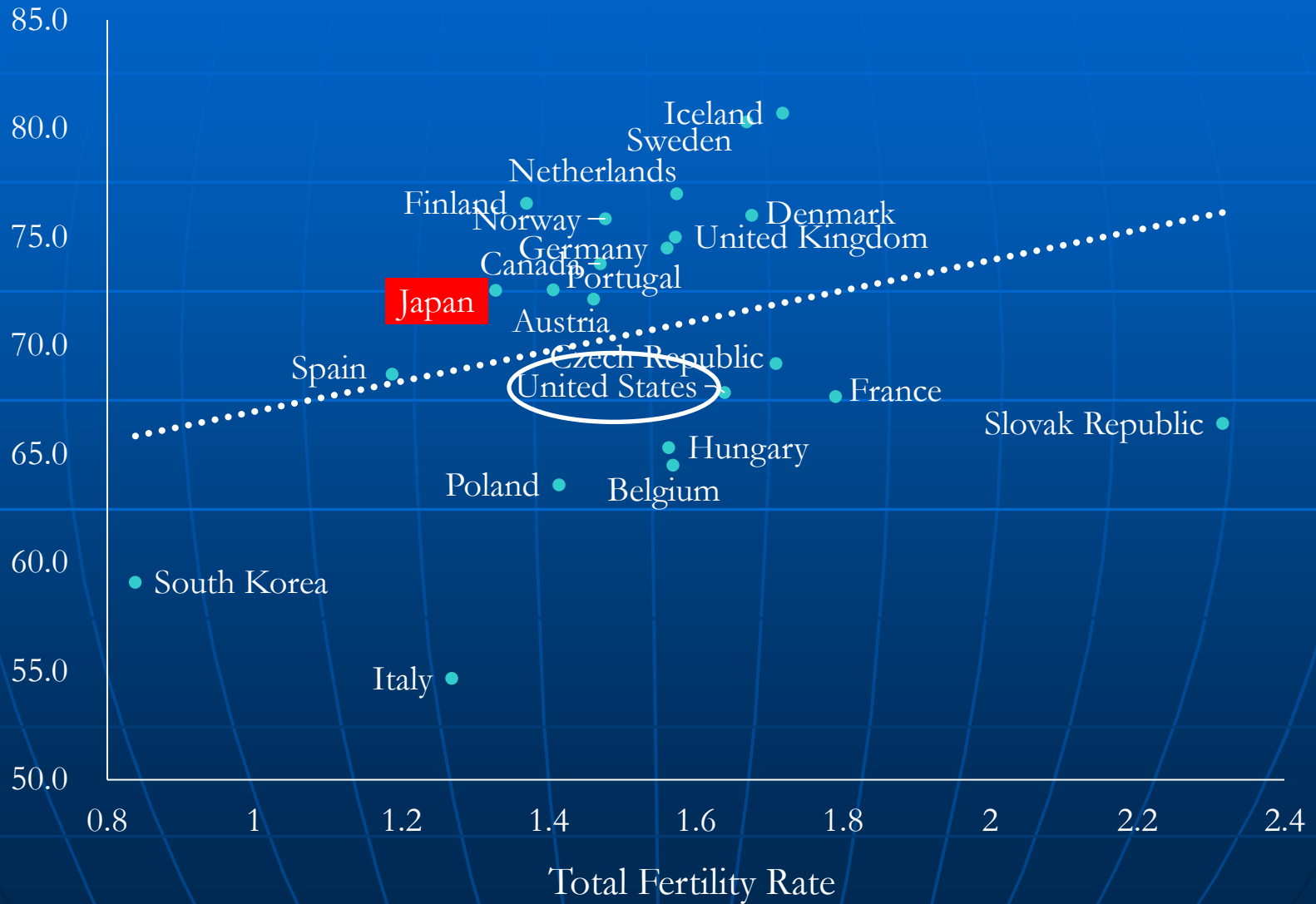


Women's Economic Participation and the Birth Rate in Postindustrial Countries



Women's Economic Participation and the Birth Rate in Postindustrial Countries

2021

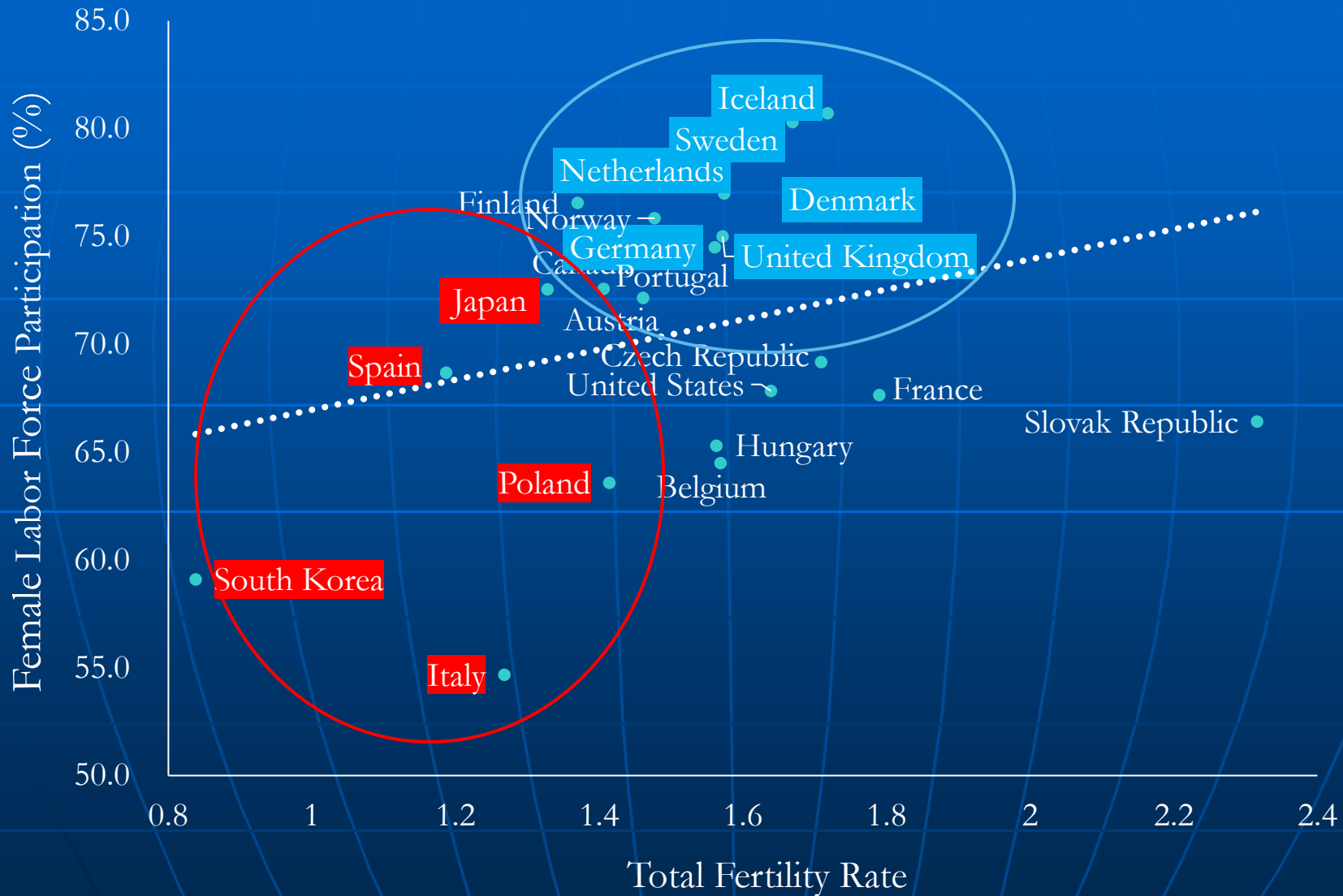


Key question for Japan:

Why have some countries experienced relative stability in their birth rates while married women's employment increased, whereas other countries have not?

Women's Economic Participation and the Birth Rate in Postindustrial Countries

2021



Key question for Japan:

Why have some countries experienced relative stability in their birth rates while married women's employment increased, whereas other countries have not?

I argue that to answer this, it is necessary to understand the **social policies, cultural attitudes and norms, and institutions** that:

1) Supported women's increased labor force participation in the postindustrial countries where it first occurred

and

2) Helped establish the perception that women's employment and childrearing are compatible, thereby creating the norm that it is "natural" for women to simultaneously be gainfully employed and raise children

and

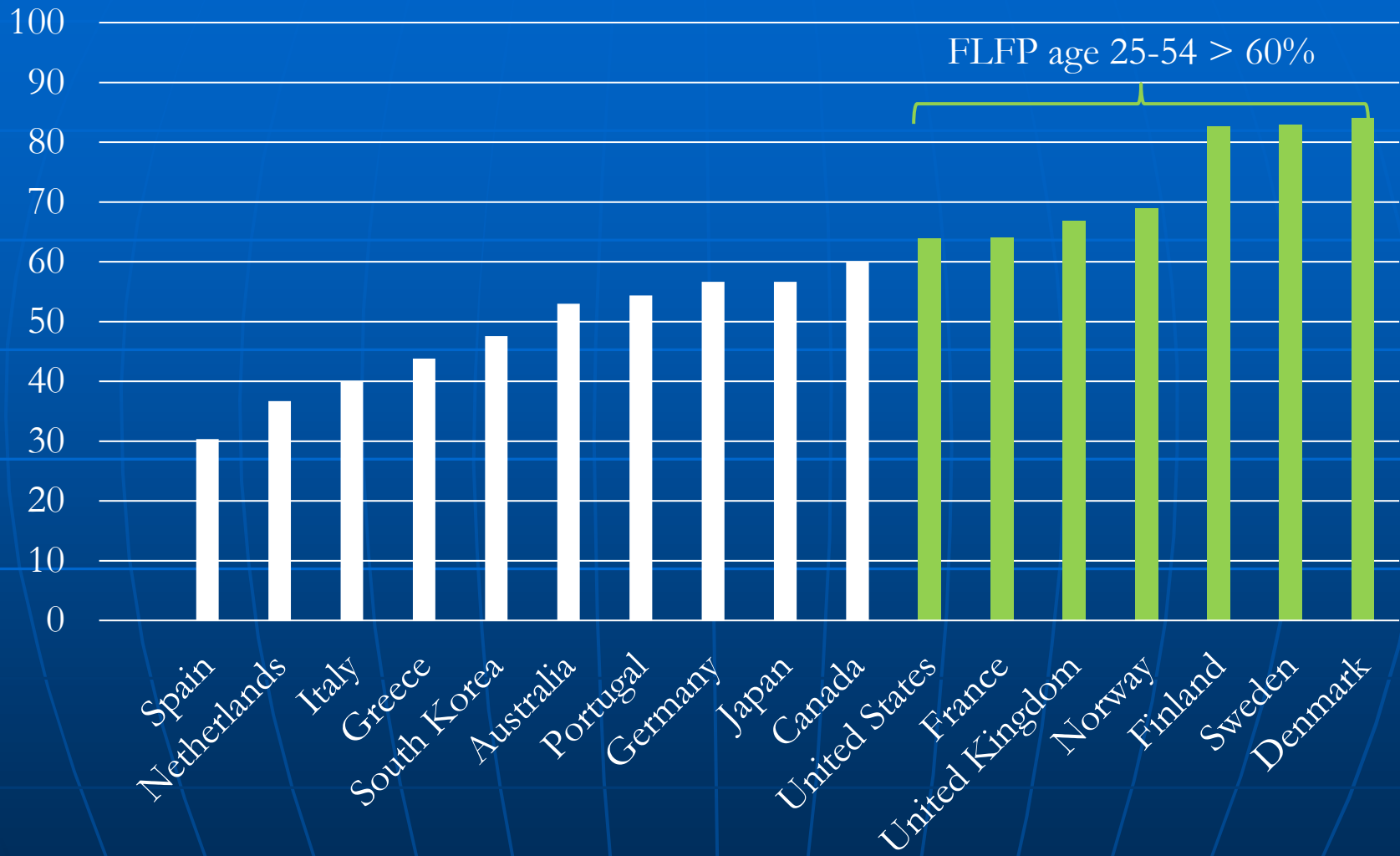
3) Led to greater earnings equality between men and women

1) Support for women's labor force participation—social policies

Public expenditures on family (cash benefits and benefits in kind, expressed as a percentage of GDP) generally increase once women's labor force participation rises above the 50-60% level (Oshio 2019)

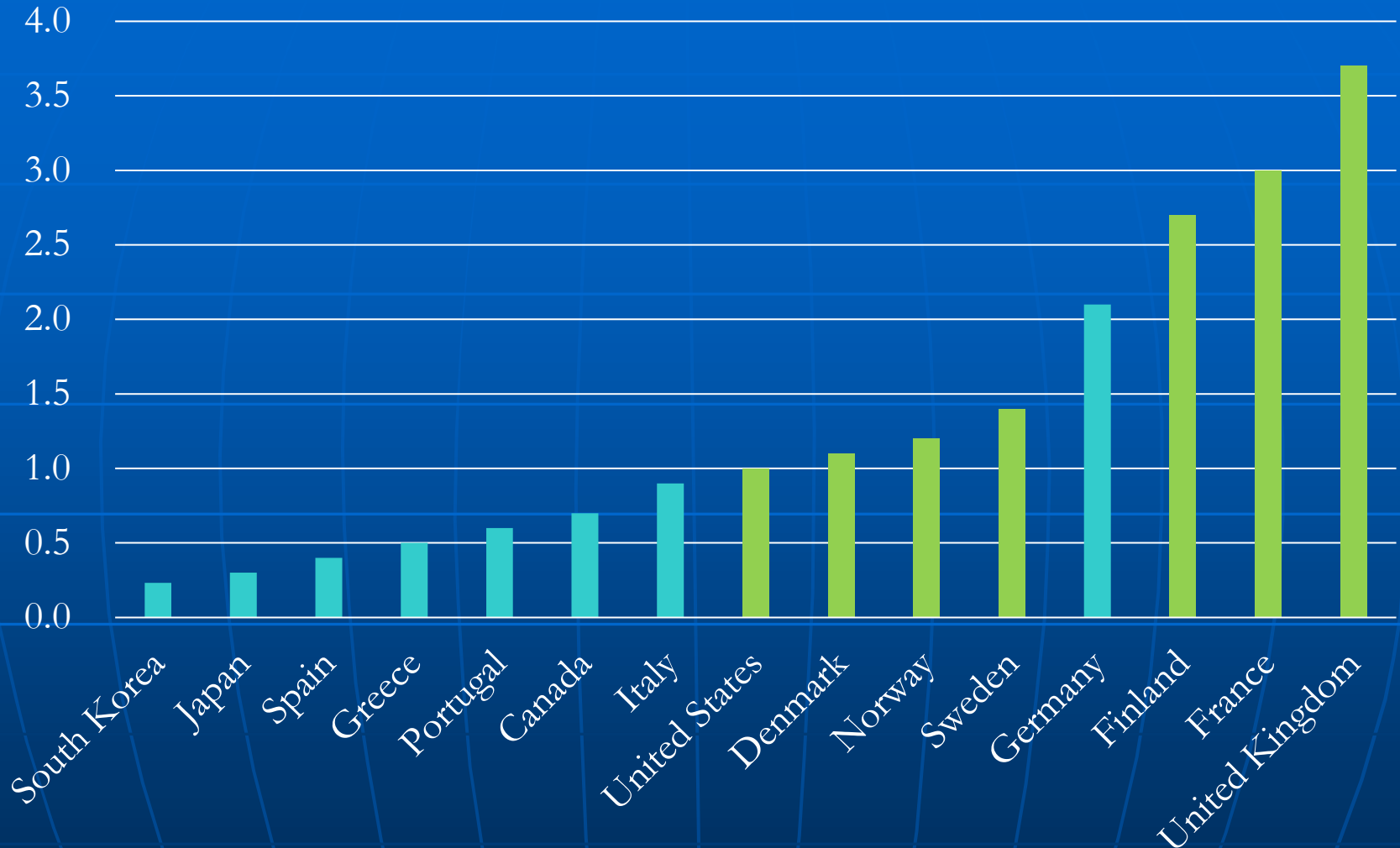
Suggestive evidence:

Female Labor Force Participation Rates, 1980



Note: Figures for Denmark, Greece, and the United Kingdom are not available before 1984; I use the 1984 figures for these countries.

Percentage of GDP Spent on Family Support, 1980



→ Note that the countries in green in both figures have higher birth rates

2) Establishment of the perception that women's employment and childrearing are compatible, creating the norm that it is "natural" for women to simultaneously be gainfully employed and raise children

Let's consider attitudes towards women's employment and family in 1980 in Japan, Sweden, and the U.S.

『縛られる日本人: 人口減少をもたらす「規範」を打ち破れるか』

(Chūō Kōron Shinsha, September 2022)

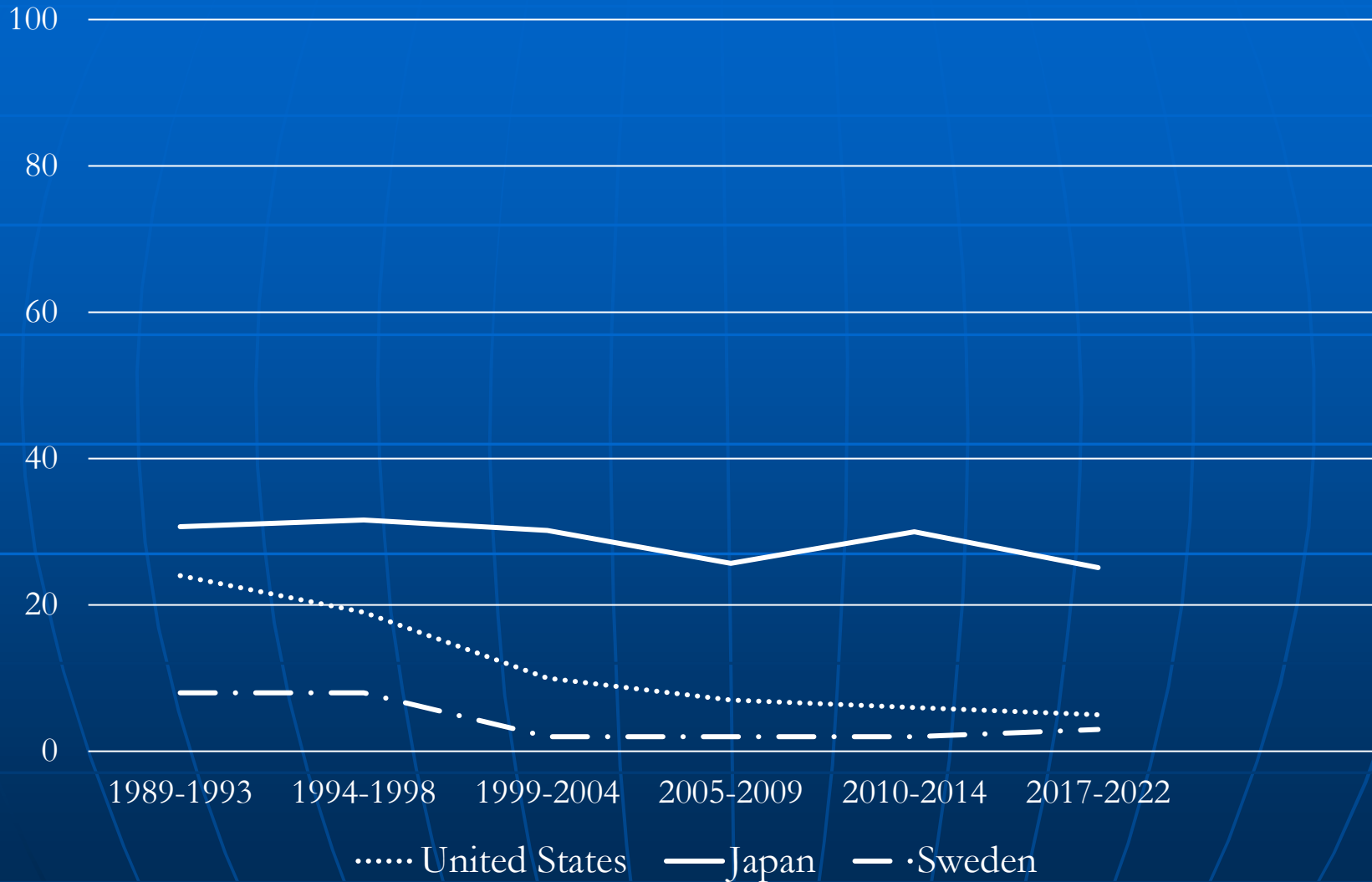
A comparative examination of Japan's and other postindustrial countries' experience of low birth rates

Strong focus on the role of social norms, social policies, and their interaction

- Japan, Sweden, and the U.S. as focal cases



Change Over Time in Percentage of People Who Agree That Men Should Have More Right to Jobs than Women



Agreement with Various Social Values
in Japan, Sweden, Finland, and the U.S., 1980

| | Japan | Finland | Sweden | U.S. |
|--|-------|---------|--------|-------|
| 1. A women has to have children to be fulfilled. | 68.3% | 9.6% | 15.8% | 17.8% |

Agreement with Various Social Values
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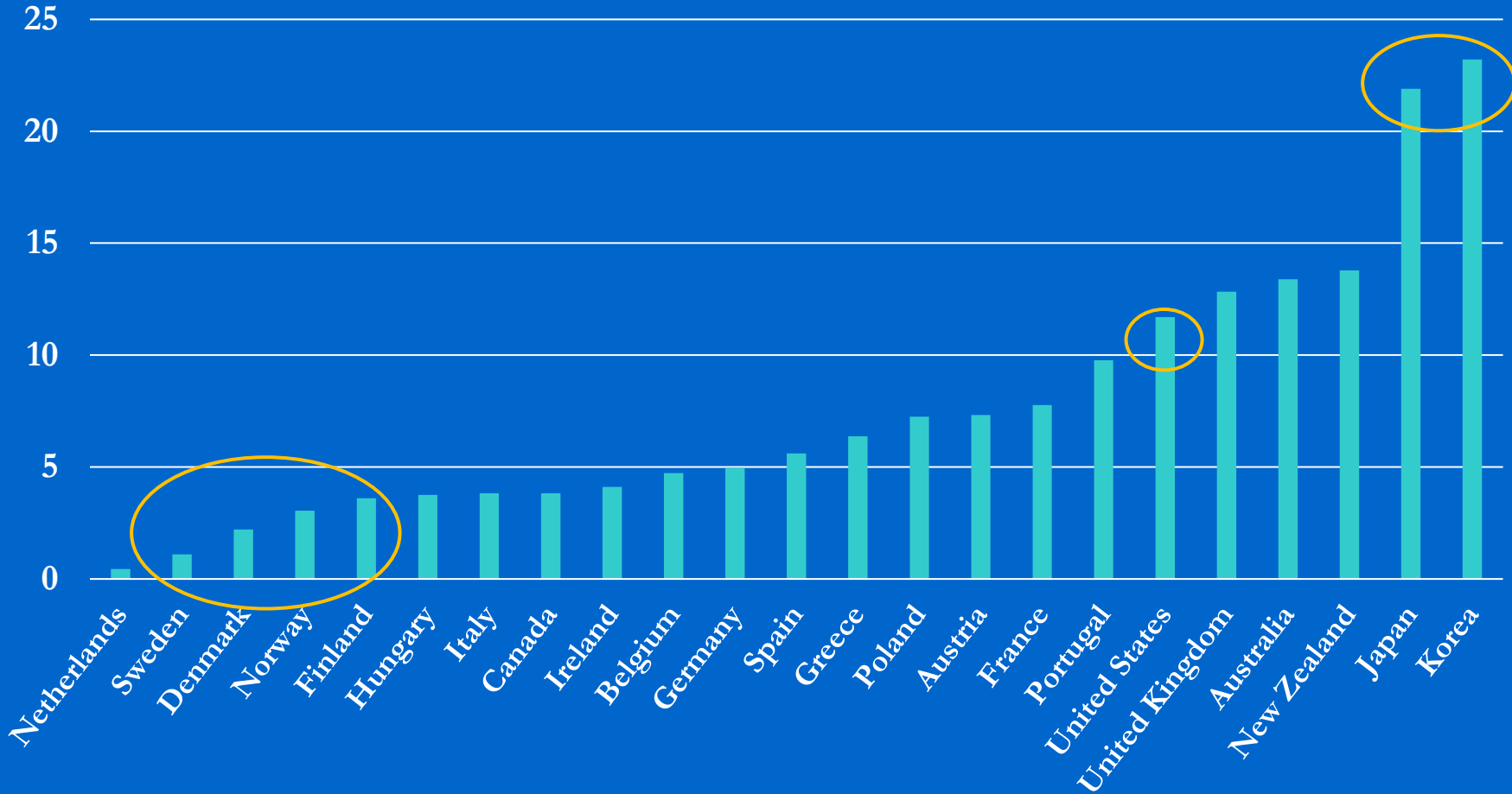
| | Japan | Finland | Sweden | U.S. |
|---|-------|---------|--------|-------|
| 1. A women has to have children to be fulfilled. | 68.3% | 9.6% | 15.8% | 17.8% |
| 2. In the future, placing more emphasis on family life would be a good thing. | 79.7% | 94.8% | 83.7% | 94.9% |

Agreement with Various Social Values
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| 1. A women has to have children to be fulfilled. | 68.3% | 9.6% | 15.8% | 17.8% |
| 2. In the future, placing more emphasis on family life would be a good thing. | 79.7% | 94.8% | 83.7% | 94.9% |
| 3. In the future, placing less emphasis on work would be a good thing. | 4.6% | 17.5% | 15.0% | 22.2% |

Source: World Values Survey, 1980.

Percentage of Employees Working Long Hours
(>50 hrs./week), Selected OECD Countries

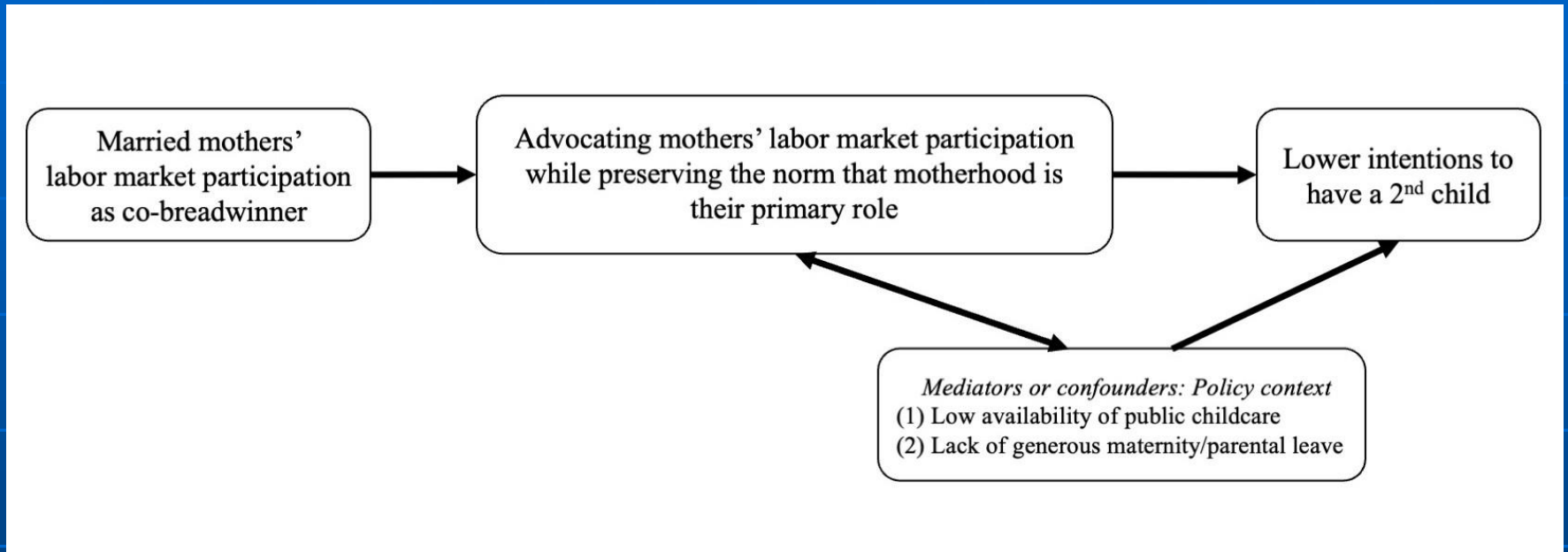


How do social attitudes towards women's role in the labor market and the family influence working women's intentions to have more children?

Large body of research on the determinants of women's transition to first, second, and higher-order births

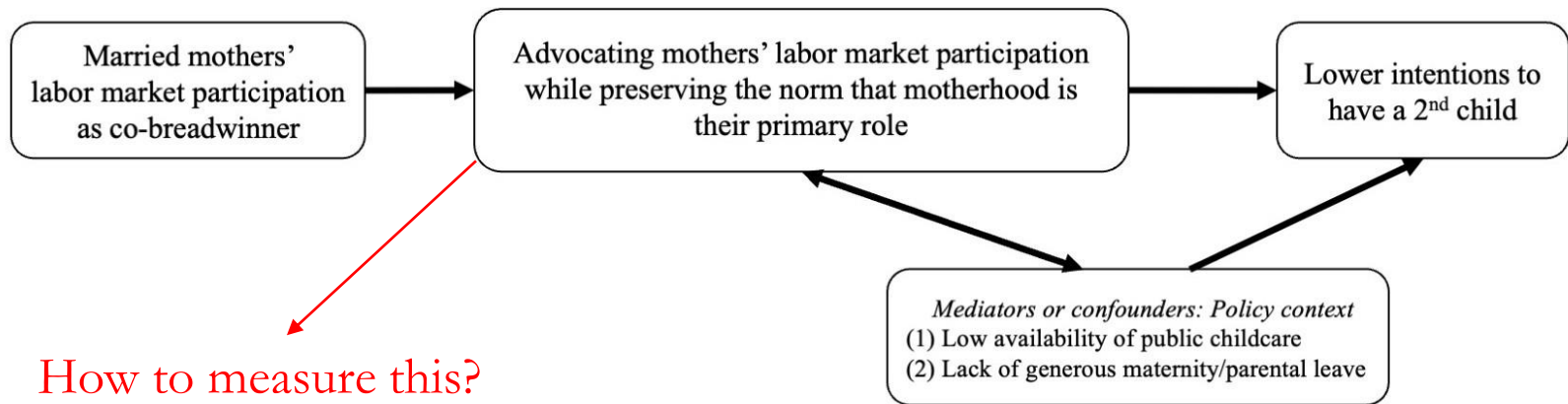
The particular importance of the transition to second birth

Conceptual model: Influences on women's intention to have a second child



Source:

Sinn Won Han, Ohjae Gowen, and Mary C. Brinton. 2023. "When Mothers Do It All: Gender-Role Norms, Women's Employment, and Fertility Intentions in Postindustrial Societies." *European Sociological Review*. June: 1-17.



Latent-class analysis of eight gender-role attitudes in postindustrial societies*

* Mary C. Brinton and Dong-Ju Lee. 2016. "Gender-Role Ideology, Labor Market Institutions, and Post-industrial Fertility." *Population and Development Review* 42, 3: 405-433.

Carly R. Knight and Mary C. Brinton. 2017. "One Egalitarianism or Several? Two Decades of Gender-Role Attitude Change in Europe." *American Journal of Sociology* 122, 5: 1485-1532.

Sinn Won Han, Ohjae Gowen, and Mary C. Brinton. 2023. "When Mothers Do It All: Gender-Role Norms, Women's Employment, and Fertility Intentions in Postindustrial Societies." *European Sociological Review*. June: 1-17.

Yields four gender-role attitude clusters:

**Gender
essentialism
(role speciali-
zation)**

Traditional (male breadwinner-female caregiver model)

Egalitarian familism or pro-work conservatism (belief that women's primary role is to be mothers but that women should also be employed)

Similar to Hochschild's "second shift"

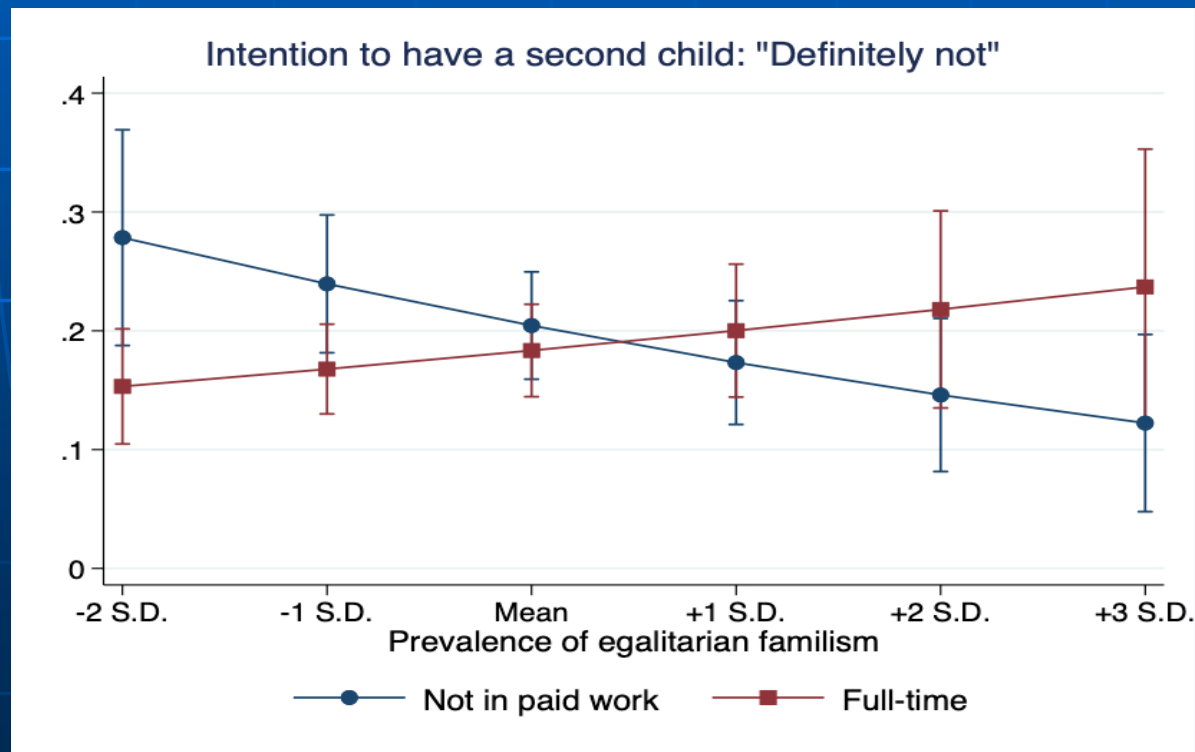
Flexible egalitarianism (belief that women should be free to move in and out of the labor market, and to be mothers or not)

Full egalitarianism (dual earner-dual carer model)

Empirical results from Han, Gowen, and Brinton (2023)

Full-time working women's intentions to have a second child are significantly lower than non-working women's in countries where egalitarian familism is prevalent

This relationship holds even after controlling for individual characteristics (age, education, household economic level) and the policy context

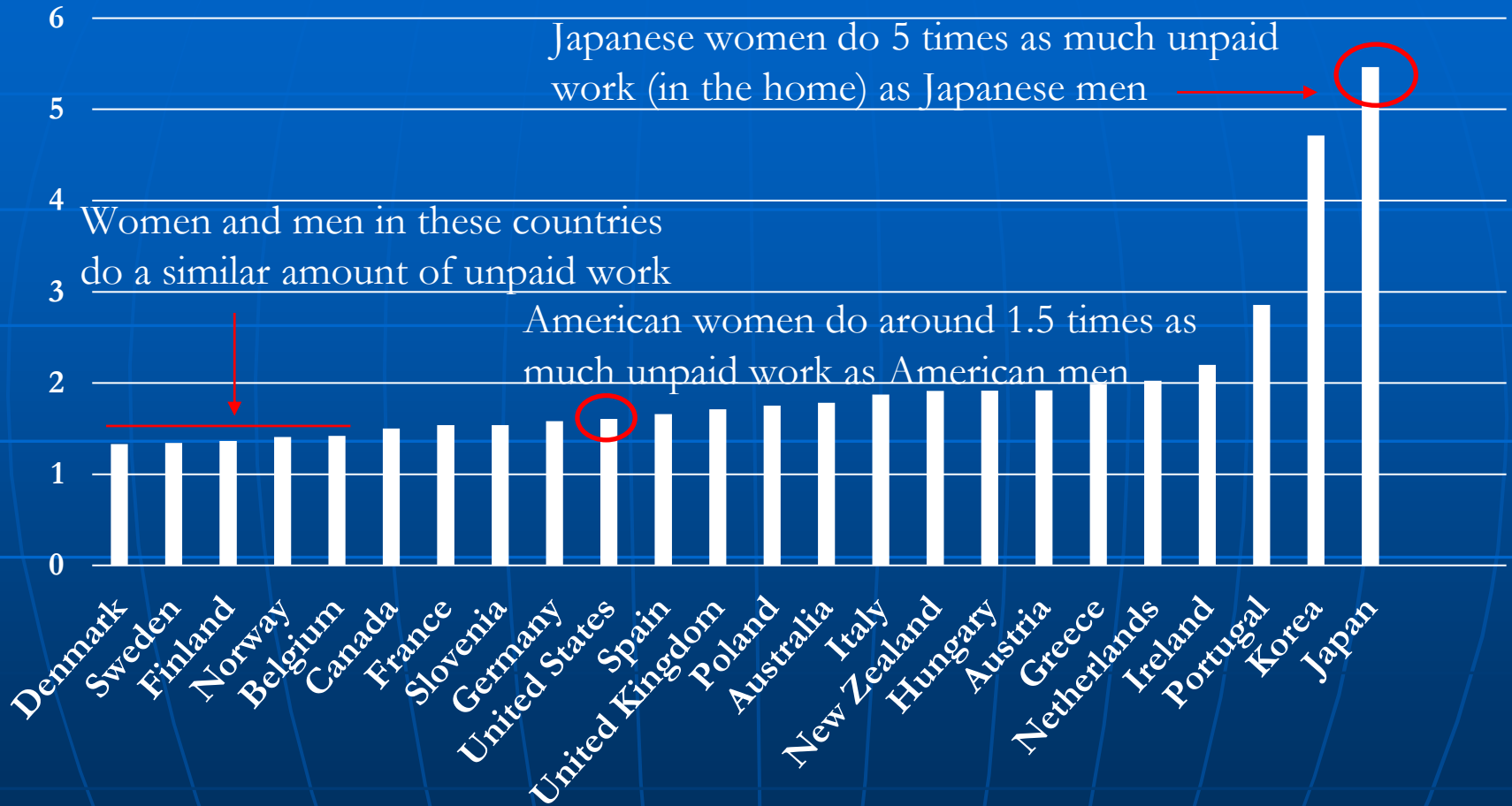


Implication:

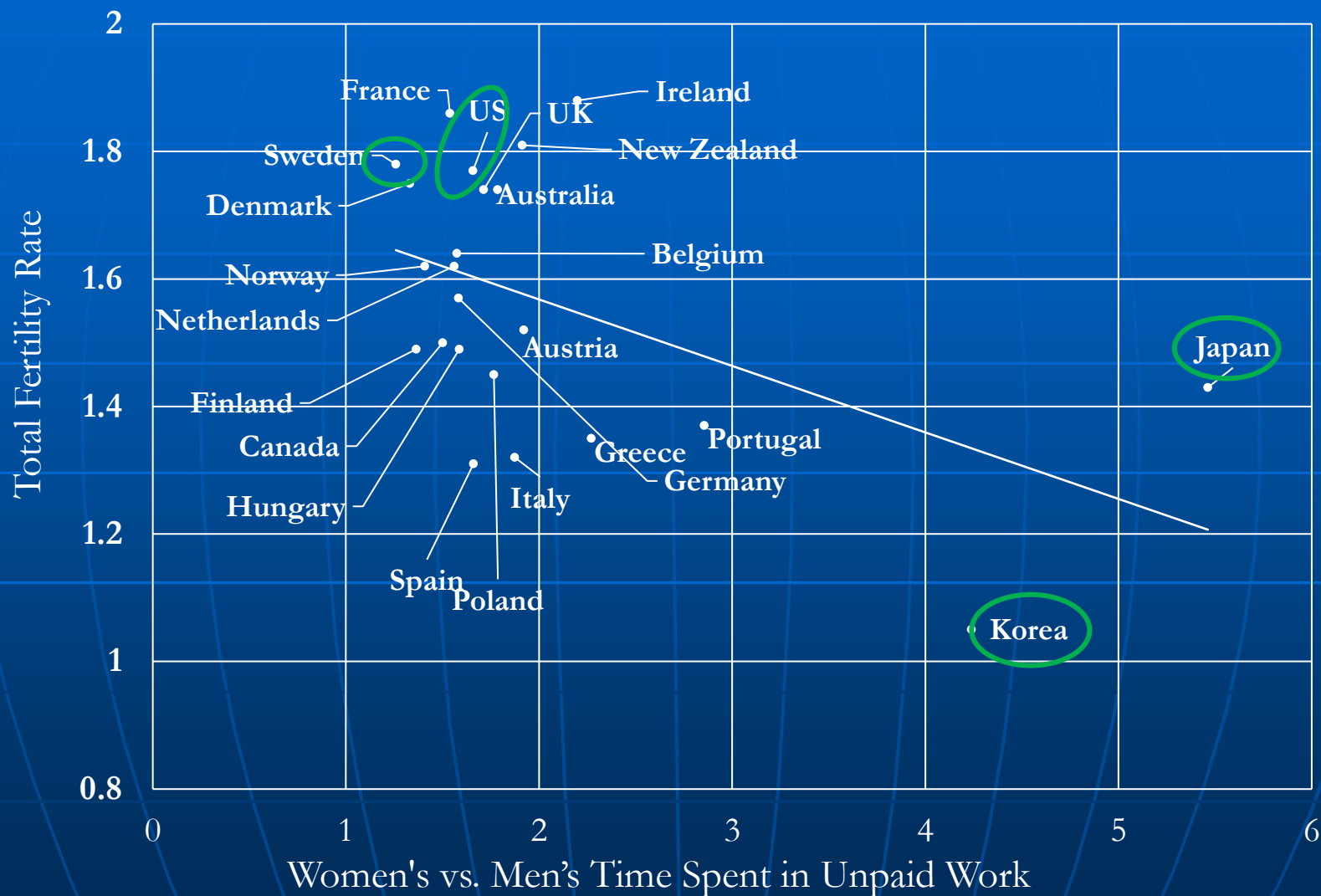
The prevalence of egalitarian familist attitudes, as in Japan, inhibits full-time working women's intentions to have a second child

Women's dual roles in the household and the labor market

Ratio of Women's Unpaid (Household) Work Time/Total Work Time Compared to Men's: Selected OECD Countries



Relationship between Women's Share of Household Work and the Total Fertility Rate



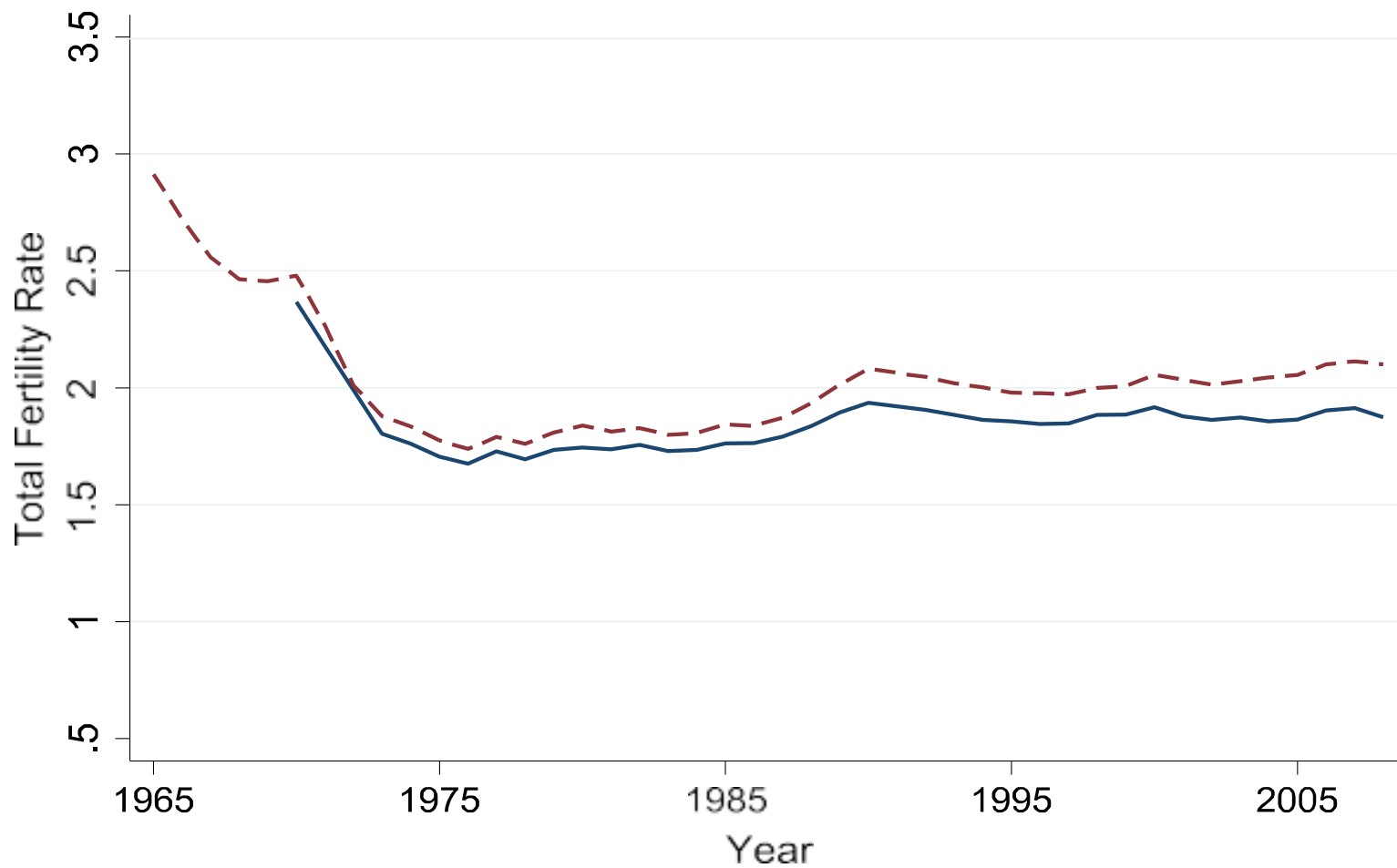
See also: Feyrer, Sacerdote, and Stern. 2008.

3) Finally, how does the gender wage gap condition the relationship between women's labor force participation and fertility?

When women's labor force participation is increasing and the male-female wage gap is large but is starting to narrow, women's opportunity costs increase and fertility declines (Becker 1981)

Example: the U.S. in the 1960s-1970s

Total Fertility Rate: U.S., 1965-2005



— TFR US Born Women - - - Official TFR

But as the gender wage gap becomes smaller over time, the substitution effect of higher female wages *weakens* and the income effect increases

Why does this occur?

→ Because of: 1) men's increased participation in "home production" (housework and childcare)

and

2) households' increased ability (due to women's higher relative wages) to purchase market services

The combination of these two phenomena helps maintain *higher fertility*

Thus, there is a U-shaped relationship over time between women's labor supply and fertility, generated by women's increasing relative wages (i.e. the narrowing male-female wage gap)

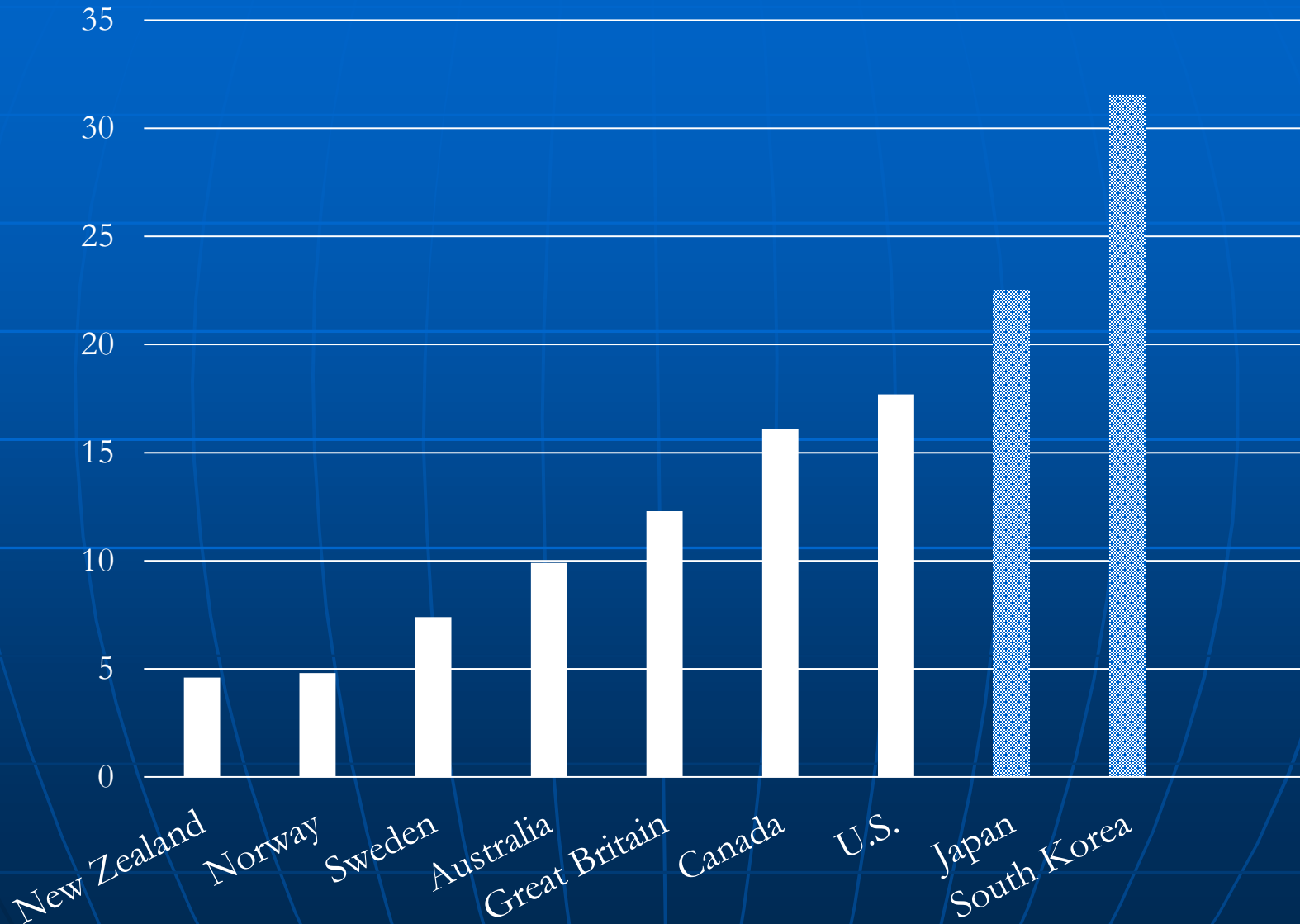
Christian Siegel. 2017. “Female Relative Wages, Household Specialization, and Fertility.” *Review of Economic Dynamics* 24: 152-174.

Shows that:

“the fertility decline ends when female relative wages are still improving, provided that complementarities between both parents’ time working at home are sufficiently strong and it is possible for a couple to substitute some of their time for purchased inputs [to supplement housework and childcare hours of the couple]” (2017: p. 173)

“a marketization of home production alone is not sufficient. Both the rise in male home production and marketization are key in explaining why [American] fertility did not decline further” (p. 173)

Gender Wage Gap: % Difference between Men's and Women's Median Wages (2020)



Conclusion

The female employment-fertility relationship at the country (aggregate) level reversed from being negative to positive by 1990

Social scientists have proposed a number of hypotheses for why this occurred

- 1) Countries that responded early to the increase in female labor force participation by establishing social policies to support the family (e.g. paid childcare leave, family allowances, cash benefits, subsidized childcare) have been able to maintain higher fertility

Examples: Denmark, Finland, Norway, Sweden, France, the U.K.

Not Japan

- 2) Countries where egalitarian familist beliefs prevail have lower fertility—emphasis on women's prioritization of the household PLUS emphasis on women's wage labor

Examples: Japan, South Korea, Italy

- 3) Countries where the male-female wage gap has narrowed, men's household labor time has increased, and households have turned to the market to purchase more goods and services to help with housework and childcare have maintained higher fertility

Examples: Sweden and the other Nordic countries, France, the U.S.

Not Japan

Important goal for Japan:

Strengthen the positive relationship between women's employment and fertility

How?

A combination of:

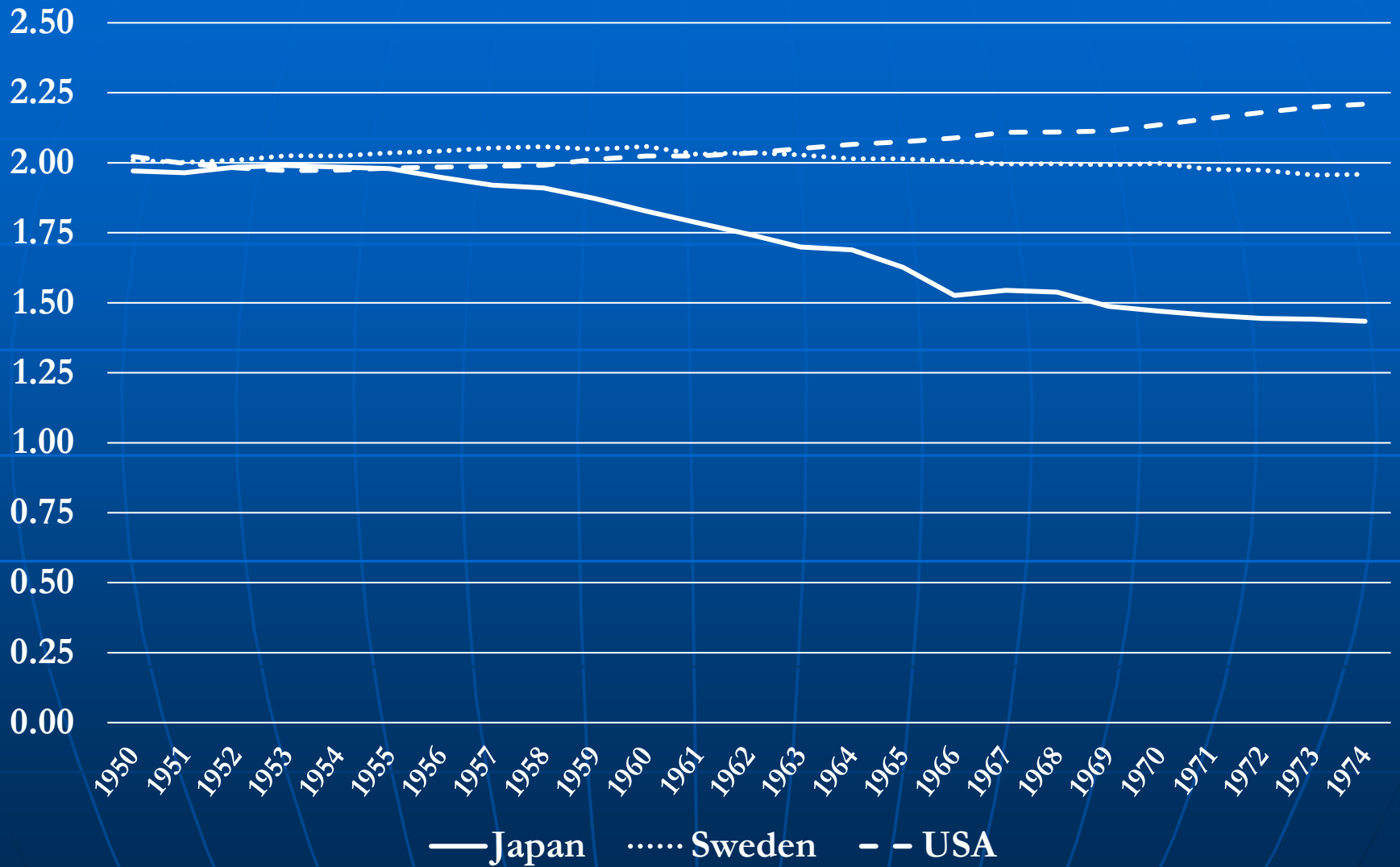
Higher social spending on family policies

Change towards more egalitarian gender-role attitudes and norms

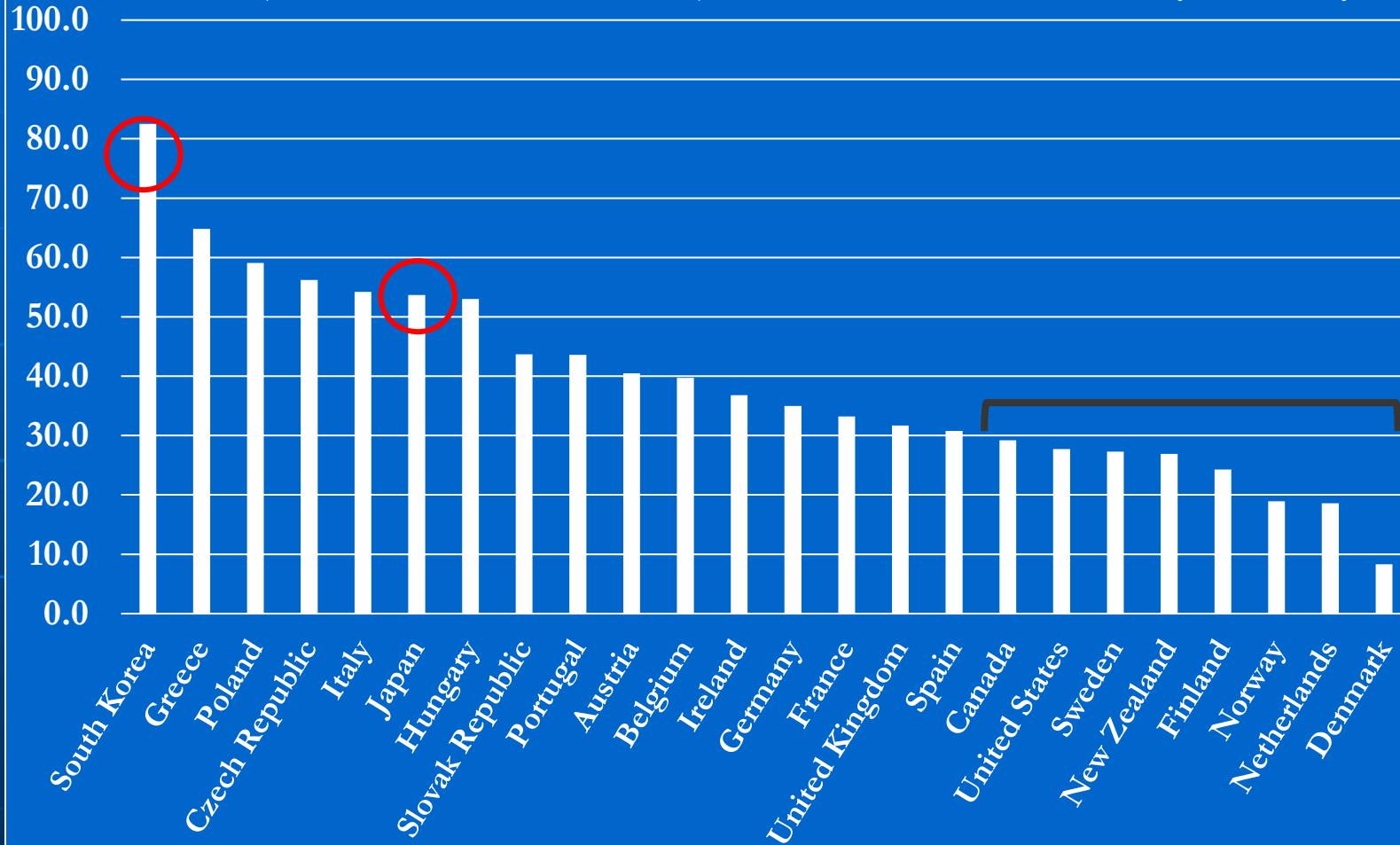
Increase in women's wages relative to men's

THANK YOU VERY MUCH!

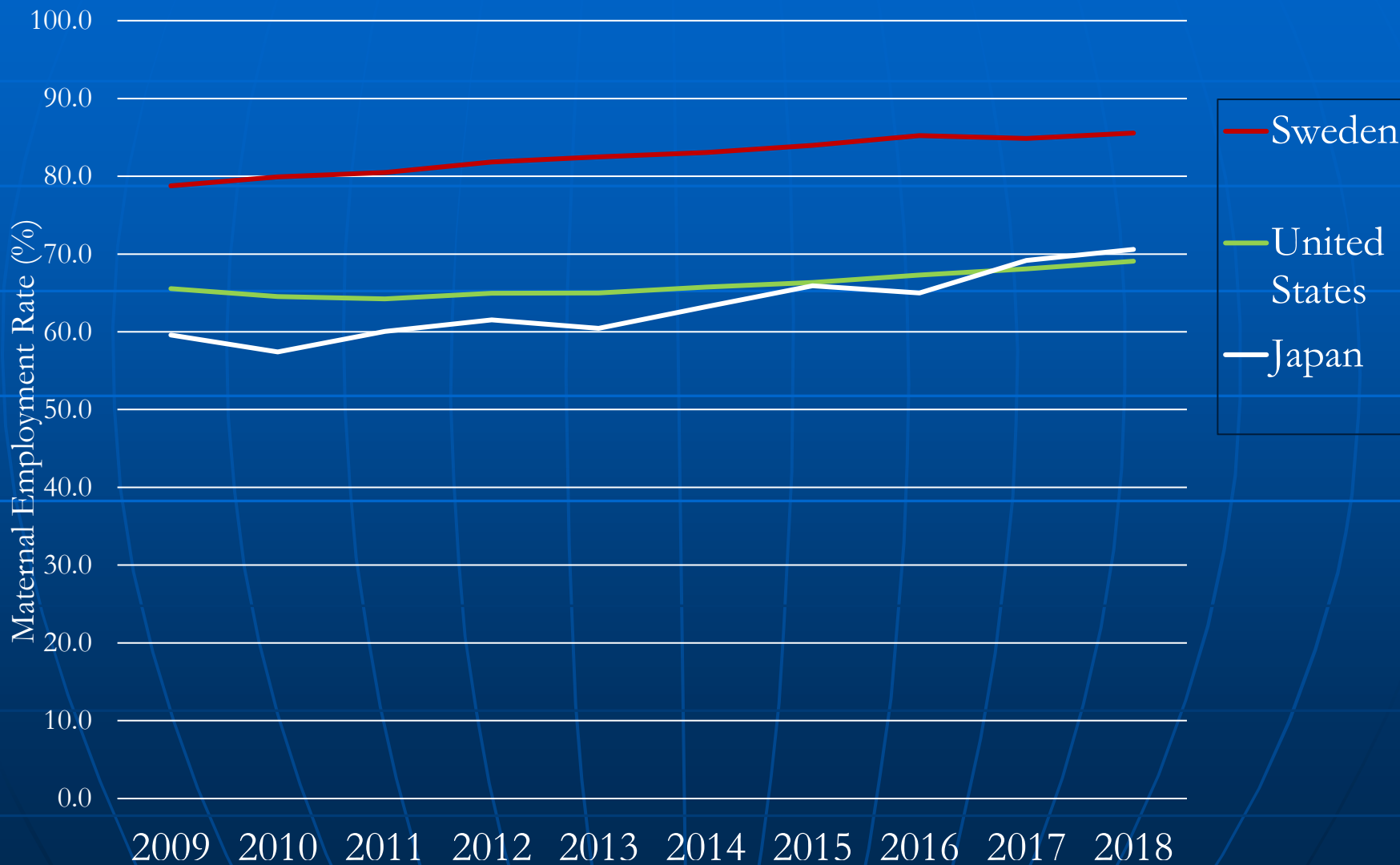
Change in Completed Cohort Fertility: Japan, Sweden, and the U.S.



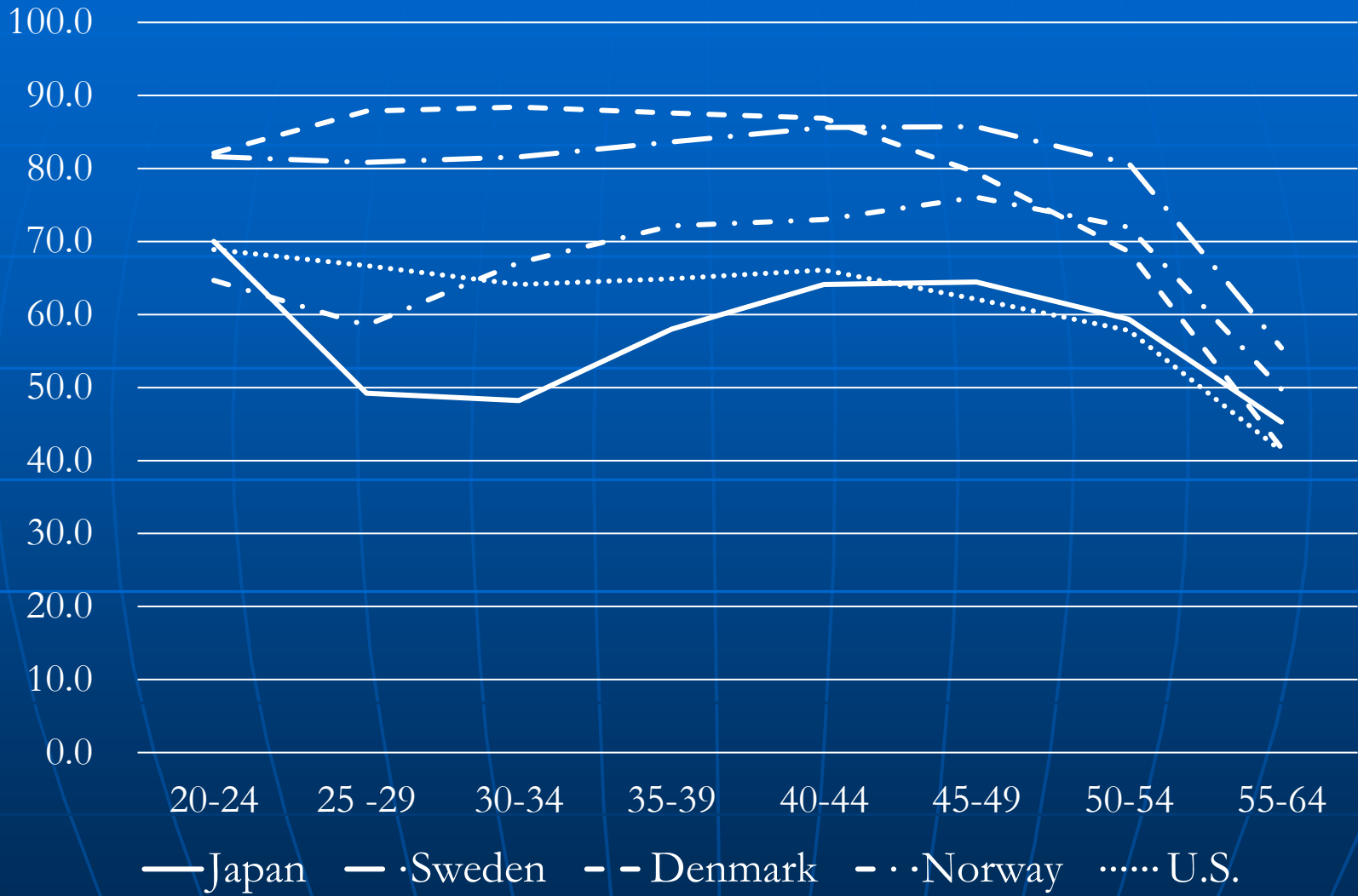
Percentage of People Holding Traditional or Egalitarian Familist (Pro-Work Conservative) Gender-Role Attitudes by Country



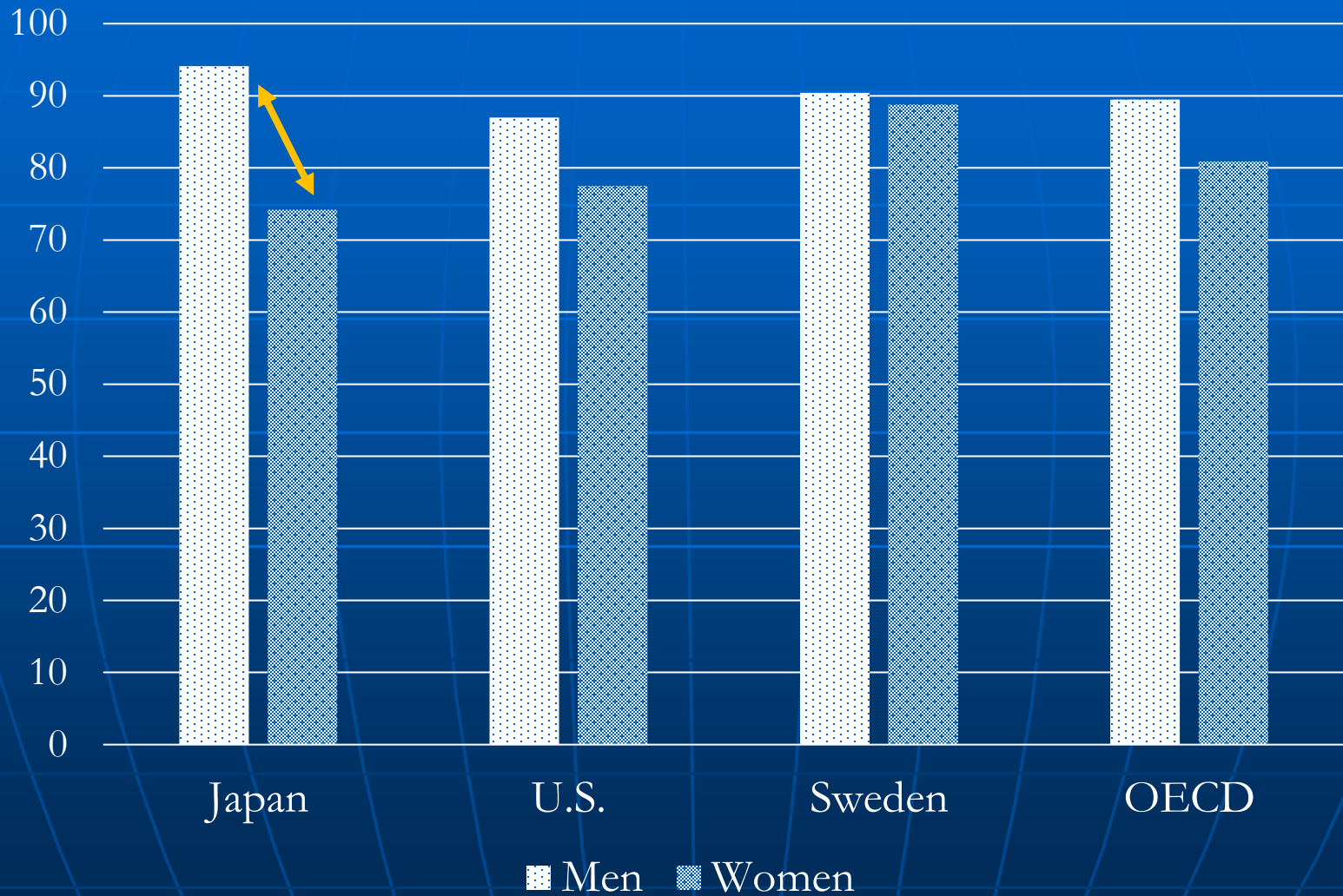
Proportion of Mothers Employed: Japan, the U.S., and Sweden (2009-2018)



Life-Cycle Female Labor Force Participation Rates, 1980



Highly-Educated Men's and Women's Labor Force Participation Rates



Change in Completed Cohort Fertility: Japan, Sweden, and the U.S.

