Happiness: Before and After the Kids

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Context of Low and Late Fertility

- Why such low fertility in the 1990s?
- Postponement vs. childlessness (Sobotka 2004)
- Why do so many stop at 1 child, when say want 2?
- 0.34 children/woman = avg gap between desired and actual fertility in the EU (Sobotka & Lutz 2011)
- Policymakers: worried people can't meet fertility goals (European Commission 2006)

Why do we care about the happiness of parents?

May help us to understand why people have children (Hobcraft 2006)

- Why any children?
- How many children to have?
- The timing of childbearing?

If we understand the factors that cause parents to start and stop childbearing, then family policies can:

- Improve the lives of parents
- Increase frequency of progression to 2nd or 3rd birth if parents desire
- Ease negative effects of severe population aging.

What do we know about parental well-being?

Becoming a parent is both detrimental and rewarding for parents (Nomaguchi & Milkie 2003)

- Decreased relationship quality (Lavee et al. 1996)
- Strained psychological well-being (McLanahan & Adams 1987)
- Increased housework (Sanchez & Thomson 1997)

+ Strengthening social ties with family and friends (Gallagher & Gerstel 2001; Umberson & Gove 1989)
+ Creation of a new role for adults which carries rights, responsibilities, and a sense of adulthood (Sieber 1974)

What do we know about parental happiness?

Are parents more or less happy than those without children?

Stage in the life cycle seems to be important

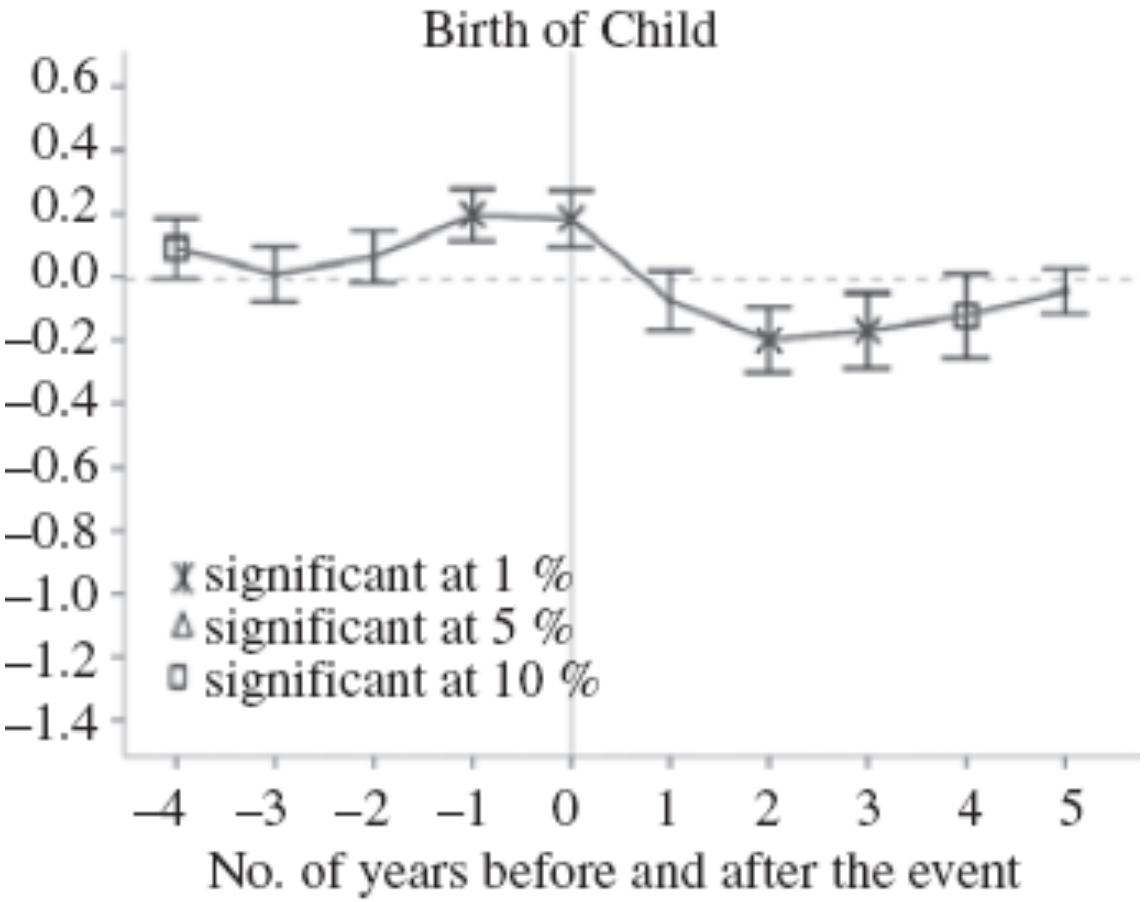
- Most find that parents are less happy, focusing on younger ages (McLanahan & Adams; Cleary & Mechanic; etc)
- Few differences by parental status at older ages (Connidis & McMullin 1993)
- A few studies find that parents are more happy (Kohler et al. 2005; Margolis & Myrskyla 2011)

Context seems to matter (European vs. North America)

Most studies use cross-sectional data. Biased by unobserved heterogeneity and selection into parenthood on happiness.

Key Findings from Analysis of Panel Data

Clark et al. (2008) How does happiness "adapt" over time with respect to life events, including the birth of a child?



Contributions

- We do not challenge earlier explanations for postponement or why people have children at all.
- Build on recent work analyzing well-being trajectories (Clark et al. 2008; Baranowska & Matysiak 2011; Frijters 2011)
- Does childbearing, an event that most people experience, makes people happy?
- How do different subgroups experience it differently?

Research Questions

1) What is the trajectory of parental happiness before and after the birth of a child?

2) How does the happiness trajectory of parents differ by:

- Gender of parent
- Age at first birth
- Socioeconomic status
- Marital status
- Parity
- Context: Germany and Britain

3) What factors mediate the impact of children on parental well-being?

- We examine changes in employment, income, health, and marital status

Data

1) German Socioeconomic Panel (1984-2009)

2) British Household Panel Survey (1991-2008)

Strengths of data

- High mean age at birth
- Strong differences in overall contexts for childbearing (family policy, norms about non-marital births)
- Longest panel data sets which allow analysis of parental happiness before and after birth, stratified analysis, and potential mediators

Data: Analytic Sample

Analytic Sample

- Respondents who were childless at start of surveys
- Respondents who had one or more births during survey
- Exclude small number due to missing data
- Average length of follow-up 12.2 years (SOEP) and 10.2 years (BHPS)

German Socioeconomic Panel (1984-2009)

- 4,660 people; 7,667 births; 64,492 person-years

British Household Panel Survey (1991-2008)

- 3,112 people; 5,117 births; 34,567 person-years

Data: Measures

Parental Well-being

- SOEP: “How satisfied are you with your life, all things considered?” (0-10)
- BHPS: Q1 "How dissatisfied or satisfied are you with your life overall," (1-7)
- BHPS: Q2 "Have you recently been feeling reasonably happy, all things considered?" (1-4)
- We use the British Q2, which is measured more consistently. We rescale the 1-4 measures to 0-10. Treat variable as interval.

Other variables

- FIXED: sex, region, age at birth
- TIME-VARYING: age, parity, income, education, partnership status, labor force status, and self-rated health

Sample Characteristics: SOEP and BHPS

	Germany		UK	
	Men	Women	Men	Women
Number of respondents (%)	1973	2687	1476	1636
Age at entry to the survey (mean)	25.4	22.6	26.1	22.9
Year of birth (mean)	1967.6	1969.9	1967.0	1973.3
Total years of follow-up (mean)	15.9	13.8	11.6	11.7
Total number of children (mean)	1.71	1.68	1.68	1.70
Age at first birth	30.2	26.7	30.0	26.8
Married at first birth	77%	73%	61%	54%
Happiness				
-first interview	7.49	7.55	7.09	6.92
-when the 1st child is born	7.48	7.62	7.17	7.27
-last interview	6.88	6.98	6.65	6.60

Empirical Approach: Fixed effects linear regressions

Strengths of Empirical Approach

- Allows us to control for individual-specific time-invariant unobserved characteristics. Eliminates problem of selection into parenthood on happiness.
- Analyze changes in an individual over time
- With linear models we can compare happiness at various points
- Allow observation of pattern of changes as other factors change: employment, marital status, and health

Empirical Approach: Fixed effects linear regressions

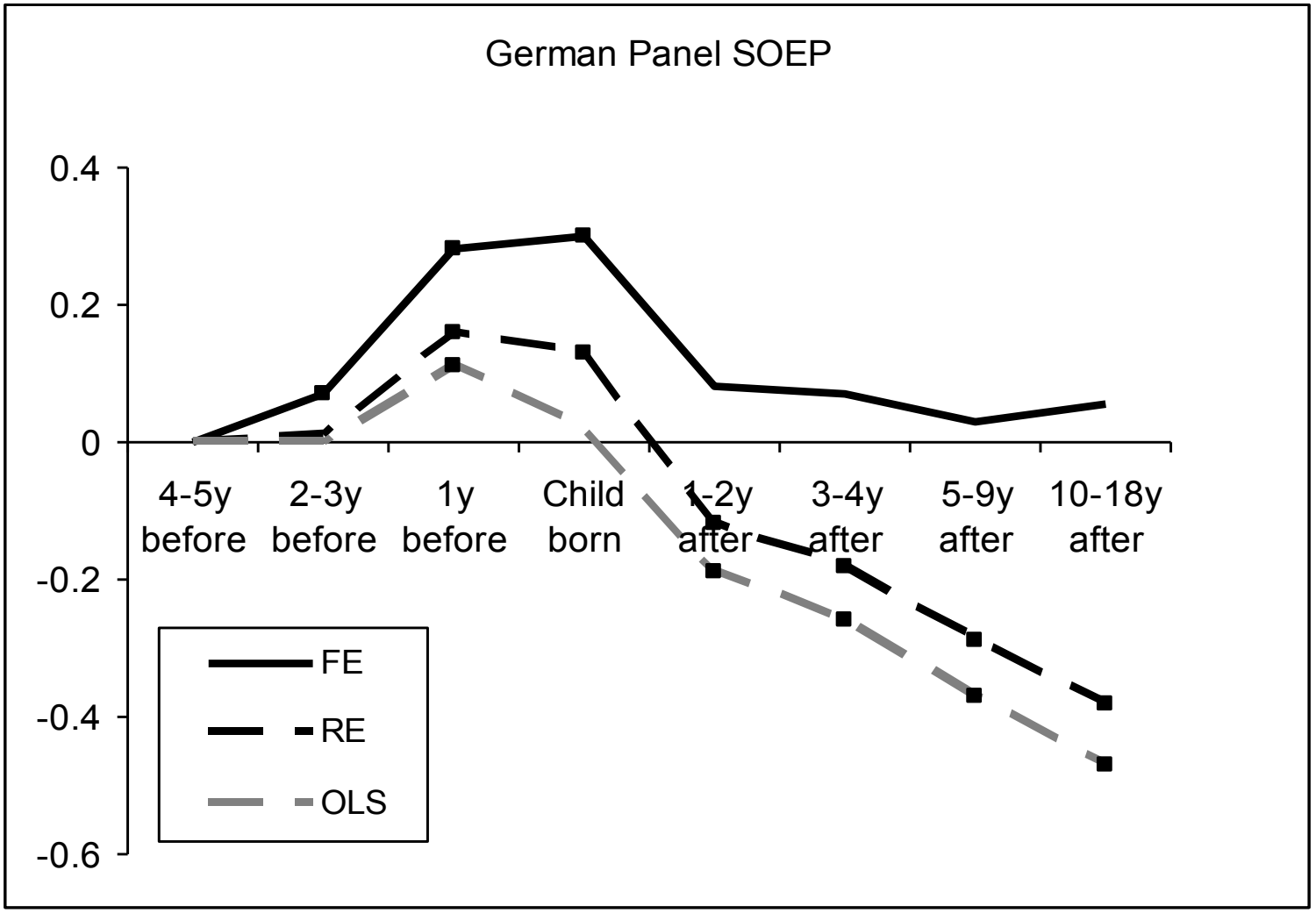
- We model respondents' happiness *H* at time *t* as a function of time to or after a birth, with controls for individual fixed and time-varying characteristics and period effects
- We start following people 5 years before they have their first child

  (Omitted category: 4-5 years before birth)

$$H_{it} = \alpha_i + B_{it}^{2-3} + B_{it}^{1} + C_{it} + A_{it}^{1-2} + A_{it}^{3-4} + A_{it}^{5-9} + A_{it}^{10-18} + \boldsymbol{\beta}'\mathbf{age}_{it} + T_t + \boldsymbol{\theta}'\mathbf{x}_{it} + \varepsilon_{it}$$

α_i	$B_{it}^{2-3} + B_{it}^{1}$	C_{it}	$A_{it}^{1-2} + A_{it}^{3-4} + A_{it}^{5-9} + A_{it}^{10-18}$	$\boldsymbol{\beta}'\mathbf{age}_{it}$	T_t	$\boldsymbol{\theta}'\mathbf{x}_{it}$
Individual fixed effect	2-3 and 1 year before birth	Birth of a child	1-2, 3-4, 5-9, 10-18 years after the birth	Age of parent	Year specific period effects	Time varying covariates: health, education, income, marital status, birth of additional children

Happiness Trajectory of Parents Before and After Birth of First Child



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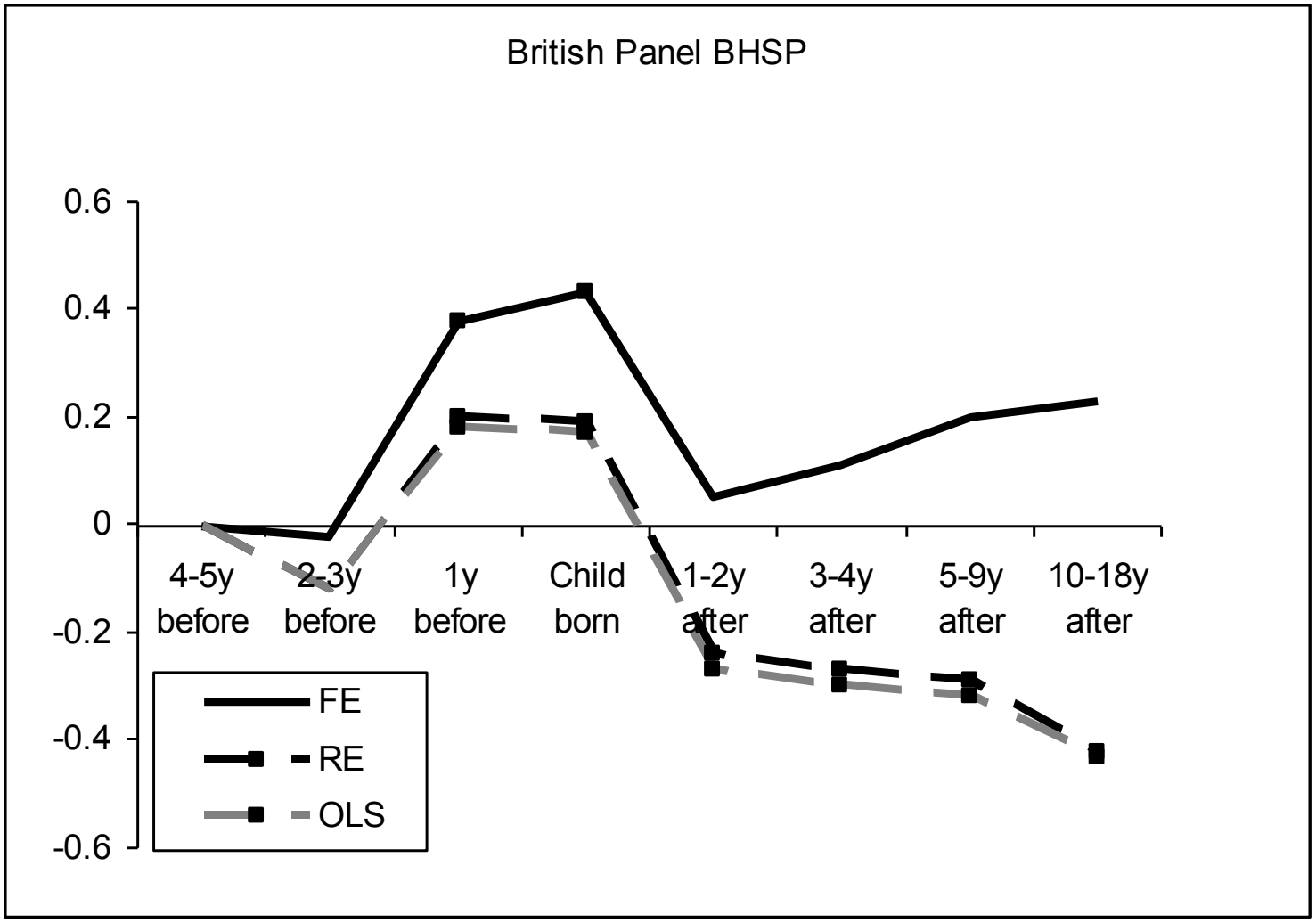


Research Questions

1) What is the trajectory of parental happiness before and after the birth of a child?

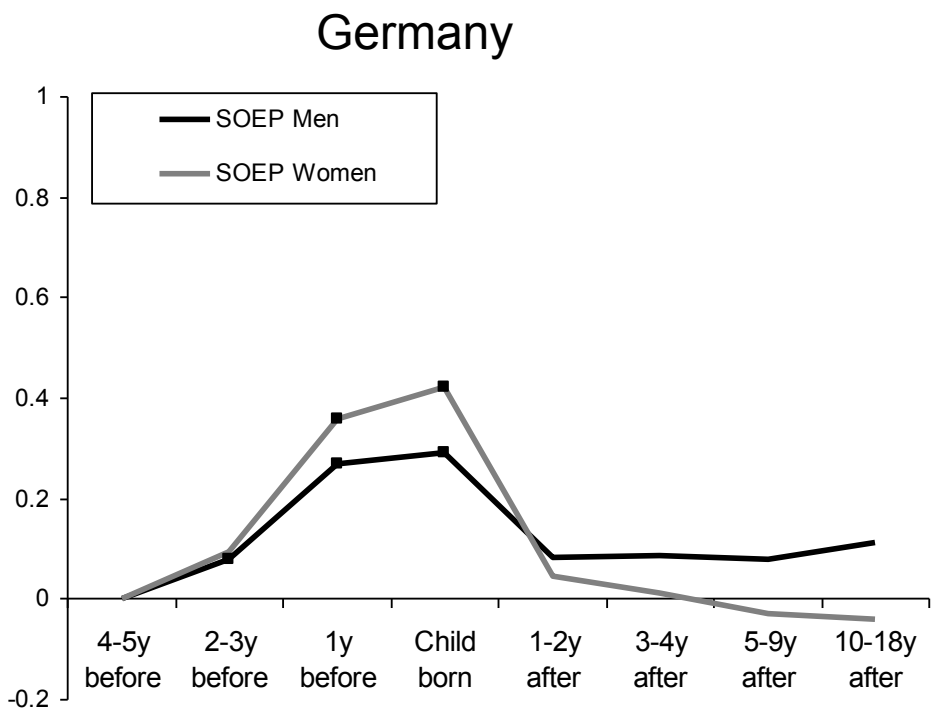
Overall pattern:

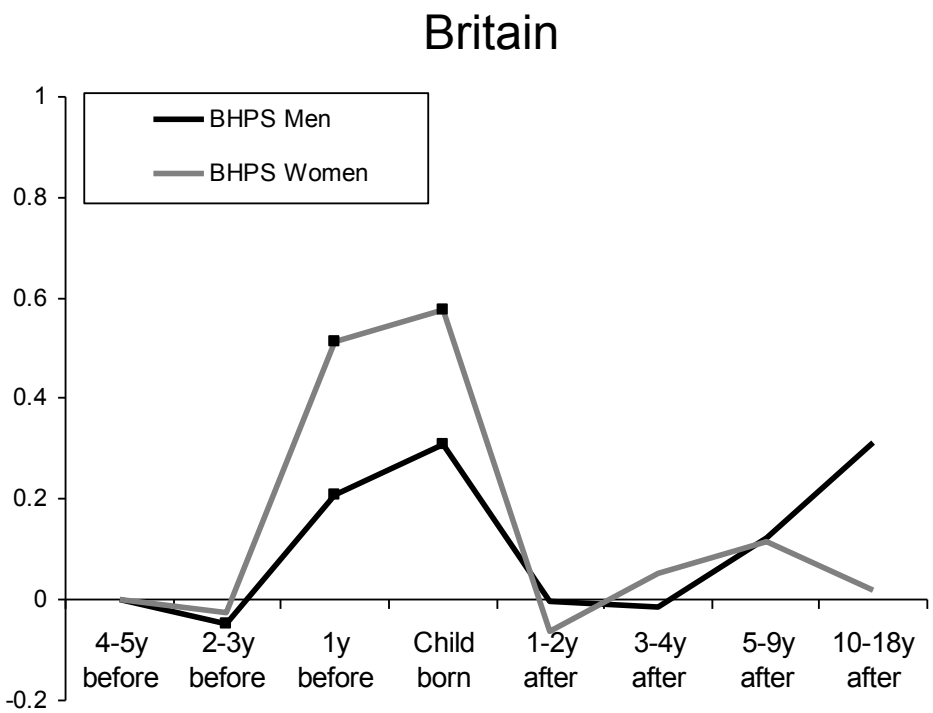
Happiness increases before and in the year of the birth of a first child. A few years after, happiness has decreased to pre-birth levels.

2) How does the happiness trajectory of parents differ by:

- Gender of parent
- Age at first birth
- Education
- Parity (Previous results were for the 1st child)
- Marital status
- Context: Germany and Britain

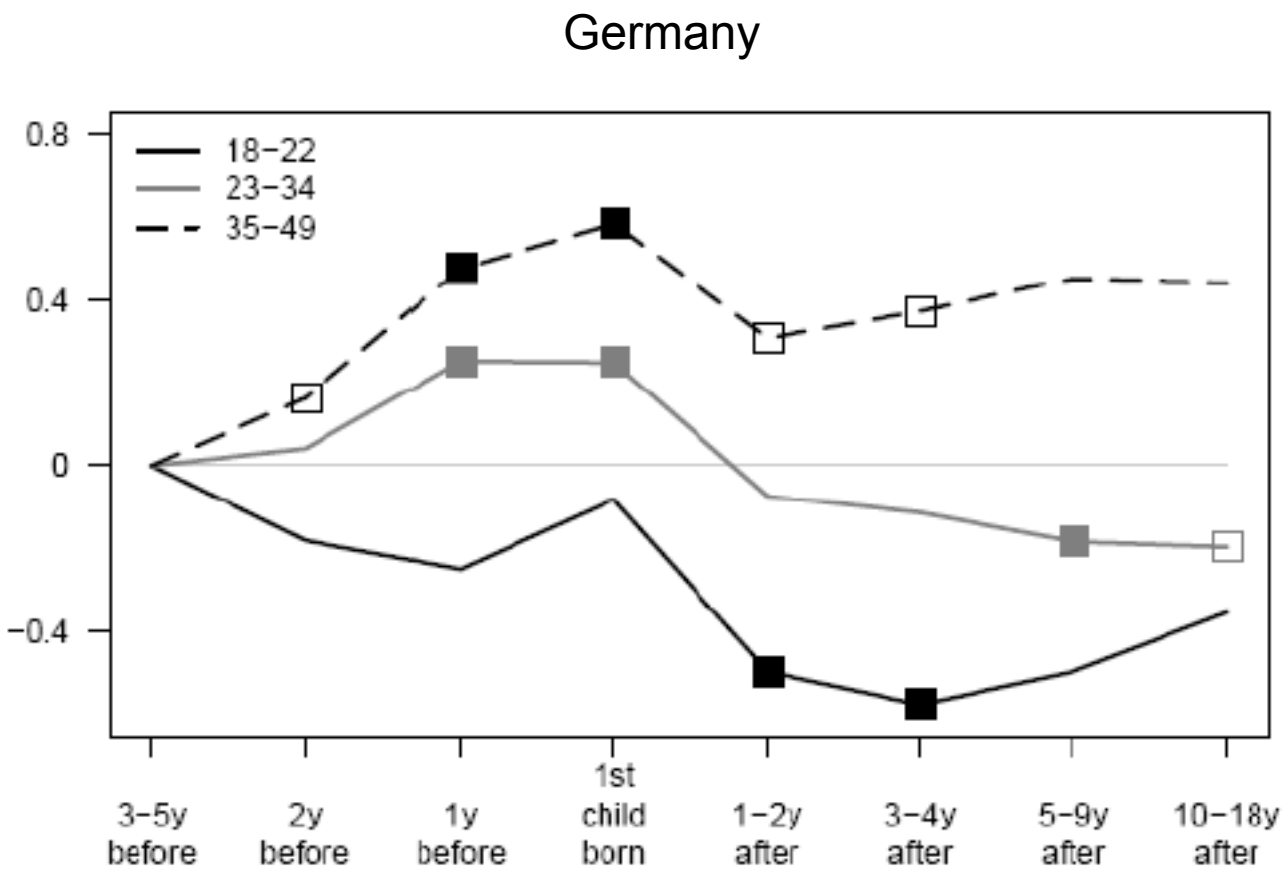
Parental Happiness Trajectories by Gender of Parent





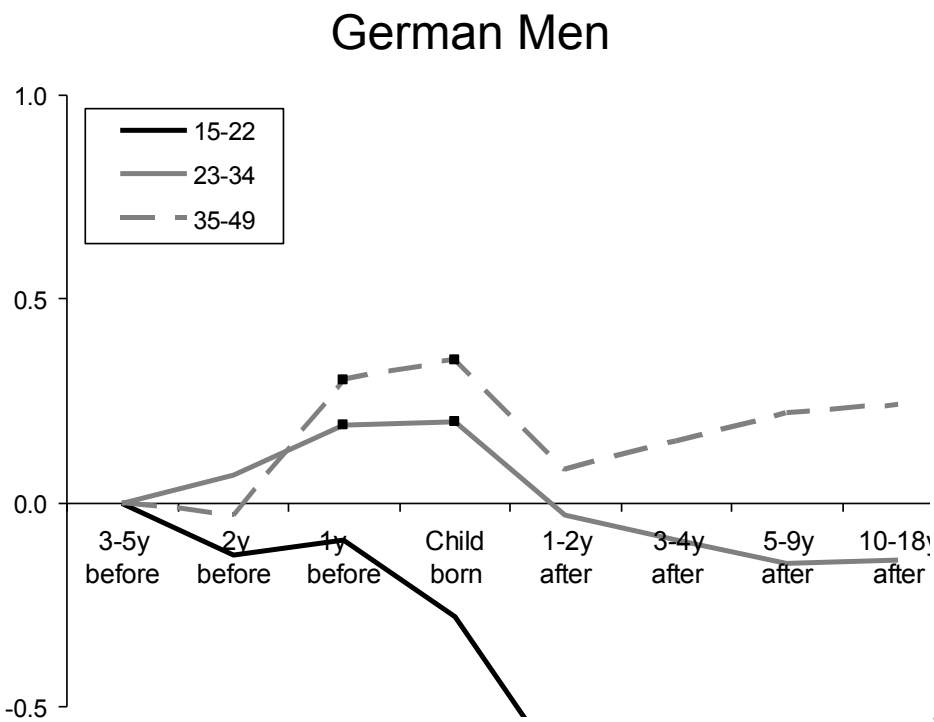
Male-female differences in the year before and in the year of birth are significant at p<.05.

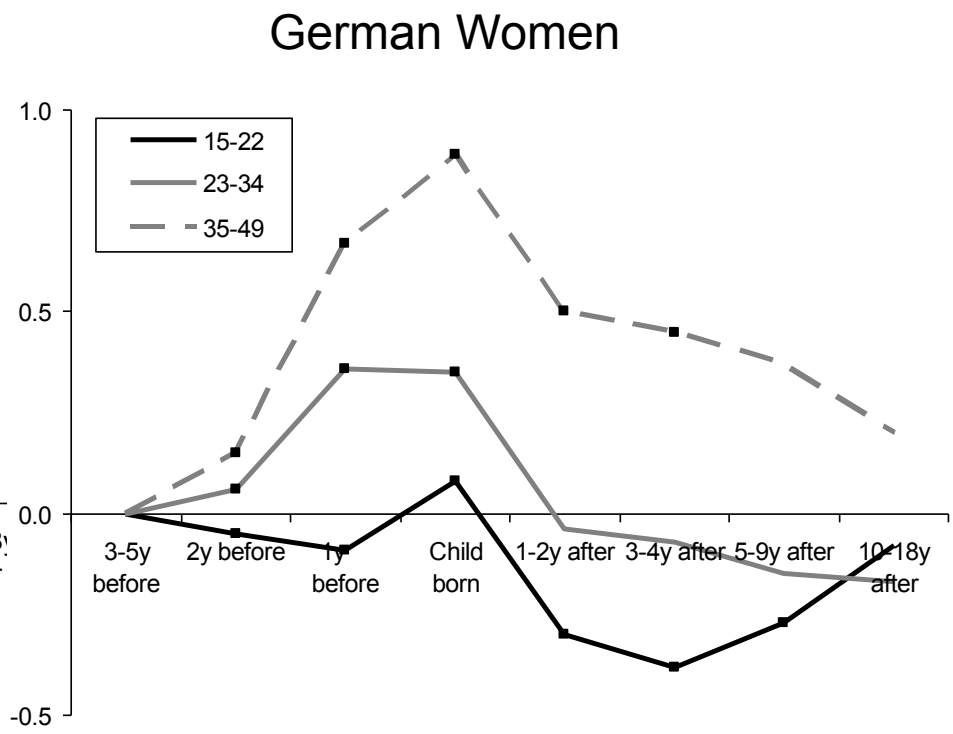
Differences in Parental Happiness Trajectories by Parent's Age at First Birth



The trajectories are very similar in the British data.

Parental Happiness Trajectories by Gender and Age at First Birth





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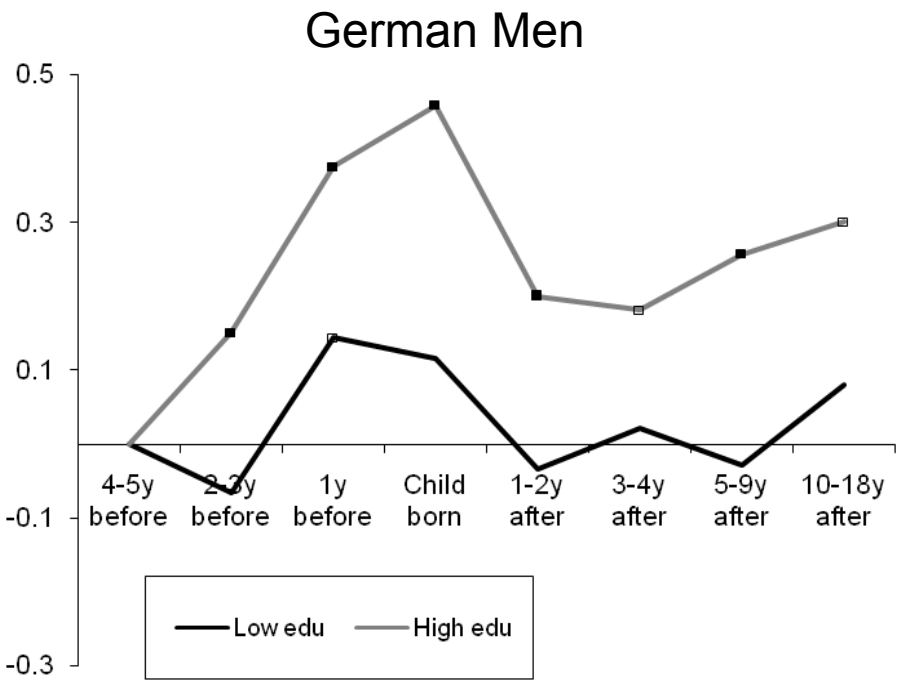
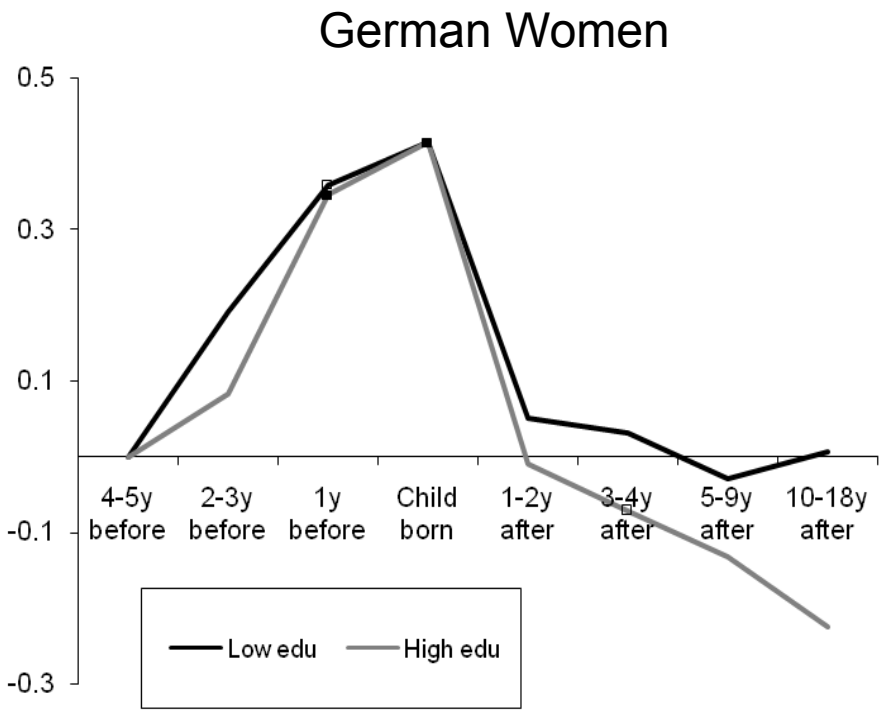
Parental Happiness Trajectories by Gender and Education

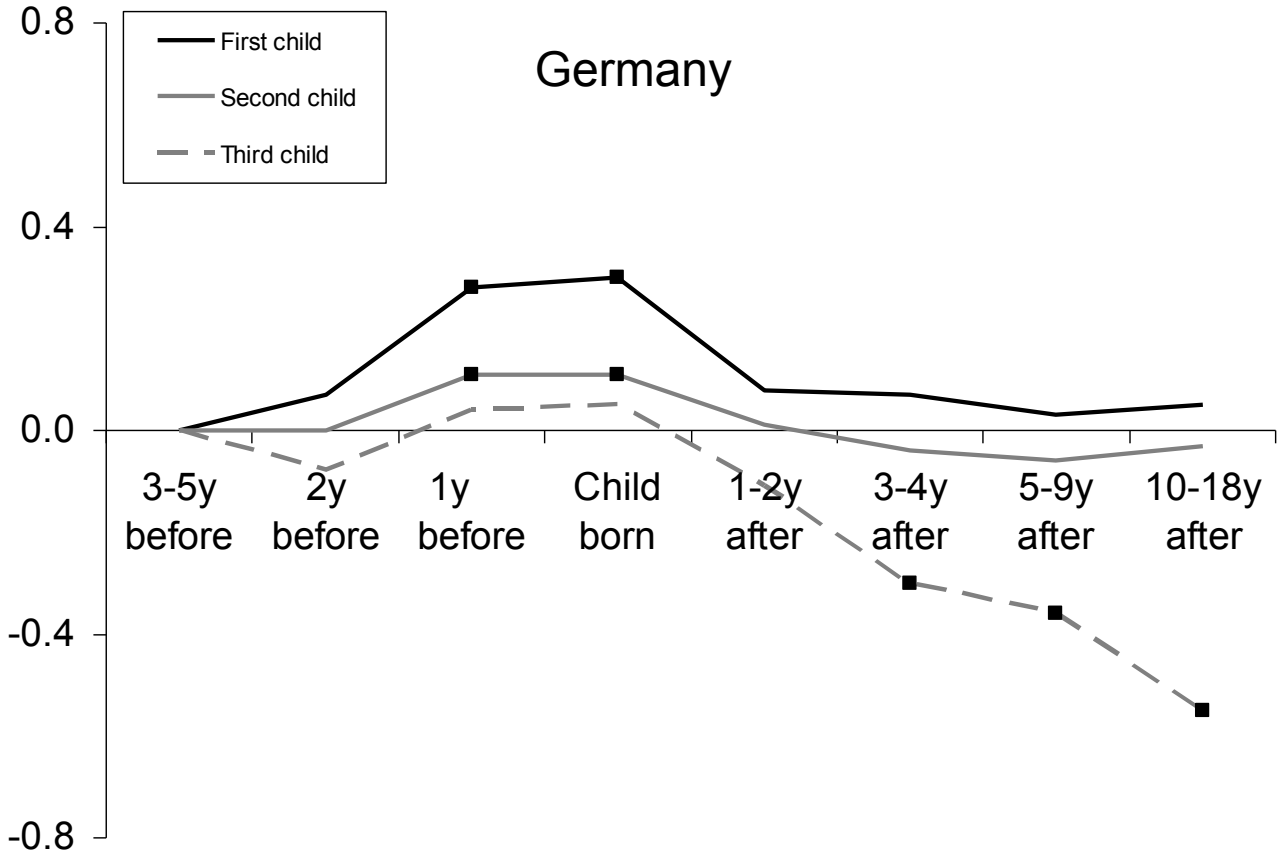




The trajectories are similar in the British data.

The differences by income and health are similar: higher income or better health predicts higher response curve for men, but not for women.

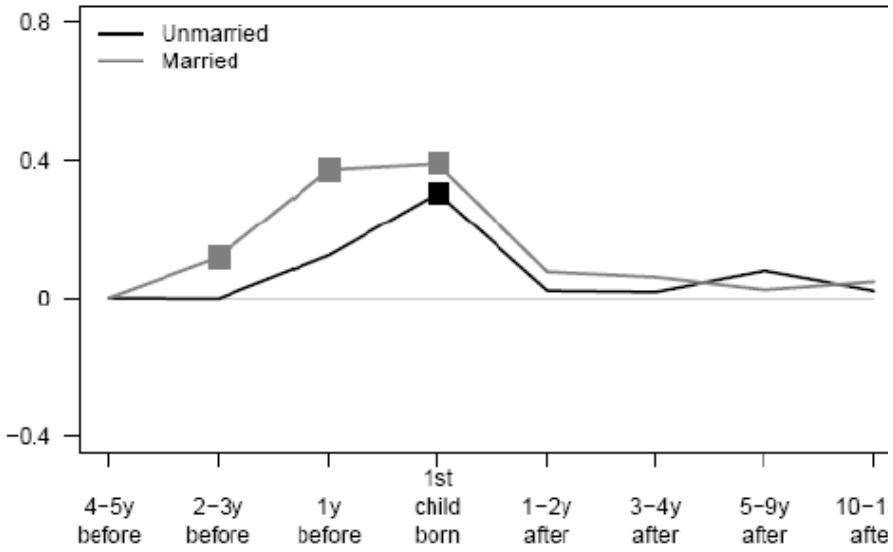
Parental Happiness Trajectories by Parity



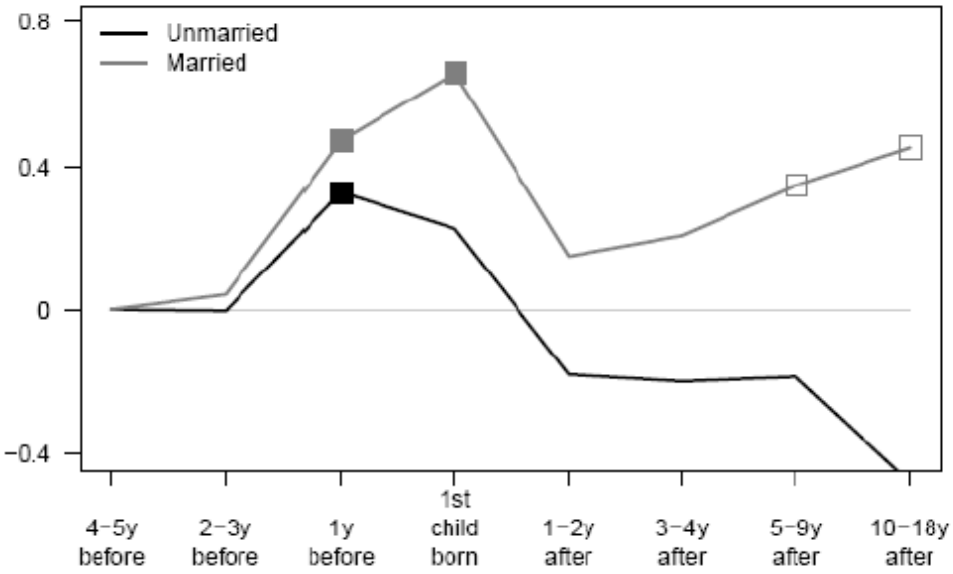
The trajectories are similar in the British data – the exception is that the coefficients for 3rd child not sig.

Parental Happiness Trajectories by Partnership Status of Parents

Germany



Britain



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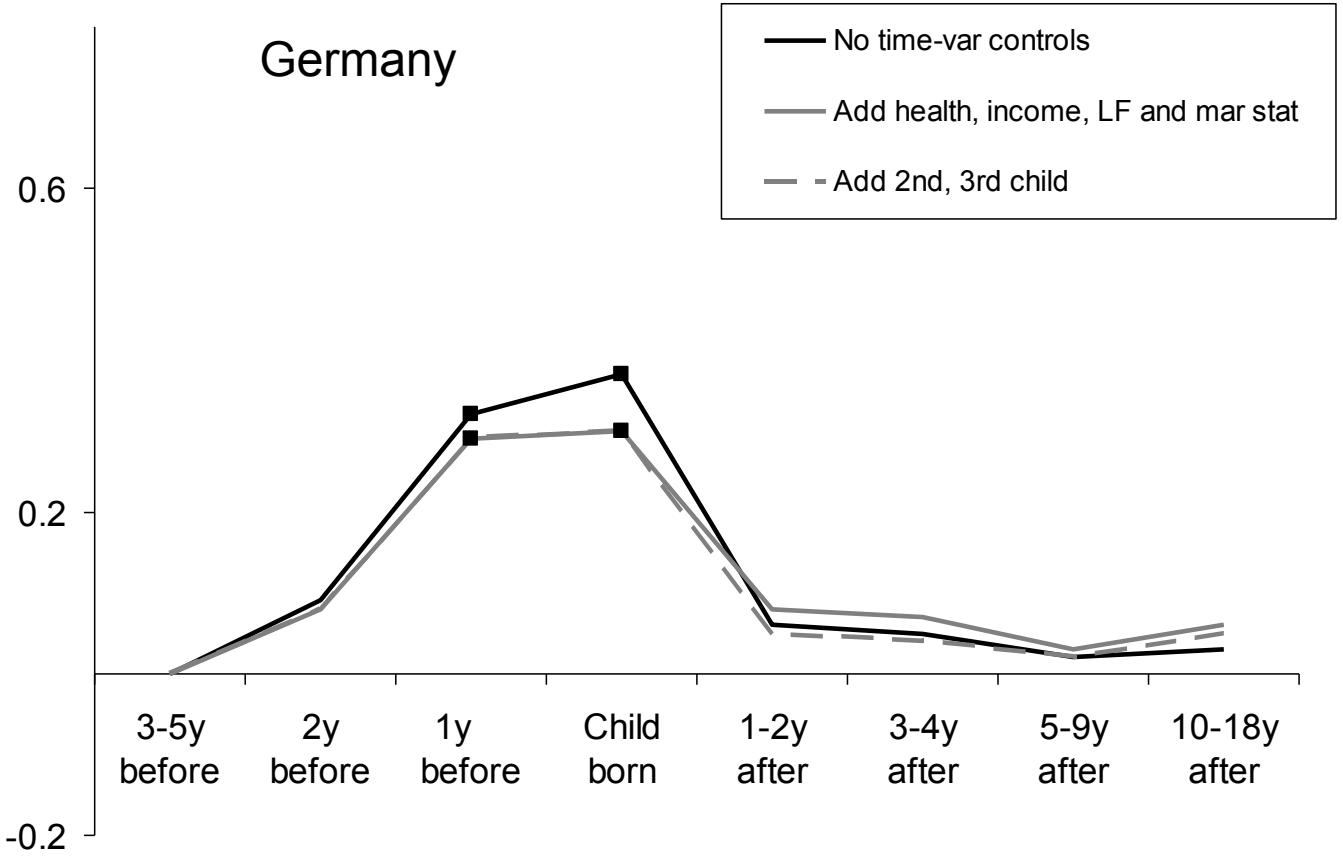
Are the effects of childbearing on happiness mediated by observed time-varying factors?



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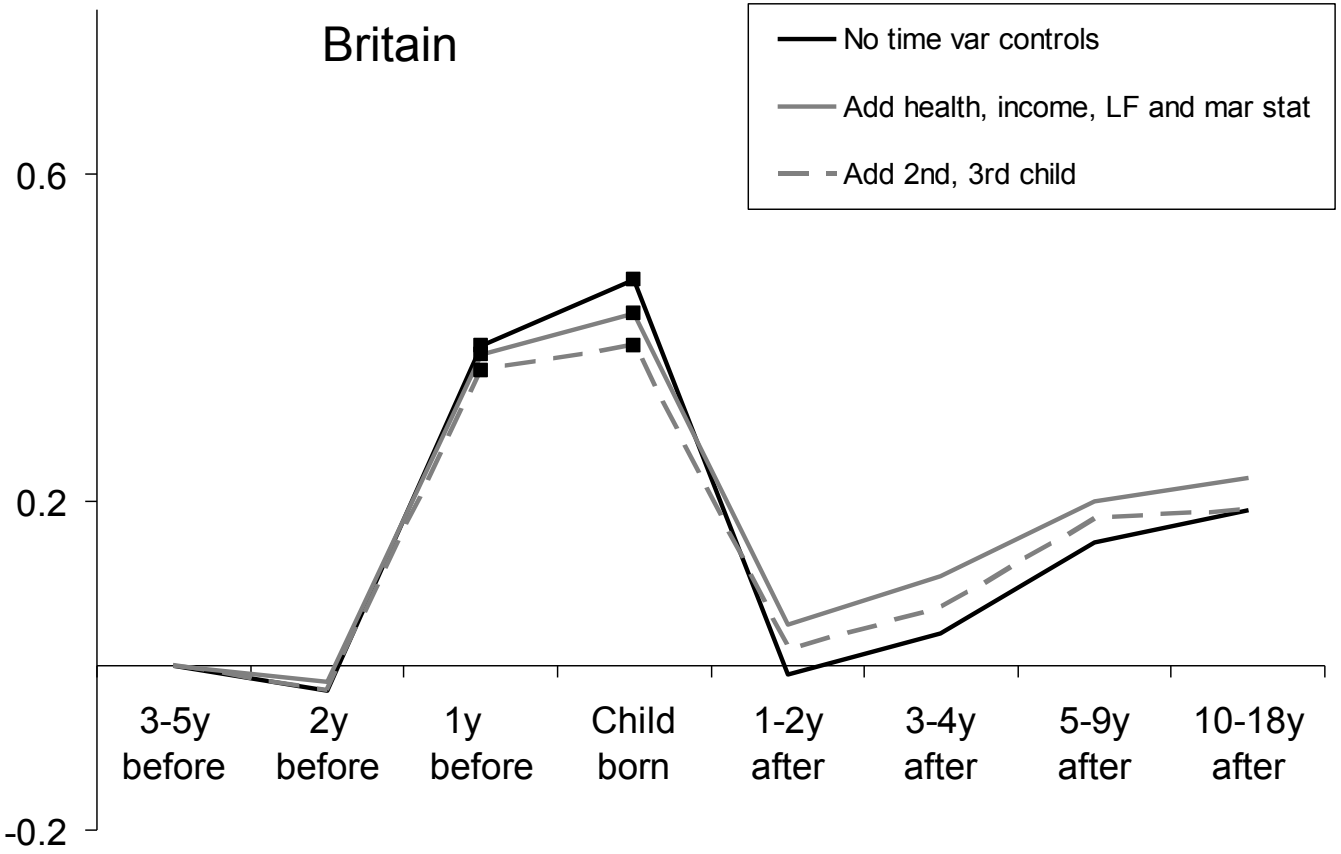

Findings and Discussion

1) Among people who have children, the process of childbearing increases happiness around the birth, and later on parents are not more unhappy than they were before having kids

- Overall, having children seems worth doing. The happiness gain is mostly short-term, but it is still a gain
- Helps understand "Why have kids in the 21st century?"
- Similar overall results in Germany and Britain
- Findings differ from many with cross-sectional data, short follow-up, and not employing fixed effects
- Size of effects similar to other major life events!

Findings and Discussion

2) Parental happiness trajectories are strongly moderated by sociodemographic characteristics of parents

- Women respond more to a birth: sharper increase and decline
- Being "ready" matters: The older one is, the more positive the short- and long-term responses
- Given findings, fertility postponement looks very rational
- Resources matter, mostly for men
- All results, including the age gradient, are *conditional on having a child.* Postponing increases the risk of involuntary childlessness, in our study sample the risk did not realize

Findings and Discussion

3) The impact of childbearing on happiness attenuated with parity and may become negative by 3rd child

- Helps understand why most have 1 or 2 kids

4) The effect of childbearing on happiness trajectory is ***not*** mediated by changing health, income, labor force status, or marital status

Findings and Discussion

5) Small differences in trajectories by macro context. Much larger differences by individual characteristics.

- One exception: Differences by partnership status.
- May be due to Germany's more favorable tax code, family policies, and lower stigma against non-marital childbearing in areas where non-marital childbearing is common (in the East).
- Social norms and social policy may play some role in shaping parental well-being trajectories.

Thank you!

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