

Does Parenthood Increase Happiness?

Evidence from Panel Data

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Background

▶ Does it pay off to have children ?

▶ arguments in favor :

▶ economic approach:

- ▶ emotional benefits, support in income provision, security in old age (Leibenstein 1957)

▶ 'the value of children' concept

- ▶ having children improves social status (Hoffman & Hoffman 1973)

▶ evolutionary theories

- ▶ enjoying nurturing is a trait that evolved among humans (Foster 2000; Rodgers et al. 2001)

▶ arguments against :

- ▶ increased financial responsibility (Zimmerman & Easterlin 2006, Stanca 2009)
- ▶ difficult reconciliation of work and family duties (Matysiak & Vignoli 2009)
- ▶ time conflict and additional strain on parents (Pailhe and Solaz 2009)
- ▶ reduced leisure (Sanchez & Thomson 1997)

▶ Summing up, do children increase couples' well-being?

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Review of previous studies

- ▶ cross-sectional studies with international comparison
 - ▶ Aassve et al. (2009): a **significantly positive** effect of having at least one child among females in Europe
 - ▶ Margolis & Myrskylä (2011): a **significantly negative** effects of children
- ▶ single-country studies controlling for unobserved heterogeneity
 - ▶ Kohler et al. (2005) for Denmark: a **significantly positive** effect of the **1st child**, but **negative effect** of **2nd and 3rd+ child**, the effects are stronger for women than men
 - ▶ Clark & Oswald (2002) for Germany: **no significant effect of first child** on happiness; **negative influence of higher order births**
 - ▶ Angeles (2009) for Great Britain: **no significant effect** of children

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Polish context

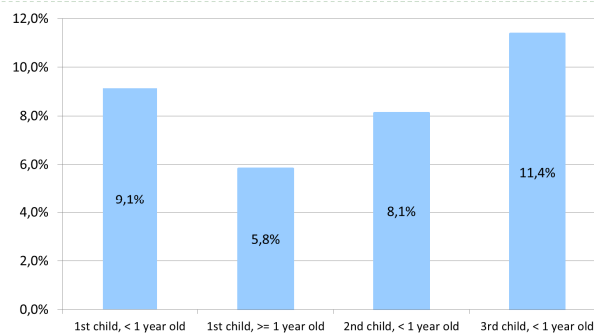
- ▶ Poland in European cross-country comparisons
 - ▶ ranks very high in terms of valuing family (Fokkema & Esveltd 2008; Pongracz & Spèder 2008; Stankuniene & Maslauskaitė 2008)....
 - ▶ ...but belongs to the countries with low fertility levels (Total Fertility Rate of 1.39 in 2009)
- ▶ so far the research on fertility in Poland focused on the direct and opportunity costs of childbearing:
 - ▶ extremely limited financial support of the welfare state for families with children (Kotowska et al. 2008) → **high direct costs**
 - ▶ incompatibility of work and parenthood (Matysiak 2009; Muszynska 2007) → **high opportunity costs**
- ▶ research question in this paper - what are the benefits in terms of subjective well-being

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Data and methods

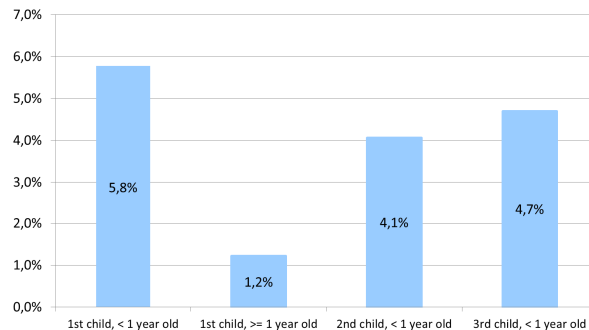
- ▶ panel data - *Social Diagnosis* 2003–2009
 - ▶ a panel survey established to monitor the well-being of the Poles
 - ▶ the cumulative dataset contains 4 waves with a comparable question on happiness: *“Taking all things together, would you say you are: 1 - not at all happy, 2 - somewhat happy, 3 - quite happy, 4 - very happy”*
 - ▶ single-item question – not sophisticated but a relatively robust indicator of subjective well-being (Dolan et al. 2008; Diener 1984; Veenhoven 1993)
 - ▶ **Methods:**
 - ▶ taking selection bias into account, but also respecting the ordinal nature of data - correlated random effects ordered probit, BUC fixed effects estimator (Baetschmann et al. 2011)
 - ▶ **Variables:**
 - ▶ key explanatory variables: number of children + age of the youngest child
 - ▶ controls: age, education attainment, marital status, labour market status of respondent and his/her partner, self-rated health and standard of living
 - ▶ separate models for men and women
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Results from correlated random effects ordered probit model for women



- ▶ marginal effects show how the probability of indicating „very happy” increases with an arrival of a child depending on the parity
 - ▶ „baseline” predicted probability is estimated for: a women aged 27, who completed upper secondary education, with well self-rated health and standard of living (6 rank on 1-7 scale), employed, with a working partner, with no children
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Results from correlated random effects ordered probit model for men



- ▶ marginal effects show how the probability of indicating „very happy” increases with an arrival of a child depending on the parity
- ▶ „baseline” predicted probability is estimated for: a men aged 27, who completed upper secondary education, with well self-rated health and standard of living (6 rank on 1-7 scale), employed, with a working partner, with no children

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Conclusions



- ▶ having children increases happiness, although for women these positive effects seem more robust and stronger
- ▶ the arrival of first child increases chances of being very happy by over 9 percentage points for women and by almost 6 percentage points for men
- ▶ parents with two or more children are happier than childless ... but the marginal effects appear insignificant and the apparent increase in well-being related to a birth of the second or higher order child is negligible

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THANK YOU FOR YOUR ATTENTION

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