Theory pertaining to low fertility

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Introduction: grand or middle-range theory?

Demographic transition refers to the process whereby populations shift from regimes of high mortality and high fertility in approximate long-run equilibrium (zero population growth) to a new equilibrium at low levels of mortality and fertility. Most European and overseas European societies experienced such a transition between about 1870 and 1930. Formulation of theoretical explanations of the transition proceeded in the second quarter of the 20th century with the solid evidence of the European transition in full and recent view. The transition has been formulated in grand terms as a process that had occurred in this brief period of time after 100,000 years of human history and, by implication, that would set the agenda for the next 100,000 years. Such grandeur places transition theory at the core of demography because it gives demographers a place at the table of development of grand social theory.

Thompson (1929), writing near the end of the European transition, attributed the decline in fertility that had occurred in the previous 60 years to the social and economic forces of modern society. The description became demographic transition theory under the authorship of Frank Notestein (1945, 1953). Notestein’s 1953 paper attributed the transition to several broad social and economic changes including a loosening of the hold of ‘traditional’ forces, the advance of education and rational thought, changes in the economic benefits and costs of children and the emergence of new economic roles for women that were incompatible with childbearing. Many other formulations of transition theory have followed. These have been well-reviewed in other places (for example, McDonald 1993, Hirschman 1994, Mason 1997), but it is worth noting Hirschman’s observation that transition theory has ‘room for every causal variable’ (Hirschman: 211). A generalised debate has arisen between the relative merits of adaptation and innovation as explanations of demographic transition (Guinnane 1991). Mirroring Coale’s (1973) conditions for fertility transition, McDonald (1993) concluded that both adaptation and innovation are necessarily involved because people cannot change their behaviour without the necessary knowledge (innovation) nor do they do so without reason (adaptation).
Considerable stimulus to the development of transition theory came with the emergence in the 1960s of concern about high population growth in developing countries. There was a view that if a universal explanation of demographic transition could be established then its features could be fostered or imposed in high fertility societies. This led to empirical tests of transition theory, the most prominent of these being the European Fertility Project (Coale and Watkins 1986). At the beginning of the transition, Europe was characterised by late and non-universal marriage and relatively high fertility within marriage. Pre-transition marital fertility, following Henry (1961), was deemed to be ‘natural’. Natural fertility was evidenced by the absence of parity-specific control of fertility. Hence, the European Fertility Project set out to examine the shift from natural to controlled fertility. The Project was designed to examine the social and economic conditions prevailing in sub-national regions of European countries at the time that fertility, precisely measured, fell from its initial level by an amount of 10 per cent. The Project produced some extraordinarily interesting and perceptive observations on fertility decline in various parts of the European world but it failed to produce a universal theory, other than the general observation that language may have been an important factor in the timing of the onset of decline (Watkins 1986). While this has been the most thorough empirical testing of transition theory, in general, transition theories, like other grand social theories, have not been resilient to empirical tests. There are two reasons for this. First, empirical testing of demographic transition theory has focused heavily on discovering the conditions leading to the onset of the transition and very little upon its progression and, if transition theory is to be accepted, upon its end. Second and more fundamental, a description of demographic transition that is universal to all settings is too grand an objective.

The focus of theorists only upon explanations of the onset of the fertility decline has been misplaced. The search for a common set of conditions that will prevail in every society as it experiences the onset of fertility decline is necessarily fruitless because the extent of variation in economies, cultures, social and political structures and health conditions of different societies at the onset of fertility decline is clearly vast. Why would we expect that a single explanation could be found to cover this vast array of situations? McDonald (1993: 12-13) listed 11 major differences between Asian and European societies at the onset of the fertility transition. The European Fertility Project documented wide differences in social and economic conditions between the various regions of Europe at the time of the onset of transition. As fertility falls in even more diverse contexts, the search for a single, grand theory becomes more illusory.

In the European Fertility Project, the continued progression of fertility decline once it had commenced was considered to be a given and therefore theoretically uninteresting. How fertility stopped falling at the end point of transition was an even more remote consideration. The fact that fertility rose considerably in many European countries subsequent to the Second World War (the baby-boom) is nowhere incorporated into transition theory although it represents a considerable inconvenience to conventional theory. The theory was restored, however, when, in the 1970s, fertility once again fell back to replacement level in Europe and overseas European countries and fertility had commenced its decline in other regions of the world, especially Asia. The baby-boom could then be dismissed as a temporary aberration despite the fact that its demographic
effects were considerable. However, the reprieve for transition theory has been very temporary as in all cases in which fertility fell again to replacement level, it has continued to fall to levels well below replacement. Current fertility levels in many countries are so low that there is no sense in which they can be considered to approximate replacement level or long-run equilibrium. The predicted end point of demographic transition has not been sustained by experience. Furthermore, today, fertility is low in many places where conventional theory would have predicted that it would be high and it remains high in some places where low levels would now be expected.

One reaction to the lack of resilience of transition theory to empirical testing has been to take the theory to an even grander level. Evidence now indicates that, even in the past two millenia, there have been substantial long-run changes in rates of population growth (Wilson and Airey 1999: Table 1). There have been long periods of growth followed by periods of decline. If we were placed at one of the earlier end points of long-run population growth, we would have defined transition theory very differently to the specifications of Notestein and his followers. Observation of these past fluctuations suggests very long-run paradigms such as homeostasis, the view that whenever population and resources get ‘out of balance’, mechanisms come into play to restore balance (Wilson and Airey 1999). Homeostasis has a very flexible time frame and, as such, it borders upon tautology: if a homeostatic mechanism has not yet come into play, wait long enough (in the past, hundreds of years) and it will. Pushing out the boundaries of time in this way is not helpful in explaining why fertility changes within more moderate time periods.

Thus, what we should be seeking, after Merton (1957), are middle-range theories. The search for a comprehensive demographic transition theory has given rise to several middle-range theories about the ways in which fertility changes. All of these theories have merit but their applicability needs to be considered in relation to the specific social, economic and institutional circumstances in which fertility is changing. Some obvious examples make the point. In many Asian countries, the involvement of the state in the promotion of fertility control has been a significant cause of fertility decline (Caldwell 1993). Evidently, this was not a consideration in the European transition indeed the state was often opposed to the fall in fertility rates in European countries and pronatalism was a feature of many at the end of the transition (the 1930s). Thus, state intervention in the course of fertility levels would be included in the armoury of theoretical considerations when addressing fertility change in a given setting, but we would not expect it to apply universally or with the same strength in every setting. It has been argued that high infant and child mortality rates promoted high fertility rates because the interests of households were in the number of children who survived rather than in the number who were born. Higher rates of child survival figured prominently in Davis’s (1963) formulation of demographic transition as multi-phasic response and its importance has been reasserted in a recent paper by Cleland (2000). However, if we are attempting to low fertility in contemporary societies, we are very unlikely to give consideration to changes in the levels of child survival. In summary, I suggest that we release ourselves from the hegemony of the paradigm of the demographic transition (even more from the paradigm of a second demographic transition). What is required are generalised theoretical
frameworks of how fertility changes. These frameworks may be candidates for consideration irrespective of the level of fertility but they will always be constrained by the particular social, economic and institutional setting.

In the remainder of this paper, I consider a range of theoretical paradigms that may have applicability in the explanation of low fertility, defined as fertility below replacement level. I do not suggest that these will add to a universal theory of low fertility, but that explanations for low fertility are likely to be found in different weightings for different societies from among the range that I propose. These theories, though separately presented, should not be considered as mutually exclusive alternatives. All have relevance and there are very distinct dimensions of overlap between them.

In attempting to assess or empirically test the operation of any one of these theoretical paradigms, Hirschman’s somewhat skeptical view needs to be kept in mind:

The standard social science model is that society works pretty much like a regression equation: the task is to find the right set of predictors, solve the equation, and discover what factors are most important in predicting social outcomes (Hirschman 1994: 226).

**Demand theory**

Demand or rational choice theory states that, in deciding to have a child, people make the considered calculation that the benefits of an additional child outweigh the costs. The framework is the maximisation of utility; if greater utility can be obtained from an alternative to an additional child, then that alternative will be chosen. Decline in fertility thus implies that the relative price of a child has increased, couple incomes have fallen or there has been a change in the shape of the couple’s utility function for children versus other goods (Becker 1981).

Most theoretical explanations based on demand theory have focused on a shift in the price (or cost) of a child. In 19th century Europe, costs of children rose with the advent of compulsory education (Caldwell 1981). There was a new emphasis upon the quality of children as distinct from their quantity and this also led to increases in the costs of children. It can be argued that the direct costs of children (child-related expenditures) have continued to rise as the market has put more options before parents and as the labour market has become more competitive. Parents feel that they must invest very heavily in their children if those children are to be successful. Today’s parents probably do not usually expect a monetary return on their investment in children; rather it is a fear of the social and maybe financial cost of a child ‘failing’ that is the motivating force. Direct costs also include the costs of appropriate housing for families with children. In large cities, even in the developing world, housing costs tend to be high and the cheaper forms of housing may be considered less acceptable for the raising of children. Costly children are inherent to a capitalist market system.
The indirect or opportunity costs of having children (lost market earnings due to having children) are contingent upon the feasibility of combining market work with children. Where mothers are unable to work if they have children, the indirect costs of having children are high. However, when labour force participation rates of mothers increase, as they have done in many places in recent decades, the indirect costs of children fall (Chapman et al. 1999). On the other hand, the indirect costs rise as potential market incomes rise. When the birth of the first child is delayed, women are able to increase their potential market income through education and the accumulation of on-the-job skills and experience, thus increasing the indirect costs of having a child. Thus, while the indirect costs for women of a given level of human capital may be falling in many places, there is also a shift to higher levels in the population distribution of human capital.

In regard to couple incomes, while fertility has fallen to low levels, real incomes have tended to increase. Thus, falling income levels are unlikely to be the cause of low fertility. On the other hand, there may be an argument that increasingly unequal incomes have had an impact, that is, community standards in relation to the costs of children may have risen faster than incomes for couples at the lower end of the income distribution. However, there is little evidence that low fertility is due solely to low fertility among low-income people. On the other hand, a mechanism such as this may be operating for low-income people while, at the same time, higher income people are reacting to other forces.

In the context of contemporary low fertility, Coleman states that, while the cost of children can be figured in dollar terms, there are no dollar benefits. Instead, the benefits or utility of children consist of dimensions of a psychological nature that are not readily quantifiable. He refers to these benefits as ‘immanent values’ (Coleman 1998: 20). One way to think about the utility of a child in this circumstance is in terms of net benefit thresholds (the psychological benefits less the psychological costs). That is, people have some calculus of the psychological gain (utility) to them of having the next child. If the costs of children rise or if the shape of the utility function shifts in favour of other goods, some individual benefit thresholds will be crossed and decisions will be made not to have the next child. There is also an argument that when the first child is delayed, tastes for goods other than children are enhanced shifting the utility function towards goods other than children.

We know surprisingly little about the determinants of the utility of children despite its crucial status in the determination of present-day fertility levels. However, we know that utility varies massively across individuals. There are some who would subject themselves to the most torturous privations in order to have a child while other would not have a child or another child under any circumstances. It also needs to be remembered that children come in highly discontinuous lumps and that the utility of having a child will vary according to the birth order of the child. Having the first child provides the benefits of the status of being a parent, of ‘being a family’, of having offspring who will carry on the family name, of meeting expectations of others, of having a baby who will be fun and will grow up and love you, of fulfilling childhood dreams, of providing vicarious pleasure from the child’s success, etc. The decision to have a second child may be more
related to the strength of the notion that each child should have at least one sibling, or to having a chance at getting a child of the other sex. Those who have a third child may value at least three children as a ‘real’ family, or they may be still trying for the other sex that they don’t have yet. Those who have a fourth child may simply love children, or it may have been a mistake. It is likely that the level of the net psychological benefits threshold falls as birth order rises. That is, the highest psychological threshold relates to the first child. Also, it is very likely that the level of the threshold falls as people get older. That is, all other things being equal, a woman at age 29 may feel more inclined to have a second child than a woman at age 39. Psychological costs probably rise with age or, perhaps, as argued above, increased age leads to shifts in the utility function towards other goods. Accordingly, as ages at childbearing increase, people will be less likely to have additional children.

Demand theory implies that, if we wish to have a positive impact on fertility decision-making, we would try to reduce the economic costs of children, increase parental incomes or shift the utility function towards children and away from other goods. The last of these is not readily amenable to policy, although provision of the general message that a society is a child-oriented or child-friendly society probably has some effect in raising the utility of children. If children are always portrayed as a negative (a threat to a good relationship, an obstacle to having a good time, as potential drug addicts or delinquents) or if social institutions do not make allowances for the possibility that a person has children (no dogs or children allowed), then the utility of children will tend to be lower. Encouragement of earlier childbearing could also be a way in which the shape of the utility function becomes tilted more towards children. There is no question that the remarkably different history of fertility in the United States in the 1990s and its maintenance at a higher level than in any other industrialised country is related to the much earlier onset of childbearing in the USA (Lesthaeghe and Moors 2000; Frejka and Calot 2000). Recently, Singapore considered the introduction of a large tax rebate that would be paid to women if they had their first child before the age of 28 years. On the other hand, relatively early childbearing does not lead to replacement level fertility in Eastern and Central European countries and, in some places with low fertility, such as the island of Java in Indonesia, the first birth still occurs at very young ages.

There also seems to be little prospect that increases in market incomes of young adults would be an effective way to address low fertility. It is difficult to target such an approach to those upon whom such an approach would have the most impact. Furthermore, this approach would increase the opportunity costs of children unless there were provisions in place that allowed parents, mother and fathers, to combine market work with children. A more feasible approach to the raising of incomes is to provide government transfer payments to those who have children. Costs of children can be reduced by subsidies to child costs, particularly to the costs of services such as health and education. There may also be some scope in attempting to combat marketing to children, but this seems like a forlorn hope.

Coleman (1998) contrasts the welfare state approach to achieving a demographically sustainable fertility rate (Sweden) with the market approach (USA). In fact, Folbre (1999)
has shown that, in regard to the state taking on the costs of children, the United States is much more of a welfare state than is often thought. The welfare state approach is to provide financial transfers to those who have children through the tax-transfer system or to provide free or subsidised children’s services to parents. Coleman reports work by Hoem and Hoem (1997) that asserts that fertility in Sweden did respond to positive welfare state initiatives in the late 1980s and has responded in the opposite direction with the rolling back of the welfare state in the 1990s. Coleman makes the point that the Swedish case indicates that dependency upon welfare state initiatives may not be sustainable and, in these circumstances, development of market-based approaches may be a more reliable option. He points to the provision of child care in the United States by the market as an example of this possibility. However, child care tax credits and employer-sponsored dependent care pre-tax accounts can provide American parents with child care reimbursements ranging up to $2,000 per annum (Folbre 1999). There is also an issue in the United States about the quality of care provided in child care. Child care in the United States is often provided by undocumented immigrants who work in a black economy that is characterised by very low wages. However, change from a welfare state approach to a market approach is constrained by considerable institutional and cultural inertia. For example, Swedish parents have become accustomed to a particular child care system that they see as being affordable and of high quality. A switch to a new market-oriented system staffed by undocumented immigrants would be unlikely to have popular appeal. In the intermediate term, rolling back the welfare state involves additional costs to parents who wish to maintain their use of good quality child care.

The theory of risk and opportunity

Davis’s (1963) theory of multiphasic response revolves around the emergence of new opportunities for many households. Households experienced economic strain because of their endeavour to better their situation in a new occupational environment that made such change possible. This resembled Banks (1954) theory that the fertility decline in England was associated with the rise of the middle class and middle class ethics such as ‘the proper time to marry’. Risk and opportunity add another dimension to demand theory. The assumption of demand theory is that people have a good knowledge or understanding of the costs and benefits of having the next child. Risk theory takes off from the point that the costs and benefits are mainly future costs and benefits and, accordingly, we cannot know with certainty what the costs and benefits will be. In having a child, people are making a decision to change their future life course and hence their decision depends upon their future orientation (McDonald 1996). If there is a perception that economic, social, intimate or personal futures are uncertain, decision makers may err on the side of safety in order to avert risk or they may pursue an opportunity that is within their reach.

Beck (1999) has argued that we live in a society that is increasingly risk conscious. Jobs are no longer lifetime jobs. There is a strong economic cycle of booms and busts. Geographic mobility may be required for employment purposes. Interest rates can be expected to shift by large amounts in short periods. Housing prices fluctuate, but we are never exactly sure what part of the cycle we are on. Risk theory implies investment in
economic security (education, attachment to the labour force, long hours of work, savings) rather than in the insecurity that accompanies having children (low income for a period, uncertainty of return to the labour force, higher consumption expenditure, economic responsibility for dependents).

Risk aversion might also be applied to the social, intimate or personal spheres. There is a risk that children will disrupt the relationship of the parents. There is a risk that children will follow pathways that cause parents considerable anxiety. There is a risk that some harm will come to the child. There is a risk that the relationship will break up and we will be left alone to support the child. There is a risk that we shall have enough trouble coping with a difficult world on our own, let alone with children. There is a risk that the social trend towards child-unfriendly societies will continue. There is a risk that public supports for families with children will continue to be rolled back. We can avoid all of these risks by limiting the number of children we have.

Post-materialist values theory

In relation to economic demand theory, changes in values shift the utility function away from children towards other goods. Some potential ways in which this may occur have been discussed above. Discussion of changing values, however, is more associated with a sociological approach. Post-materialist values theory is associated with Second Demographic Transition theory (Lesthaeghe and Moors 1996; van de Kaa 1997). The theory stipulates that changes in social and demographic behaviour have been driven by the growth of the values of individual self-realisation, satisfaction of personal preferences, liberalism and freedom from traditional forces of authority, particularly religion. This, following Inglehart (1977), is all made possible by emancipation from material concerns in modern prosperous societies somewhat in conflict with the risk society notions of Beck as described above. Post-materialist values have been shown to have been associated with increases in divorce rates, cohabitation and ex-nuptial births. There is little doubt that these forms of behaviour are much more prominent in the more liberal societies of Nordic countries and English-speaking countries than in the more traditional family cultures of countries of Southern Europe, Germanic countries and Asian developed countries. However, as Coleman (1998) indicates, it is evident that, among the advanced countries, fertility is higher in the liberal societies than in the traditional societies. Thus, societies that maintain traditional behaviour seem to be considerably less well able to reproduce themselves than the more liberal societies. Southern Europeans in Australia provide an interesting example of this. Compared to other Australians, they have relatively low rates of divorce, cohabitation and ex-nuptial fertility but lower total fertility. Gender equity theory described below provides one potential explanation of why societies that hold fast to traditional family systems are societies that have very low fertility. Indeed, it is my strong view, based on gender equity theory, that attempts to restore ‘traditional family values’ entrench low fertility.

Another finding that is counter to the theory that low fertility has been due to the growth of post-materialist values is the survey evidence from many advanced countries that women in their early twenties express preferences for numbers of children that are, on
average, above replacement level (van de Kaa 1997; McDonald 1998; Van Peer 2000). As they age through their twenties, preferences fall but remain well above actual behaviour. This suggests a willingness and a desire on the part of women to have more children than they are having.

The theory that post-materialist values encourage low fertility is a classic example of the ‘ecological fallacy’. Within any one society, on average, individual women who are more highly educated, less religious, more urban or more liberal in their attitudes and values have lower fertility than the less educated, the more religious, the more rural and the more conservative. This finding is then used to draw the fallacious conclusion across societies that more liberal societies will have lower fertility than more conservative societies. The lesson from this is that low fertility is a societal phenomenon related to the structure of social institutions. Indications of the role of social institutions in the construction of low fertility are evident in the above discussions of demand theory and the theory of risk and opportunity. An emphasis upon the structure of social institutions in addressing low fertility is made in the next section.

**Gender, family, the market and the state**

The changing structures and interweaving of the institutions of gender, family, the market and the state, despite the complexity involved, are essential components of any study of why fertility changes. These institutions give rise to the opportunities, constraints, risks and demands that affect fertility decisions. This is where explanations of fertility change take on unique features in differing social contexts because these institutions differ widely across societies. Here, by way of example, I shall focus only upon the western European and overseas European context as there is a degree of similarity across the social institutions of these societies. These are all societies in which fertility fell at the same time that the male breadwinner model of the family was consolidated as the institutional form of family underpinning market and state institutions (McDonald 2000a). Wages policy in many countries was based on the notion of a living wage, a wage that was sufficient to support a working man and his dependent wife and children. State tax-transfer systems were also designed around this model (McDonald 2000b). However, the male breadwinner model has been in rapid decline since the 1960s. This has meant that employers have been able to identify workers simply as workers and not as people who have families or intimate relationships. For the market, workers became, as they are now, individuals with a package of skills. States also have been more able to direct policy to individuals rather than to families. For example, in most countries, the real value of allowances for children have fallen.

Whether related or not, the new identification of workers corresponded neatly with the restructuring of economies in the 1980s in line with a philosophy that the free operation of the market is the most efficient and effective form of economic organisation and the neo-liberal assertion that self-interest results in the best outcomes for society. In the past 20 years, regulations and restrictions have been reduced so that capital can flow easily in the direction that maximises business efficiency and profit. The theory is that profitable businesses mean improvements in employment and wages and, hence, in economic
wellbeing. The characteristics of this new economic regime are small government and low taxation, free flow of capital across international boundaries, free trade, freedom for employers and workers to determine wages and working conditions, and curtailment of government-funded social welfare. In distributional terms, the system rewards innovation and hard work and, hence, provides incentives for both. The individual worker has greater freedom to sell his or her skills to the highest bidder. Governments, both national and international, take on a new role as facilitators and regulators of this system. And employers have no interest in the family status of their workers and, accordingly, feel no responsibility for workers’ families.

In the 1990s, it can be argued that the free market system, on average, has produced greater levels of prosperity in most industrialised countries. However, there are questions about its distributional outcomes. While handsomely rewarding those who are successful in its terms, the new market economy tends to be unforgiving of its casualties and laggards. Individuals are penalised for less than acceptable performance by loss of their income source, or by stagnation in their career path. In terms of the theory of risks and opportunity, the rewards may be greater under this system than under the former system of protection, but the risks are also greater. Like the market itself, life for workers has become much more of a gamble with high stakes.

The market approach deals with individuals as inputs to the system of production. Consequently, in order to protect themselves from risk, individuals must maximise their utility to the market. This means that they need to focus upon the acquisition of saleable skills, work experience and a marketable reputation. At the same time, they need to accumulate savings or wealth as a personal safety net. They also need to maintain flexibility of time and place so that they can react to opportunities as they arise. The canny player in a game that rewards market production is unwise to devote time or money to social reproduction. Social reproduction involves altruism, that is, time and money devoted to others or to the society at large. For the risk averse in a free market economy, altruism is equivalent to foolhardiness.

Family is the heart of social reproduction. It is the place where altruism abounds. There are people and politicians who believe that the public world of the market economy and the private world of the family are separate worlds: that an individual can be highly competitive, individualistic and risk averse in the market but then, just hours afterwards, be self-sacrificing, altruistic and risk accepting within the family. The only explanation I can give for this logic is that these are people who missed the 1970s in that they still believe in the separation of the roles of men and women; that market production is a male responsibility and social reproduction is a female responsibility and that the male breadwinner model is the way that people do (or should) lead their family lives.

In attitude and behaviour, we have rejected the male breadwinner model of the family. Young women today are equipped for market production at a level at least equivalent to young men and employers are very happy to employ women in the market economy. Where human capital counts, the free market will employ a skilled woman before an unskilled man, even before a man slightly less skilled than the woman. The risk-averse
woman of today will ensure that she is able to support herself and, given the high probability of divorce, will be careful not to put herself at the risk of dependency upon a man. Couples recognise that dual employment provides a hedge against job loss for either one and banks reinforce this by providing housing mortgages on the basis of two incomes. Parents and schools encourage young women to accumulate skills that will enable them to remain attached to the labour force. As a result, there are very few young women today who see their future lives in terms of finding a husband and never thereafter being engaged in market work. Reinstitution of the male breadwinner model of the family is not the solution to the dilemma that is now faced in maintaining social reproduction in combination with a free market approach to economic production. The market demands investment in self; the gender structure in combination with the labour market penalises women who have children. There is no sign at all that the market price mechanism is about to correct for this situation in Japan or Europe. Indeed, the opposite is true. The market continues to produce risk-averse workers for whom children are a considerable risk. One view is that sustainable fertility rates will only be restored if the state and the market recognise a new family model, one based on a greater degree of gender equity.

Gender equity theory

Gender equity theory of low fertility is fully described in McDonald (2000b). A more general treatment of the role of gender equity in fertility theory (low and high) is given in McDonald (2000a). Social institutions in advanced countries, until recently, have been founded upon an assumption of the male bread winner model of the family under which the father goes out to work while the mother stays at home to look after the children. The principle underlying this model is that there is a natural differentiation between men and women that requires the man to be the provider and protector and the woman to be the carer and reproducer. Since the 1960s in particular, women have asserted their rights as individuals in areas such as education and market employment to the extent that these social institutions are now characterised by a high degree of gender equity.

The thrust of gender equity theory is that very low levels of fertility in advanced countries today can be explained in terms of incoherence between the levels of gender equity applying in different social institutions. In countries with very low levels of fertility, it is postulated that the levels of gender equity in institutions that deal with people as individuals, such as education and market employment, are high while, on the other hand, the levels of gender equity applying in institutions that deal with people as members of families, such as industrial relations (the terms and conditions of employment), family services, the tax system, social security and the family itself are low. Put more simply and in terms similar to those expressed by Chesnais (1996: 738) and Esping-Andersen (1996: 67), if women are provided with opportunities near to equivalent to those of men in education and market employment, but these opportunities are severely curtailed by having children, then, on average, women will restrict the number of children that they have to an extent which leaves fertility at a precariously low, long-term level. While gender equity in
individual-oriented institutions has progressed in all advanced countries, the male breadwinner model still underpins family-oriented social institutions. The more traditional the society in regard to its family system, the greater is the level of incoherence between social institutions and the lower is fertility. This may explain why it is that the lowest fertility rates in the world are found in the countries of southern Europe and in other societies with traditional, male-dominated family systems. From the policy perspective, consideration needs to be given to reform of institutional arrangements that entrench the male breadwinner model of the family.

**Heterogeneity and changes in fertility-related characteristics of the population**

A simpler paradigm of how fertility changes is that there is heterogeneity in the population in regard to rates of fertility and that there are shifts in the distribution of characteristics of the population that are fertility-related. The classic example is education of women. Higher educated women conventionally have lower fertility rates. If there is a shift in the educational distribution of women to higher levels of education, then fertility will tend to fall. According to gender equity theory, the response is not to attempt to change the relationship between education and gender nor, necessarily, to even out the differences in fertility between women of different education levels, but to provide an institutional setting in which women at all education levels are supported in having children.

**Forming and sustaining relationships**

Another relatively simple theory is that low fertility is the result of increased difficulties in forming and sustaining relationships that might give rise to children. While rates of childbearing outside of marriage are rising, rates of childbearing within marriage are certainly still much higher. A fall in the proportion of people married will therefore tend to lower the birth rate. It is certainly the case that young women in Japan see marriage itself as a risk to their futures because status is lost with marriage rather than with the birth of the first child as in usually the case in the western context. In Italy, it is suggested that perceived economic risks are a determinant of low marriage rates. Second-generation Australians of Italian origin also display low fertility but they achieve this through relatively early marriage (compared to Italy and to the Australian average) associated with considerable delay of the birth of the first child (Khoo and McDonald forthcoming). Young persons of Italian origin in Australia and young Italians display the same prudence in delaying the birth of the first child but the means of achieving the result differ. Those in Australia have taken on the Australian value of asserting early independence from parents. Demand theory, risk theory and gender equity theory can all be applied to marriage or more generally to being in a relationship, but that is another paper.

**Concluding remark**

I have tried to argue here that the search for a universal theory of demographic transition has led demographers away from profitable, alternative approaches to the study of why fertility changes. With such an approach, replacement level fertility, while important in
the study of how populations change, loses its aura in regard to how fertility changes. It becomes just another point on the fertility continuum. Such an approach opens the possibility to consider the application of generalised theoretical frameworks to differing social, economic and institutional contexts without the demand that we must discover a grand theory that is applicable in all circumstances. The paper has described a range of theoretical frameworks appropriate to this purpose.

References


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