

# DISCOURSE

Where Ideas Meet

## Removing Government Barriers to Fertility

Chelsea Follett

August 15, 2023

The world's population has never been bigger, yet rates of poverty and hunger are at historic lows. How is that possible? It turns out that population growth can fuel resource abundance and economic prosperity through innovation. Contrary to popular belief, resources have become more plentiful as the global population has increased. Analyzing historical data, the authors of ["Superabundance: The Story of Population Growth, Innovation, and Human Flourishing on an Infinitely Bountiful Planet"](#) discovered that in recent decades resource abundance outpaced population growth, a phenomenon they call "superabundance." This counterintuitive relationship arises from the fact that more people generate more ideas and inventions, leading to economic growth and improved living standards.

In other words, on average, free people produce more than they consume. Perhaps that is not so surprising, because human ingenuity is what transforms raw natural materials into valuable resources in the first place. A remarkable example is Hong Kong, which underwent a rapid free market metamorphosis from a barren island to a prosperous metropolis in the 1950s and '60s.

However, it's crucial to note that simply having a large population is insufficient to create abundance. The poverty experienced in China and India before their liberalizing economic reforms serves as a stark reminder of that. Merely having a large population is not enough; it is freedom that unleashes human potential and transforms living standards. Free societies foster innovation by granting individuals the liberty to explore new ideas, debate, trade and profit. And the more people do those things, the more opportunities arise for specialization, collaboration and technological breakthroughs. Under conditions of economic freedom, more people mean more entrepreneurs, more innovators and more creators.

### Demographic Dilemmas

If it is true that free individuals engaged in idea generation and market exchange are "the ultimate resource," as the late University of Maryland economist [Julian Simon called them](#), then the more, the merrier. In a free society, fears about so-called overpopulation and resource depletion are baseless. Moreover, population growth rates are decreasing globally, with many countries now experiencing shrinking populations as fertility rates fall. Fertility is lowest in the high-income countries, in many cases at record lows and in most instances "below replacement" (i.e., lower than needed to keep the population from shrinking).

Many middle-income countries, including Brazil, China, India, Mexico and Russia, also have fertility rates below the replacement level of 2.1 children per woman. It must be noted, though, that smaller family sizes often relate to positive developments such as increased education for women and declining rates of child mortality. (More children surviving to adulthood decreases the incentive to have additional children as an insurance policy against a high likelihood of childhood death.) Moreover, many commentators celebrate the possibility of population decline for a variety of reasons, often believing that a smaller population will benefit the environment.

Others, however, fear that a smaller population size could come with various challenges. If a larger population has the potential to increase the rate of technological advancement and economic growth, then a smaller population could conversely slow the rate of progress. Such risks may be manageable through automation or immigration (although if birth rates continue to decline globally, then migration alone cannot counteract depopulation in the very long run). Thus, many thinkers across the ideological spectrum, such as [Matt Yglesias](#) and [Ross Douthat](#), have expressed concerns about subreplacement fertility and possible attendant tradeoffs.

Irrespective of whether or to what extent their worries are substantiated, such fears have motivated a variety of policies intended to help families and boost birth rates in countries from South Korea to Estonia. Unfortunately, such “pro-natal” policies often take the form of expensive new government programs and subsidies that increase the burden on taxpayers while having little or no effect on fertility. In a [recent Cato policy analysis](#) I co-authored with Vanessa Calder, we found that in almost all cases, countries with pro-natal policies tied to explicit fertility targets failed to meet their stated goals. That conclusion fits with a larger body of research showing that the effect size of fertility initiatives is often small and comes at an enormous fiscal cost.

Ultimately, it is not the government’s place to encourage or discourage any particular family size, and past government attempts to alter fertility rates have sometimes even resulted in tragic human rights abuses. So, rather than embarking on new initiatives that are costly, are questionably effective and risk wading into the territory of social engineering or worse, policymakers should take a “first do no harm” approach to fertility. Instead of replicating costly efforts that have proven ineffective abroad, U.S. policymakers keen on supporting families and concerned about fertility decline should consider repealing the various government policies that can act as artificial barriers to fertility and raise costs for parents. In other words, policymakers should make sure that government policies do not interfere with individuals’ freedom to form the families they want to create.

### **Family-Friendly Policies**

First, consider policies affecting family budgets and work. By some estimates, housing is the greatest expense associated with raising children, and regulations that limit the housing supply, including land use and zoning regulations, make housing less affordable. Meanwhile, tariffs raise the cost of construction materials and push the cost of housing even higher. The cost of food, the second-greatest expense associated with children, is inflated by subsidies that backfire,

regulations and restrictive trade policies. Studies suggest that reforming such policies could reduce the retail price of milk, a staple among families with young children, by 15% to 20%.

Then there's education: Increasing school choice would increase incentives for schools to meet the needs of students and their families. Next, consider child care. Various regressive regulations limit the supply of child care and push up prices. For example, Washington, D.C., adopted a licensing law requiring many child care workers to have a college degree. When it comes to child-to-staff ratios, requiring even one less staffer per infant reduces child care costs by up to 20%. In fact, many countries such as Denmark, Spain and Sweden have no government-mandated maximum ratio at all. Removing laws that discourage telework and flexible work can also make life easier for parents. For example, pandemic-era reforms removing barriers to telemedicine not only increased patient convenience but made balancing parenthood and career easier for some workers in medical fields by allowing for remote work.

Further, some healthcare policies excessively limit parents' options regarding the way their children are conceived and born. Several government policies—including certificate-of-need laws restricting the creation of new birth centers and various state laws restricting vaginal birth after cesarean attempts to hospital settings and banning them at smaller clinics or birth centers—make it needlessly difficult for mothers who want to avoid cesarean sections to do so. Such restrictions not only disrespect mothers' autonomy but can make having multiple children medically risky and, research suggests, may depress fertility, all without improving health outcomes.

Policymakers worried about families and fertility should similarly avoid overregulating the field of reproductive technology, which can help many couples struggling with infertility challenges. Policymakers should also avoid imitating Hungary, which nationalized its fertility clinics and subsidizes fertility treatments, resulting in fewer treatment options and lengthy wait times that have prompted many Hungarians to seek treatment in neighboring countries. Such policies not only diminish individual liberty but make bringing new children into the world unnecessarily difficult.

Finally, there are some well-intentioned but excessive child safety policies that make raising children more expensive and time-consuming. For example, one study found that extended-age car seat requirements were associated with only 57 car crash fatalities in 2017 but with a reduction of approximately 8,000 births in the same year. Speaking of safety, Utah (2018), Oklahoma (2021), Texas (2021), Colorado (2022) and Virginia (2023) have passed "reasonable childhood independence" legislation that pushes back against overly burdensome and intensive parenting norms. More states should pass these laws so that children benefit from increased independence and parents benefit from reduced stress levels.

Those are just a few of the reforms to labor, trade, healthcare, education, housing and safety policies that would reduce the regulatory cost of raising children and help families. Although I am skeptical of the idea of expensive new government policies aimed at increasing fertility, believing them to be misguided and possibly beyond the proper scope of government, at the very least, any expansion of spending on families should be paired with deregulation of the goods that

parents demand most and reform of policies that artificially and needlessly make family life harder.

If free people are the ultimate source of societal abundance—if people themselves are “the ultimate resource”—then we should reconsider overly burdensome regulations that potentially frustrate fertility aspirations. The work that parents do raising the next generation of human beings is important—and arduous enough without the government making it harder. To increase abundance, families must be free.

*Chelsea Follett is the managing editor of HumanProgress.org, a project of the Cato Institute that seeks to educate the public on the global improvements in well-being by providing free empirical data on long-term developments.*