CLASH OF CAREER AND FAMILY: FERTILITY DECISIONS AFTER JOB DISPLACEMENT

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Abstract
In this paper we investigate how career considerations may affect fertility decisions in the presence of a temporary employment shock. We compare the birth rates of women displaced by a plant closure with those of women unaffected by job loss after establishing the pre-displacement comparability of these groups. Our results reveal that job displacement reduces average fertility by 5%-10%, and that these effects are largely explained by the response of women in more skilled occupations. We offer an explanation of our results based on career interruptions of women. (JEL: J13, J64, J65, J24)

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