

Economic Uncertainty in Fertility Research



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Source: teamaltman.com

Fertility research



- focuses on understanding and explanation of low fertility levels in developed countries
 - the Second Demographic Transition Concept
 - the Postponement Transition
 - the Rational Choice Theory
 - the Theory of Risk Averse
 - the Theory of Gender Equity
 - the Hypothesis of Economic Crisis

Fertility research



- **How are economy and fertility related?**

Fertility is carried out in family/household

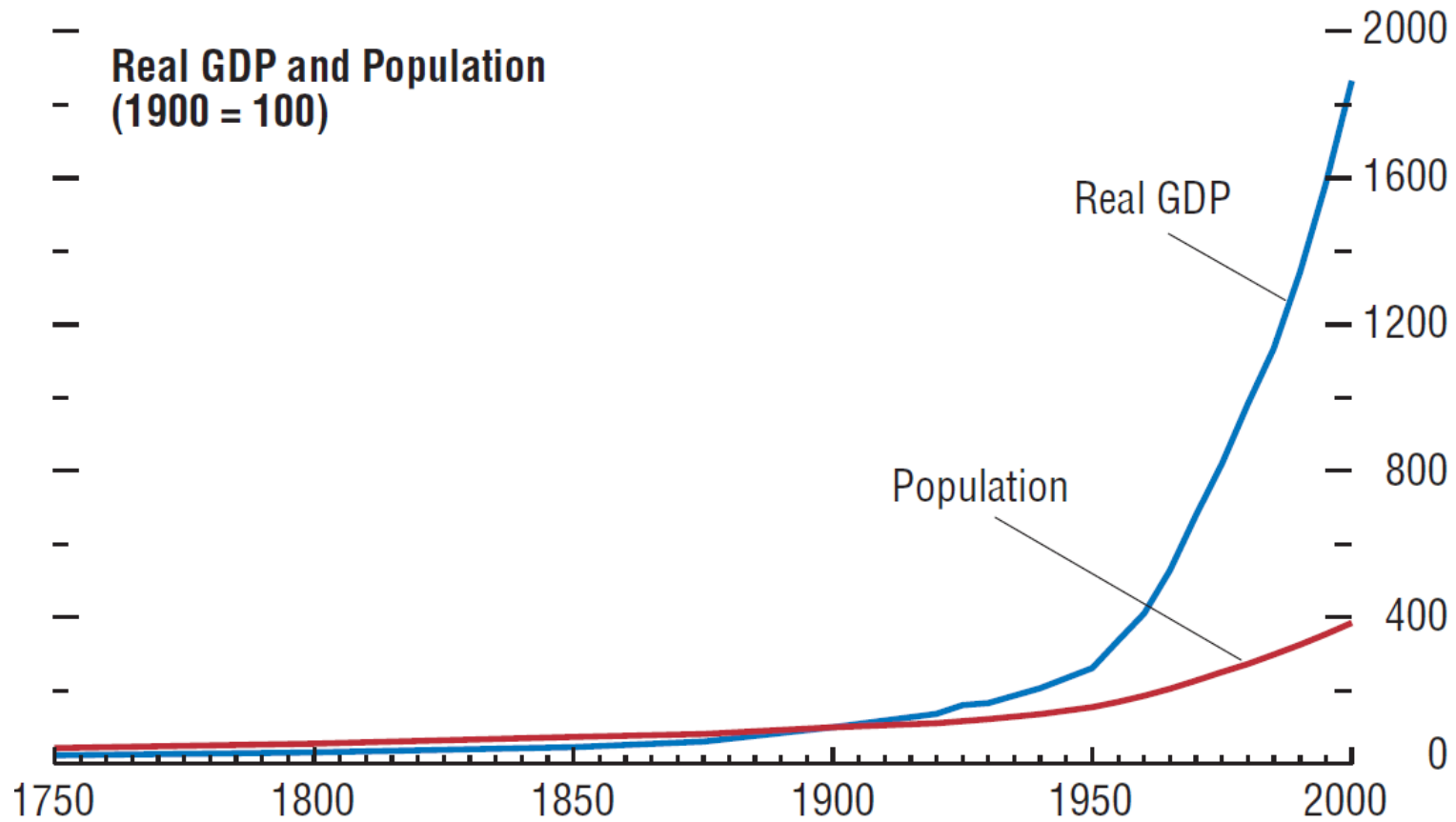
Family/household is a fundamental economic subject

- Owner of capital, land, and labour
- Both on demand and supply side

Family/household and economy → **mutual dependence**



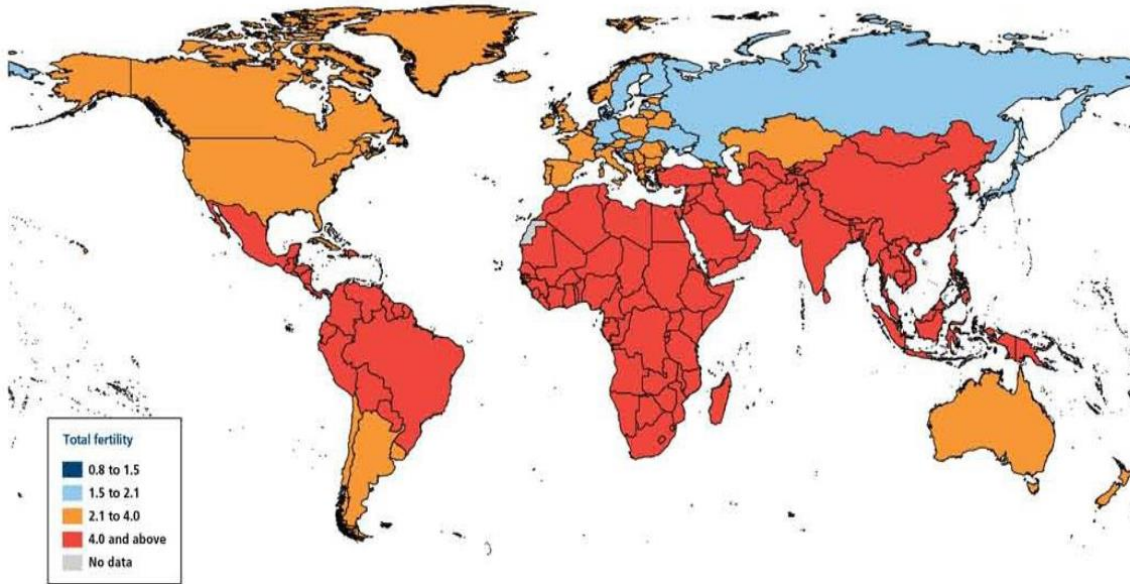
Fertility research



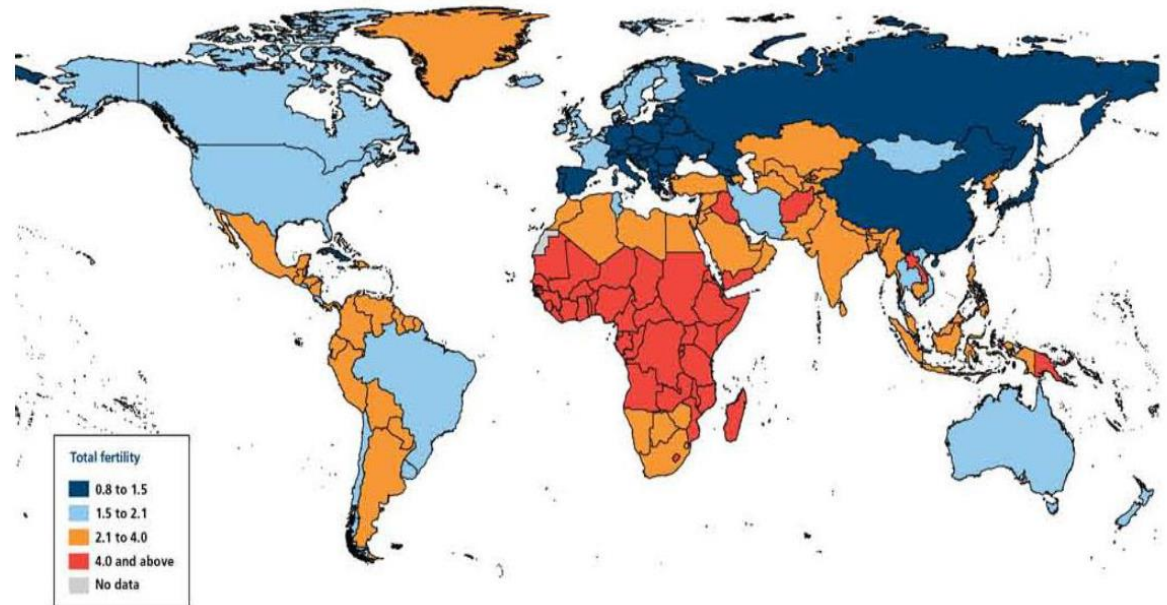
Source: IMF, World Economic Outlook, May 2000

Total Fertility Rate

← 1970



2005 →



Source: World Fertility Patterns 2009, the United Nations Population Division

Fertility research



- from world perspective: parallel progress of a market system and changes in population development (fertility decline)
- hypothesis: a market structure outbalanced the family
 - dynamic models

Economic uncertainty



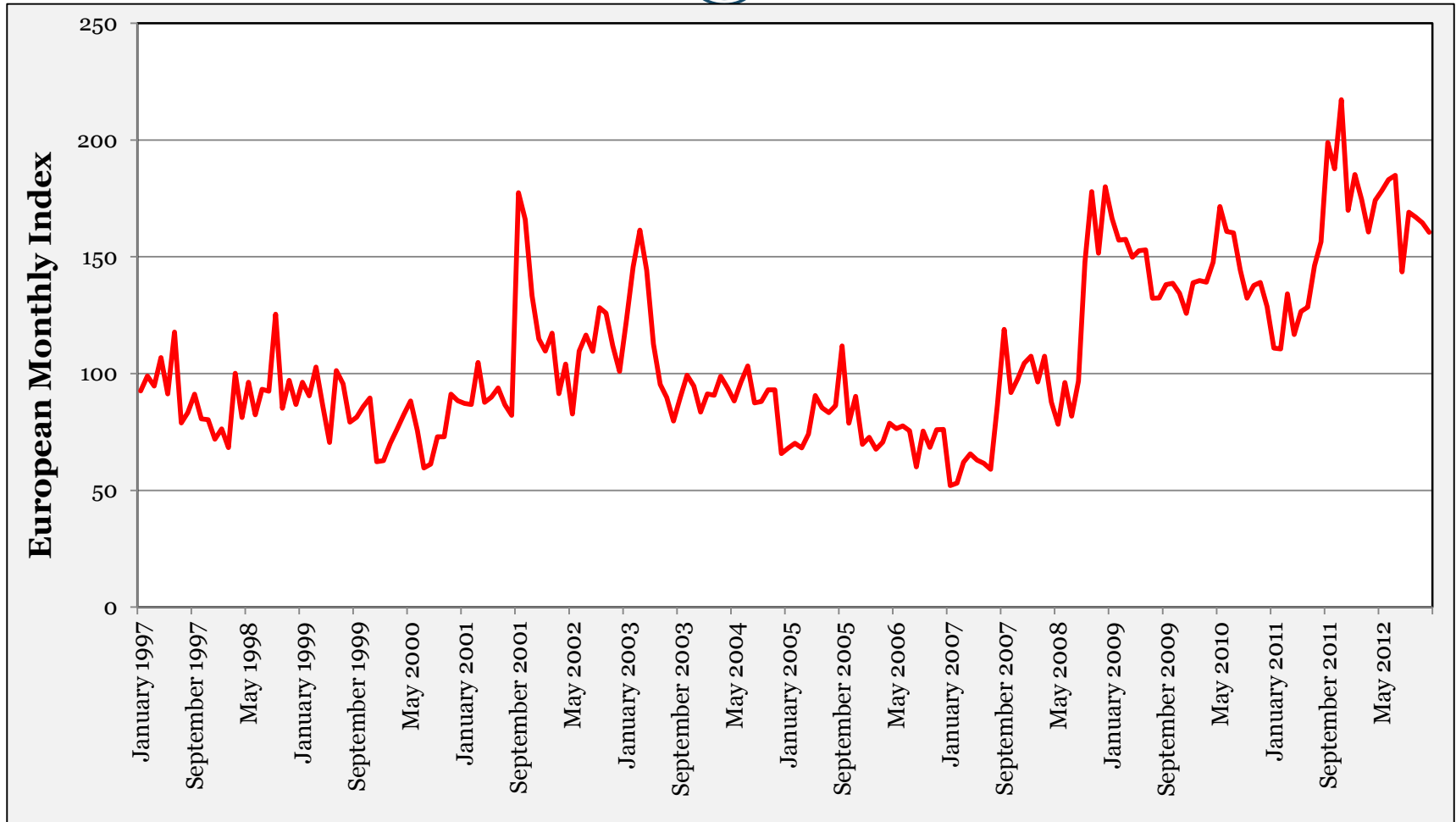
- refers to a situation where the economic climate in a country is so unstable
- problem of measurement
 - **European monthly economic uncertainty index**
 - 2 components:
 - newspaper coverage of policy-related economic uncertainty
 - disagreement among economic forecasters as a proxy for uncertainty

Economic uncertainty



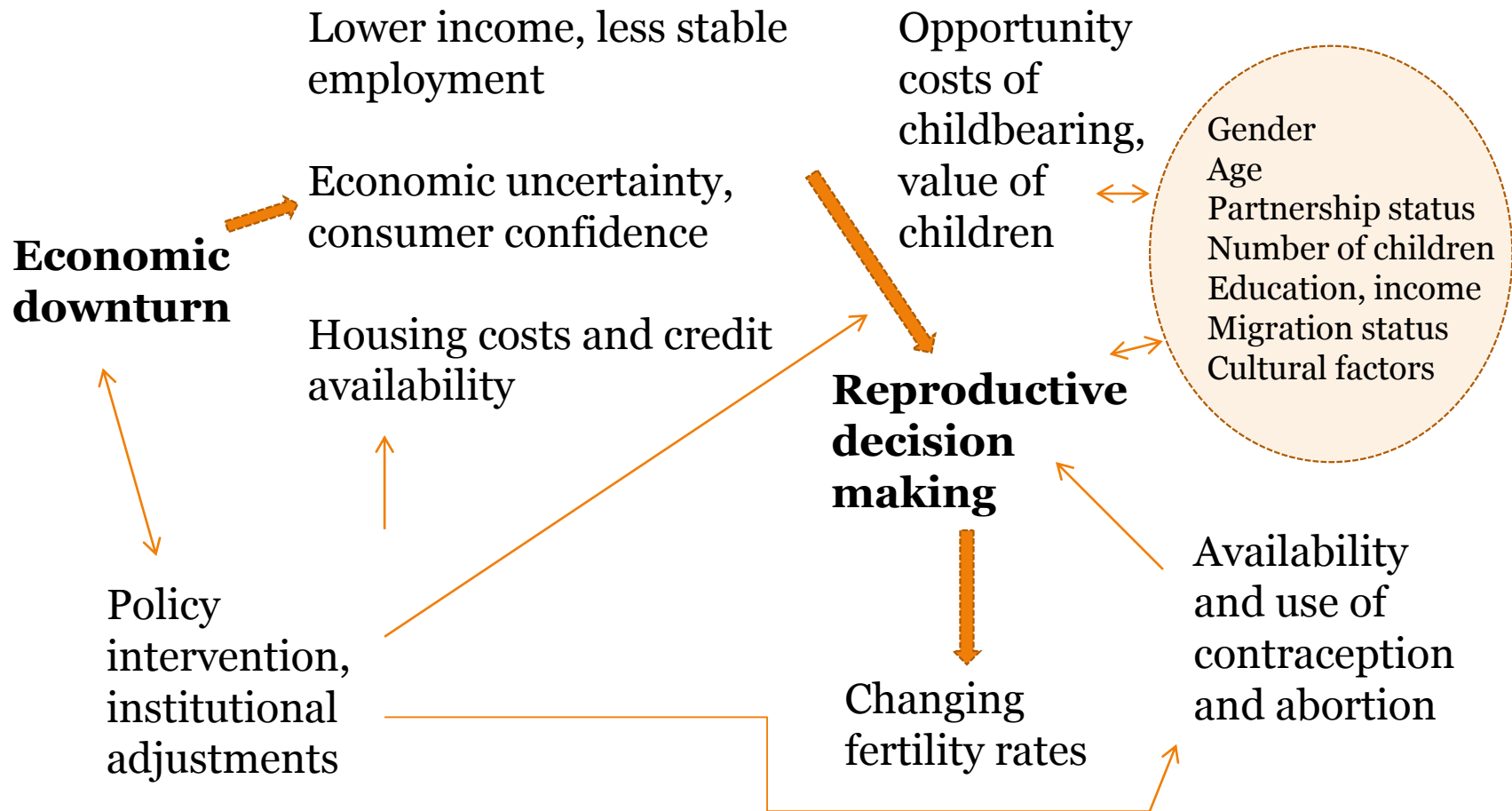
- **European Monthly Index**
 - period January 1997-January 2014
 - Germany, France, Italy, Spain, the United Kingdom
 - El Pais, El Mundo, Corriere della Sera, La Repubblica, Le Monde, Le Figaro, the Financial Times, The Times of London, Handelsblatt, FAZ
 - forecasts for the following year's budget balance
 - inflation rate forecasts

Economic uncertainty



Source: Economic Policy Uncertainty, 2014

Economic uncertainty



Source: Sobotka, T.; Skribekk, V.; Phillipov, D. 2011; author's modification

Thank you for your attention!!!



Sources



- ECONOMIC POLICY UNCERTAINTY. 2014. <<http://www.policyuncertainty.com/index.html>>.
- INTERNATIONAL MONETARY FUND. 2012. World Economic Outlook, May 2000. Chapter V. <www.imf.org>.
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- SOBOTKA, T.; SKIRBEKK, V.; PHILIPPOV, D. 2011. Economic recession and fertility in the developed world A literature review. *Population and Development Review*. Volume 37, Issue 2, pages 267-306.