"The Impact of Extended Reproductive Time Horizons: Evidence from Israel’s Expansion of Access to IVF"

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Abstract

Women who delay childbearing to make time-costly career and educational investments face a lower probability of having a child, since women’s fertility significantly declines with age. In addition, they may be penalized on the marriage market for their lower “reproductive capital” and end up with a lower-quality spouse. Israel’s 1994 policy change to make in vitro fertilization and other assisted reproduction technologies free created an exogenous shock to later life fecundity, providing women with a form of insurance against age-related infertility. This natural experiment can be used to study the impact of expected fertility decline on women’s educational choices and marriage outcomes. We find that following the policy change, women are more likely to marry later, complete college education, and achieve post-college education. Moreover, after the change, the observed decrease in spousal quality for women who get married in their thirties rather than their twenties dissipates. This suggests that both men and women’s decisions were affected by their updated perception of women’s fertility prospects. More generally, our findings indicate that the asymmetry in later life fertility between men and women is an important force in explaining women’s educational, career, and marriage outcomes, and thus policies that protect against later life infertility can have far-reaching impacts.