

NATIONAL REVIEW

A Fertility Plan for America

Vanessa Brown Calder and Chelsea Follett

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Fertility is declining around the world and is now below the level needed to replace the previous generation in countries ranging from China to India to Mexico, Brazil, and the U.S. For now, the global average fertility rate, while falling, is above the “replacement rate” needed to prevent the world population from contracting. Still, policy-makers are increasingly worried by this trend, since sub-replacement fertility will result in population ageing and decline in many countries if not offset by other factors, such as increased immigration.

Many countries have decided to take matters into their own hands and, to support families, implement fertility initiatives intended to increase fertility and social spending. With the United States’ fertility now below replacement level and new CDC numbers showing births falling again in 2022, some U.S. policy-makers seem interested in following suit.

U.S. policy-makers have proposed a variety of subsidies for children and families. Senator Tammy Duckworth (D., Ill.) recently introduced legislation to cover federal employees’ in vitro fertilization and reproductive assistance, and Senator Elizabeth Warren (D., Mass.) proposed heavily federally subsidized child care earlier this year. Senators Mitt Romney (R., Utah) and Josh Hawley (R., Mo.) have each proposed monthly payments to families with children, with Romney’s proposal citing falling birth rates specifically.

Unfortunately, outcomes of fertility initiatives abroad suggest that U.S. policy-makers are unlikely to meaningfully boost fertility through government programs or increased social

spending. By 2015, more than 50 countries stated that their goal was to raise fertility. Yet there are no modern examples of a developed country raising fertility to replacement levels and sustaining it there.

Moreover, countries with explicit fertility objectives, from Estonia to Singapore, have been unsuccessful in meeting and maintaining far more modest targets than the “replacement rate” of 2.1 children per woman. For example, Japan implemented a range of new fertility initiatives and set its target total fertility rate at 1.8 in 2016, yet total fertility fell from 1.44 to 1.3 in the years following. South Korea implemented ambitious fertility reforms and set a target total fertility rate of 1.5, yet Korea’s total fertility fell from 1.21 to 0.81 in subsequent years.

Hungary has received significant recent attention for its ambitious approach to fertility, but despite the country’s spending an enormous 5 percent of GDP on fertility initiatives, it is not on track to achieve Prime Minister Viktor Orbán’s goal to achieve replacement-level fertility by 2030. Notably, although Hungary’s total fertility has grown in recent years, fertility in neighboring countries has grown similarly over the same time, without major interventions.

For instance, Hungary increased fertility by 29 percent between 2011 and 2021, but Romania increased total fertility by 22 percent, and Czechia increased total fertility by 28 percent. Hungary’s fertility policies have also resulted in unintended consequences; nationalizing the country’s fertility clinics produced long wait times and pushed many couples to seek treatment abroad.

Although the impact of fertility initiatives is frequently small, temporary, or nil, these policies come at a high fiscal cost. In the U.S., estimates suggest that spending an additional \$250 billion annually — or about one-third of the defense budget — would raise fertility by just 0.2 extra children per woman. (The U.S. fertility rate is around 1.7). This spending would constitute an enormous fiscal commitment far outside what is politically or financially possible.

Although fertility initiatives are not likely to revive U.S. fertility meaningfully or permanently, many alternative, low-cost policy reforms could make family life more affordable, easier, and more enjoyable for parents. By removing artificial, government-imposed obstacles to having and raising children, these reforms could even boost the U.S. fertility rate. Several current policies

make being a parent harder than it needs to be, which could depress fertility, and are thus ripe for reform.

For example, various policies increase the price of family essentials. Reforming these policies would reduce the cost of housing, food, and child care while increasing the availability of goods and services that parents need. Reforms that substantially increase housing supply, including overhauls to zoning and land-use regulations and changes to federal lands policy, could meaningfully increase housing affordability. Permanently eliminating national tariffs and excess FDA regulations would improve access to baby formula. Relaxing day-care regulations — including educational requirements for child-care staff and staff-to-child ratios— would increase child-care availability and affordability.

Flexible and remote-work policies allow parents to combine personal and professional obligations more seamlessly, and the private sector has made major strides in providing remote-work opportunities post-pandemic. However, policy-makers should reform labor policies that get in the way of flexible and remote options, from overly restrictive regulations on home-based businesses and independent work, to licensing rules that punish part-time workers (many of whom are parents) and discourage telework. Women who were most likely to work from home during the pandemic experienced higher fertility, perhaps because combining pregnancy and early parenting with work obligations is easier within a remote-work context.

Other policies make childbirth more difficult and discourage women from having additional children by limiting parents' choices about the way their children are conceived and born. C-sections are on the rise, and many federal, state, and local policies make it harder for mothers to avoid C-sections regardless of their preferences. Such restrictions not only disrespect mothers' autonomy but can make having multiple children risky, potentially lowering fertility without improving health outcomes. Policy-makers worried about fertility should also avoid restrictively regulating reproductive technology, a boon for many couples.

Some policies make parenting unnecessarily time-intensive and stressful, with little associated benefit. Under current law, busybodies can report parents for allowing their children to engage in age-appropriate activities, including walking home from school, playing in the yard alone, or

staying home alone for short periods. In a handful of states, including Utah, Colorado, and Virginia, policy-makers have passed reasonable-independence or “free-range kids” laws to allow parents peace of mind and provide children with growth opportunities.

Regardless of their impact on fertility, the reforms listed would benefit families. Instead of replicating costly initiatives that have failed in other countries, policy-makers should address the underlying policy factors creating problems for families and limiting parental choice. At the very least, any expansion of spending on families should be paired with deregulation of the goods that parents require and reform of policies that make family life harder. These reforms have independent merit and are worth pursuing regardless of their influence on fertility.

Vanessa Brown Calder is the director of opportunity and family-policy studies at the Cato Institute. Chelsea Follett is a policy analyst at the Cato Institute’s Center for Global Liberty and Prosperity and the managing editor of HumanProgress.org.