

Fertility Intentions in Uncertain Times: The Effect of Global Shocks in Italy, Argentina, the USA, and Germany

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Abstract

Fertility has fallen below replacement in much of the world, and a persistent gap has opened between desired and realized childbearing. Using a four-country factorial (conjoint) survey in Italy, Germany, the United States, and Argentina (2025), respondents aged 20–44 evaluated randomized family scenarios that varied orthogonally across household resources (income, tenure, childcare, gender roles) and macro conditions (economic, democratic, climate, conflict). Average marginal component effects show income is the largest driver of near-term fertility intentions, with homeownership second and childcare availability producing graded gains; egalitarian role-sharing helps modestly. Macro stability, i.e., optimistic outlooks for the economy, democracy/liberties, climate, and war, adds nontrivial increments to intentions. Translating effects into PPP-adjusted monthly amounts, respondents would forgo about \$1.1k to secure climate stability, about \$1.0k to avert economic crisis, and about \$1.1k to safeguard democracy/liberties, values comparable to full-time childcare. Policy levers that raise household security (income, housing) and lower uncertainty (macro stabilization, democratic resilience, climate action) are mutually reinforcing, and more promising, than narrow family-policy tools alone. The empirical analysis employs data from the FER-MO survey (FERtility MOTivation in disorienting and uncertain times), collected between May and June 2025.

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Background and motivation

Across advanced and middle-income societies, fertility has fallen below replacement, and a widening “gap” has opened between the number of children that people say they want and the number they expect to have.

A growing literature links this shortfall to both household constraints (income, employment, housing, time) and macro-level uncertainty, economic instability, political/democratic fragility, conflict risk, and climate threats. Italy’s persistent very low fertility makes it an especially salient case, but similar concerns are visible in much of Europe and the Americas.

Classic frameworks (New Home Economics, Second Demographic Transition, Gender Revolution) explain parts of this picture but struggle to account for the interaction of high living costs, inequality, and diffuse, overlapping risks that now characterize daily life.

Research contribution

We go beyond single-factor explanations and place household resources, gender organization, childcare policy, and broad macro conditions in a unified empirical frame. Our central question is: when people weigh whether to have a(nother) child in the next three years, how large are the effects of income and housing security relative to those of macroeconomic, democratic/political, climate, and conflict risks?

Moreover, we are able to quantify how much income respondents are implicitly willing to trade to avoid adverse macro environments, thereby translating uncertainty into a monetary metric that policy makers can compare to family-policy supports like childcare.

Design and data

The empirical analysis employs data from the FER-MO survey (FERtility MOtivation in disorienting and uncertain times – Italian P.R.I.N. project), collected between May and June 2025.

We fielded a multi-country factorial (conjoint) survey in Italy, Germany, the United States, and Argentina. Respondents aged 20–44 evaluated pairs of hypothetical “family situations” in which key attributes varied orthogonally. Micro attributes included female age (26/32/38), current parity (0/1), household income (five levels, country-specific and PPP-comparable), tenure (own vs rent), gender-role

organization (double burden, egalitarian, traditional male breadwinner), and availability of public/affordable childcare (none/part-time/full-time).

Macro attributes toggled between pessimistic vs optimistic states for climate, the economy, democracy/liberties, and conflicts/war. For each pair, respondents (a) chose the scenario in which they would be more likely to have a child in the next three years and (b) rated their likelihood on a 1–10 scale.

We estimate average marginal component effects (AMCEs) using fixed-effect linear models with respondent, vignette-order, and country controls; standard errors are clustered by respondent. We complement AMCEs with income-equivalent trade-off estimates that translate the effect of each macro condition (and childcare/role sharing) into PPP-adjusted monthly amounts.

Sample

The study comprises 8,334 respondents and 85,000+ vignette ratings. Country samples are balanced by gender and education with mean age near 32. Family status and education levels vary across countries, reflecting known differences: Italy and Argentina have higher shares of single respondents than Germany and the US, and the US sample reports the highest PPP-adjusted incomes. Mean desired family size ranges from about 1.6 (Italy) to 1.8+ (Germany).

Main results (ratings outcome)

- Income dominates fertility intentions. Relative to “much lower” income, moving to median income - increases the rating by about 0.89 points (on a 1–10 scale), rising to 1.16 for “higher” and 1.39 for “much higher” income. Gains are concave, and the penalty for being below the median is larger than the bonus for moving above it, consistent with inequality dampening intentions.
- Housing security matters. Owning vs renting adds about 0.36 points, second only to income in magnitude.
- Family policy helps. Childcare availability raises intentions in a graded way: +0.17 (part-time) and +0.26 (full-time).
- Gender organization has smaller effects. Egalitarian sharing of paid/unpaid work adds about 0.14 points; a traditional male-breadwinner arrangement is not significantly different from the double-burden baseline.
- Macro uncertainty is consequential. Optimistic outlooks for climate, the economy, democracy/liberties, and war each add about 0.21–0.26 points, smaller than income/tenure/childcare but nontrivial and policy-relevant.

- Results replicate in the forced-choice outcome with expected attenuation of magnitudes, indicating design robustness.

Heterogeneity and cross-country patterns

The directional pattern is common across countries. Income and childcare weigh somewhat more in the US and Germany, while macro-optimism, especially regarding economic and democratic stability, plays a relatively larger role in Argentina and Italy. Younger maternal age and having no children (vs one) modestly raise intentions everywhere.

Monetizing the “price of uncertainty”

Using the income slope from the rating models, we express willingness to accept/forgo monthly income to avoid adverse conditions. Average PPP-adjusted trade-offs are substantial: across countries, respondents would forgo roughly \$1,124 per month for climate stability, \$1,049 to avert an economic crisis, and \$1,073 to protect democracy/liberties; avoiding war escalation is valued at about \$801, comparable to full-time childcare (about \$1,123) and larger than part-time childcare (about \$749) or egalitarian role sharing (about \$595).

Trade-offs are largest in the US and Germany; in Italy they are smaller in dollar terms yet still meaningful (e.g., about \$855 to avoid war escalation and about \$765 to safeguard democracy).

Interpretation

Three conclusions follow. First, classic, proximate constraints, income and secure housing, remain the biggest levers for short-term fertility intentions.

Second, affordable, reliable childcare and more equal sharing of care lift intentions further, though their effects are smaller than those of income and tenure.

Third, broad macro environments, economic stability, democratic resilience, peace, and a stable climate, carry real weight in the fertility calculus. Individuals implicitly “price” uncertainty in the same order of magnitude as tangible family supports, suggesting that family policy works best alongside macroeconomic stabilization, democratic/institutional safeguards, climate adaptation and mitigation, and housing/inequality policies.

Policy implications

Narrow family-policy toolkits are unlikely to reverse very low fertility on their own. The evidence points to a comprehensive agenda:

- (1) raise household security by reducing income volatility and inequality and by improving access to affordable ownership and secure tenure;
- (2) expand reliable, affordable, high-quality childcare to lower time and money costs of care;
- (3) pursue macro stabilization (inflation control, countercyclical supports), strengthen democratic institutions and political stability, and reduce conflict risks; and
- (4) invest credibly in climate adaptation and mitigation. These domains interact: for example, childcare's impact is amplified when income and housing are secure and when macro risks are contained.

Figures

Figure A (next page) visualizes pooled AMCEs for the rating outcome, highlighting the outsized role of income and the nontrivial, though smaller, contributions of tenure, childcare, and macro-optimism. Figure B shows PPP-adjusted income-equivalent trade-offs by country for macro risks, childcare, and egalitarian role sharing; the bars translate uncertainty (and policy supports) into monthly amounts that are straightforward to compare.

Limitations and future work

As with all vignette experiments, reported intentions in hypothetical scenarios may not fully map to behavior. Our respondents are restricted to ages 20–44, and country samples, while quota-balanced, are not probability samples of the entire population. The macro attributes are stylized (“optimistic/pessimistic”), and future work could incorporate more granular, country-specific shocks. Still, the orthogonal design and large sample allow unusually clean comparisons of household factors and macro environments.

Conclusion

In a polycrisis era, the decision to have a child is shaped by a bundle of risks and resources. Income and housing security are the primary engines of fertility intentions, but macro stability and credible climate and democratic prospects materially shift the

calculus. Policy can move the needle, most effectively when it tackles both the price of children (childcare, work– family balance) and the price of uncertainty (economic, democratic, climate, and conflict risks).

Figure A. Pooled AMCEs (rating outcome).

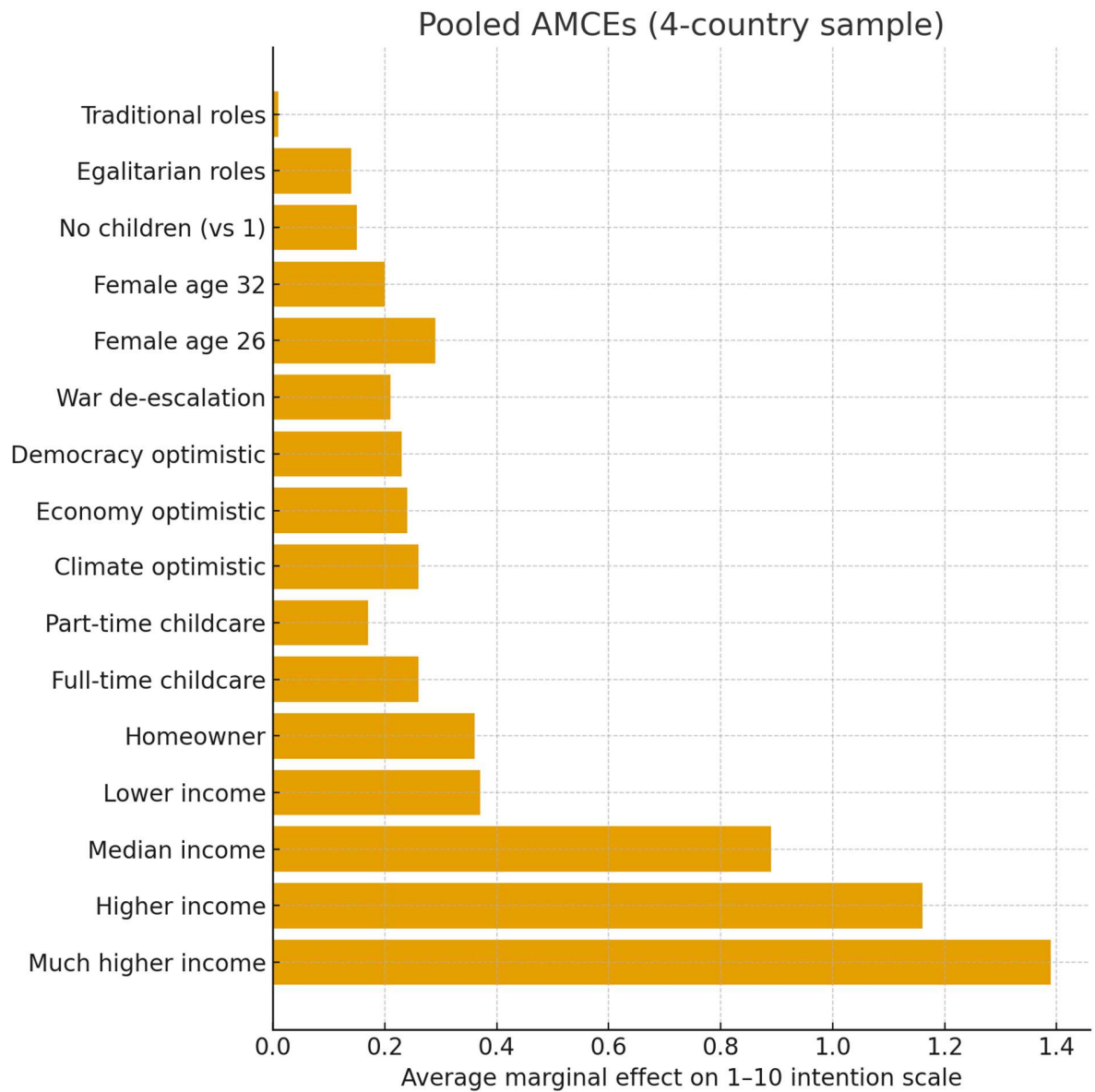


Figure B. PPP-adjusted income-equivalent trade-offs by country.

