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Maternity Benefits and Marital Stability after Birth: Evidence from the Soviet Baltic Republics

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DISCUSSION PAPER SERIES

IZA DP No. 16238

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Baltic Republics**

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ABSTRACT

Maternity Benefits and Marital Stability after Birth: Evidence from the Soviet Baltic Republics*

Can a policy intervention in the stressful first year after a birth affect marital stability? We examine this question using a large expansion in maternity benefits in 1982 in the Baltic countries of Estonia, Latvia and Lithuania. The program provided partially paid leave until the child's first birthday and included a small cash payment at birth. We use individual-level panel data and compare the Baltics with similar East European countries using a difference-indifferences framework. Maternity benefits decrease divorce within the first year after birth. This decrease persists for at least a decade, indicating that couples avoided divorce altogether rather than simply delaying it. While mothers extended their leave by several months, they returned to full-time work afterwards, consistent with egalitarian gender norms in the labor market.

JEL Classification: J12, J16, J18, P2, P3

Keywords: marriage, divorce, marital stability, maternity benefits, Baltics, Eastern Europe

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1. Introduction

The past fifty years have witnessed remarkable expansions of family policies, such as job-protected paid leave, cash payments at birth, and monthly child benefits. These policies aim to increase completed fertility, facilitate the re-entry of women into the labor force after birth, and possibly benefit children. Because parental stress increases significantly in the first year after birth (Buddelmeyer et al. 2018), policy interventions in this critical period may also affect marital stability. A long-standing literature in economics and other social sciences shows that children whose parents divorce have adverse outcomes relative to children from intact families: they are less likely to attend college (Frimmel et al. 2022), more likely to be homeless as an adult (Moschion and van Ours 2019), and have downward intergenerational earnings mobility (Bratberg et al. 2014).¹ This paper explores whether a family policy that is paid to mothers – maternity leave and cash payments at birth – has persistent effects on post-birth divorce.

Empirical evaluation of maternity policies is important because they have ambiguous effects on marital stability. On the one hand, longer maternity leaves can reduce divorce by increasing investments in relationship-specific public goods such as children (Becker 1991) and by reducing post-birth household stress (Butikofer et al. 2020).² On the other hand, longer leaves increase maternal household specialization, which may create marital conflict if this deviates from expectations of household roles (Becker et al. 1977). For couples who expect relatively equal sharing of market and nonmarket work, longer leaves may reinforce gender stereotypes (Bertrand 2020) that deviate from expectations which may increase divorce.³ For couples in traditional

¹ See: Lang and Zagorsky (2001), Blau and van der Klaauw (2013), and McLanahan et al. 2013. Divorce may be beneficial for children growing up in households with significant marital conflict (Finlay and Neumark 2010).

² Previous literature either found that extensions in maternity leave improved maternal mental health (Albagli and Rau 2019; Beuchert et al. 2016; Bullinger 2019) or had no effect on it (Baker and Milligan 2008b; Liu and Skans 2010). However, very long leaves may harm maternal mental health (Chuard 2023).

³ Divorce after a wife's promotion is much more likely in couples with traditional rather than egalitarian household gender norms (Folke and Rickne 2020). The deviation from expected economic roles, instead of changes in earnings or exposure to more potential partners (McKinnish 2007), causes the increased divorce risk.

marriages, longer leaves do not conflict with household role expectations and may reduce divorce. Finally, maternity benefits may also change household income. While Becker et al. (1997) predict that unexpected increases in income will reduce divorce, bargaining models yield ambiguous predictions of increased female income (Lundberg and Pollack 1996, 2007).

We examine a *large* maternity benefit program in the *first* year after birth in the Baltic countries of Estonia, Latvia, and Lithuania in late 1982. The program expanded limited previous benefits with: (1) a flat maternity leave benefit that was 25 percent of the average female monthly wage, paid until the child's first birthday, (2) job protection for up to 18 months, and (3) a small cash payment at birth varying by birth parity. Nearly 90 percent of women were eligible because they worked or were full-time students. The only other study evaluating this maternity benefit program is Malkova (2018), which used state-level data to show that this program increased completed childbearing, as period fertility rates remained on average 15 percent higher for the ten-year duration of the program.

We implement a difference-in-differences identification strategy comparing the changes in the Baltic republics (treatment) with those of four East European countries (comparison) with similar demographic, labor market and institutional characteristics.⁴ We use retrospective data from the Survey of Health, Ageing and Retirement in Europe (SHARE) on the complete birth, employment, and marital histories of women in the Baltics and Eastern Europe. Importantly, we find no changes in the composition of mothers who give birth after the program, allowing us to causally estimate the effects of the program on post-birth marital stability.⁵ As a robustness check, we implement an alternative strategy using mothers of older children in the Baltic republics, who

⁴ Several recent studies use cross-country difference-in-differences research designs in Soviet and East European countries, that are similar to ours (Abramitzky and Sin 2014, Campa and Serafinelli 2019, and Gehring 2022) and in other countries (Gary et al. 2022, Hjort and Poulsen 2019, Reinhold et al. 2013, and Wilson 2022).

⁵ On average, women who gave birth after the program were no different in their education, marital status, age, age at first birth, age at first marriage, marriage duration, and job tenure (see table 3).

were born before the program, as controls for mothers of newborns and find similar results.

Maternity benefits led to immediate and persistent increases in marital stability after birth. By 5 years after birth, women were 3.8 percentage points less likely to ever be divorced, representing a 62 percent decrease over a pre-treatment mean of 6.1 percent. The decrease in divorce persists for at least a decade after childbirth. In our main specification, women were 3.2 percentage points less likely to ever be divorced over 15 years after childbirth, representing a 24 percent decrease. In the alternative specification using mothers of older children as controls, declines in divorce are similar in magnitude and statistically significant for 8 years after birth, and remain similar in magnitude (but statistically insignificant) for 15 years after birth. These results suggest that couples do not simply delay divorce but avoid it altogether. While divorces decline the most among women whose marriages are shorter in duration (four years or less) at the time of the birth, these declines are similar across birth parity, education, and age.

The finding of increased marital stability due to maternity leave is a new result. To our knowledge, only two papers study this outcome causally for women exposed to a maternity leave reform. Dahl et al. (2016) examine the effect of six short (2- to 4-week) paid maternity leave expansions that cumulatively increased leave from 18 to 35 weeks in Norway from 1987 to 1992. They find no effect on the probability of divorce or marriage up to 14 years after the reform for couples who were married or cohabiting, respectively, at the time of the birth. Danzer et al. (2022) examine a 1990 expansion of paid leave in Austria from the child's 1st to the 2nd birthday. They find no effect on the probability of divorce but do find an increased probability of entering marriage (if unmarried at birth) for women with access to formal childcare. Our study contributes to this literature by studying a large expansion of maternity leave in the first year after childbirth. Due to increased parental stress in this period, this may be when the ability to stay home with a child most affects the stability of marriages.

A related literature on expansions of earmarked paternity leave yields mixed results, finding both increases (Avdic and Karimi 2018) and decreases (Cygan-Rehm et al. 2019, Kuehnle and Riphahn 2018; Olafsson and Steingrimsdottir 2020) in couple separations after birth. Studying the effect of maternity leave on divorce is important because its effects may differ from those of paternity leave for two reasons. First, maternity leave is more generous and therefore has larger potential effects on female leave length, employment, and household income. Second, maternity leave intensifies household specialization, while paternity leave reduces it. When couples expect the household division of labor to be relatively equal, maternity leave could increase marital discord through the deviation from expectations and paternity leave could decrease it.⁶

Why does divorce decrease in our context? First, mothers did not change leave take-up, as limited maternity benefits were previously available, but mothers increased their leave length by 5.1 months from a previous mean of 10.3 months. Second, back-of-the-envelope calculations show that for the average mother income declines during the first 18 months after birth due to paid leave not compensating for the increase in leave length.⁷ Third, while employment one year after birth declined, consistent with the increase in leave length, employment two to twenty years after birth did not change. The findings of increased leave length and null medium- and long-run employment effects are consistent with previous literature that examines the effects of medium-length (around one year) maternity leave expansions, which are most like ours.⁸ Most of the literature examining maternity leaves shorter than a year finds no or small positive effects on post-birth employment⁹,

⁶ Consistent with these predictions, earmarked paternity leave in Iceland reduced divorce among more egalitarian couples (Olafsson and Steingrimsdottir 2020).

⁷ The average woman experienced a 275 ruble decline in income, about twice the average female monthly wage.

⁸ Kluge and Schmitz (2018), Kluge and Tamm (2013), and Bergemann and Riphahn (2022) study a 2007 paid leave reform in Germany and find increases in leave length and employment in the medium-run, but no change in long-run employment. Studies of reforms in Germany (Schonberg and Ludsteck 2014) and Sweden (Ginja et al. 2020) find increases in leave length, but no effects on medium- or long-run employment.

⁹ See: Baker and Milligan (2008a), Baum and Ruhm (2016), Casarico, Del Rey and Silva (2023), Rossin-Slater et al. (2013), Stearns (2018). However, Bailey et al. (2019) finds declines in long-run employment.

while the literature examining leaves longer than a year finds negative effects.¹⁰

The null effects on post-birth employment are consistent with the expectation that Soviet women work full-time. Due to the need for female labor to facilitate the goal of rapid industrialization, female labor force participation rates were among the highest in the world (around 80 percent). Almost all work was full-time, and childcare facilities were heavily subsidized and widespread. Despite the egalitarian norms in the labor market, gender roles remained traditional in the household and women did most of the housework and childcare (Gal and Kligman 2000). Figure 1 uses the 1990 European Values Survey (EVS) and the 2012 International Social Survey Program data (ISSP) to illustrate these norms.¹¹ Panel A shows the strong female work expectation in our sample countries and northern Europe in 1990, while our countries had significantly more traditional household norms. Panel B shows traditional household norms are persistent and more prevalent in our countries relative to most European countries in 2012. Finally, the Baltics are relevant for countries today in which traditional household gender norms coexist with egalitarian views about female employment, such as Russia, China, South Korea, Turkey, Argentina, Mexico, South Africa, and Venezuela.

This study contributes to the paid leave literature in two ways. First, it provides evidence that maternity leave can reduce the probability of divorce. The effect is economically important and far-reaching, lasting well beyond the period of the paid leave extension itself. Given previous studies' findings of no effect of maternity leave on divorce, our results suggest that the timing (i.e., child's age) and the length of leave may matter for marital stability. A second contribution is the

¹⁰ See: Bicakova and Kaliskova 2019; Canaan 2022; Lalive and Zweimüller 2009; Lalive et al. 2014; Mullerova 2017; Schönberg and Ludsteck 2014.

¹¹ The EVS lacks data for our countries prior to 1990. Following Bertrand et al. (2021), we use a higher share agreeing with the EVS statement “When jobs are scarce, men have more right to a job than women” and with the ISSP statement “The man’s job is to earn money, the women’s is to look after home and family” to indicate more traditional views on gender roles in the household. For both surveys we use greater agreement with “Both the man and the woman should contribute to household income” to indicate more egalitarian gender norms in the labor force.

study of a maternity leave expansion in an understudied, middle-income region, which highlights the importance of accounting for contextual factors, such as culture and social identity (Akerlof and Kranton 2000; Bau and Fernández 2022), when designing or analyzing the effects of government policies.¹² Most previous studies examine parental leave through the lens of developed market economies with relatively egalitarian gender norms in both the labor market and the household, where more household specialization may lead to marital discord because it conflicts with expected gender roles.¹³ In the Baltic countries, household gender norms differ from those settings, while labor market gender norms are similar. Thus, the increased household specialization due to the additional maternity leave was consistent with expected gender roles, unlike in countries with egalitarian household gender norms. The lack of deviation from expectations combined with additional time off in the vulnerable post-birth period contributed to the decrease in divorce. In sum, the Soviet maternity benefit program achieved its goal of improving the work-life balance of mothers without harming their long-run employment and had an unintended effect of decreasing divorces for at least a decade after childbirth.

2. Institutional and Demographic Setting and the Maternity Benefit Program

This paper uses the Baltic republics (Estonia, Latvia and Lithuania) as treatment countries, affected by the maternity benefit program, and four East European countries (Bulgaria, the Czech Republic, Hungary and Romania) as controls. We present evidence that East European countries are plausible controls for the Baltic republics in the 1980s, because they were similar on many dimensions – political, institutional, economic, and demographic.

The Soviet Union annexed the three Baltic countries in 1940 and they remained Soviet republics until they gained independence in 1991. The East European countries became satellite

¹²

¹³ See Olivetti and Petrongolo (2017) and Rossin-Slater (2018) for surveys in high-income countries. The literature in low- and middle-income countries includes Albagli and Rau (2019), Amin et al. (2016), Uribe et al. (2019) and Vu and Glewwe (2022).

states of the USSR in 1945 which lasted until the fall of the Berlin Wall in 1989. All had similar economic systems after 1945, characterized by state ownership of enterprises, centralized wage determination, labor shortages, high female employment, and almost no part-time employment (Adam 1984; Brainerd 2000; Svejnar 1991). Despite these differences, many historians and economists argued that relative to the controlled markets for other commodities, the labor market was most like that of a capitalist economy (Atkinson and Micklewright 1992; Malkova 2020). Women were free to choose whether to work, their occupation and employer.

Economic conditions in our sample countries were broadly similar in the 1980s, a period of sluggish economic growth with few economic reforms.¹⁴ Real GDP per capita, the female employment-to-population ratio and divorces per 100 marriages evolve comparably across our sample of countries before the maternity benefit program (figure C1). GDP per capita has no abrupt change in trends at the time of maternity benefits introduction supporting that macroeconomic shocks did not confound the effects of the program. GDP per capita begins diverging in the late 1980s which is consistent with the increased political and economic instability in this period.¹⁵

To facilitate women's full-time employment, the state provided free or low-cost nurseries and kindergartens which were often directly attached to enterprises (Fong and Paul 1992; Pignatti 2020). In 1980, 56% of preschool-age children were enrolled in preschool in the Baltic republics, and 43% (Romania) to 60% (Hungary) were enrolled in preschool in the East European countries in our sample (CMEA 1986; Goskomstat 1987).

A. Fertility and Family Formation in the Baltic Republics and East European Countries

The Soviet republics and East European countries shared a distinctive demographic pattern

¹⁴ Austerity measures in response to oil price shocks, large declines in investment and low productivity explain this poor performance (Allen 2001; Ben-Nur and Montias 1991; Bergson 1991; Brada 1991; Vonyó 2017).

¹⁵ Most countries experienced shortages of consumer goods, rising inflation and debt levels in the late 1980s (Ben-Nur and Montias 1991; Chavance 1994; Hare 1991; Jackson 1991; Jones 1991). The communist regimes ended in 1989 in Czechoslovakia and Romania, in 1990 in Hungary and Bulgaria, and in 1991 in the USSR.

characterized by relatively early and near-universal marriage and childbearing (Oláh and Fratczak 2004; Vassilev 1999; Wynnyczuk and Uzel 1999). Women entered marriage at an average age of 21 to 22 years, soon followed by first birth at an average age of 22 to 23 years. Out-of-wedlock childbearing rates were low (Sobotka 2011). Mean age at marriage and first birth trended down over the 1960 to 1989 period, in contrast to trends in the West in which marriage and fertility postponement increasingly became the norm. The total fertility rate was relatively stable at around 2.0 to 2.5 children per woman from the 1970s until the late 1980s.

This 'East European demographic pattern' reflects the incentives of the institutional features of the socialist system, in particular the housing and labor markets. Housing shortages constrained family formation; children continued to live with their parents well into adulthood. Married couples with children received priority in the allocation of apartments, increasing the incentive to marry and have a child at a relatively young age (Sobotka 2011). Women also had little economic incentive to delay marriage and childbearing to invest in education because of narrow wage differentials and limited opportunities for career advancement for women.

Following the lead of the Soviet Union, all control countries secularized marriage and liberalized divorce laws in the postwar period.¹⁶ Most of the countries established no-fault divorce, which was more progressive than divorce laws in many Western countries which still followed fault-based divorce laws (Khazova 2012). Divorce rates were slightly lower in the Baltic countries than in the U.S.; in 1980, there were 4.1 divorces per 1000 population in Estonia, 5.0 in Latvia and 3.2 in Lithuania, compared with 5.2 divorces per 1000 population in the U.S. (Goskomstat 1988). Cohabitation rates were low compared with West European countries (Sobotka 2011).

B. Gender Norms and Family Policies

The Soviet state strongly promoted female employment. Women were expected to work

¹⁶ See: Härkönen et al. 2020; Hrusaková 1993; Schroth and Helfer 2013; Todorova 2000. See appendix A1 for further detail on divorce and remarriage in the Soviet Baltic republics.

full-time even after birth (Fodor and Balogh 2010; Katus et al. 2007) but also had to work because two earners were necessary for most families to make ends meet (Fong and Paul 1992; Katus et al. 2007; Maslauskaitė et al. 2015). As a result, few women chose to become full-time housewives when they married or gave birth (Gal and Kligman 2000; Katus et al. 2007).¹⁷ At the same time, women were nearly exclusively responsible for childcare and household chores (Brunnbauer and Taylor 2004; Oláh and Fratzak 2004), resulting in the term ‘dual burden’ which captured the expectation that women be the equal of men as workers and the primary providers of childcare and housework (David 1982; Motiejunaite and Hönn 2008; Pascall and Manning 2000). The ‘dual burden’ created lengthy work hours; time-use studies from the 1960s indicated that doing 70 to 80 percent of housework resulted in women working on average 70 hours a week in paid and unpaid work (Anker 1985; Fong and Paul 1992).

The design of family policies reflected the attitudes towards women’s employment and roles within the household. Most social benefits were tied to labor force attachment; maternity benefits required prior employment for one year in most countries.¹⁸ Maternity benefits were typically a flat payment independent of the mother’s salary. Fathers had no rights to leave or family benefits, which were paid only to mothers. Many East European countries adopted family policies in the years following World War II to counteract declining fertility rates. While most of our control countries had longer benefit durations, they did not experience significant changes to family policies or marriage or divorce laws in the years relevant to our analysis.¹⁹

¹⁷ Efforts of the socialist regimes to increase female employment had long-lasting effects on gender norms. Views regarding women’s role in the labor market are more egalitarian in post-socialist countries than in west European countries (Boelmann et al. 2020; Campa and Serafinelli 2019; Fuchs-Schündeln and Schündeln 2020; Lippmann et al. 2020; Miho et al. 2020).

¹⁸ See: Baban 1999; Brunnbauer and Taylor 2004; David 1982; Debroy 1989; Gal and Kligman 2000; Hašková et al. 2009; Karu and Pall 2009; Klinger 1991; Mullerova 2017; Muresan et al. 2008; Oláh and Fratzak 2004; Spéder and Kamarás 2008; Vassilev 1999; and Wynnyczuk and Uzel 1999.

¹⁹ Appendix A2 summarizes the maternity policies in our control countries. We focus on outcomes of women who gave birth from 1979 to 1985, so it is desirable there be no family policy changes in our control countries in this

Prior to the reform we study, maternity benefits were limited in the Soviet Union. Working women and students were entitled to a year of unpaid, job-protected maternity leave, and fully paid leave for 56 days before and 56 days after a birth. Women received one-time cash payments upon the birth of the 4th and higher parity children regardless of work status.

C. The Maternity Benefit Program in the Soviet Union

A decree of the USSR Council of Ministers announced the maternity benefit program and was published in the national newspapers *Pravda* and *Izvestia* on March 31, 1981. The decree described the components of the program, the benefit amounts, and eligibility requirements, but the dates of implementation across different regions were not announced until September 1981.²⁰ The program took effect on November 1, 1981 in the North, Siberian and Far Eastern regions of the Russian republic, on November 1, 1982 in the rest of Russia, Ukraine, Belarus, the Baltic republics, and Moldova, and on November 1, 1983 in the other Soviet republics.

The program aimed to increase childbearing and improve the work-life balance of mothers by providing three new benefits. First, it provided paid leave of 35 rubles per month until the child's first birthday (about 25 percent of the average female monthly wage). Second, it provided a cash payment at birth of 50 rubles for the first birth and 100 rubles for the second or third births. The program did not change the existing cash payments upon the birth of the 4th and higher-order children. Third, women could extend their job-protected maternity leave for an additional six months, until the child was 18 months old, but the additional months of leave were unpaid.

A woman was eligible for the program if, just prior to birth, she worked for at least one year, or was a full-time student. Due to high female employment, in the Baltic republics 89 percent of women were eligible.²¹ Women giving birth in the months prior to the start of the program

period. The Czech Republic and Hungary expanded some benefits in 1985, but this would only attenuate our estimated treatment effects. Results are robust to dropping 1985 and one control country at a time.

²⁰ See more details in appendix A3 and Malkova (2018).

²¹ We use SHARE data to calculate this.

received paid leave for the remaining months until the child's first birthday starting from November 1, 1982 as well as job-protected leave for the remaining months until the child turned 18 months. Only women with births after November 1982 received the one-time birth payment. Thus, women who gave birth after November 1, 1982 received the highest monetary benefits; table A1 presents maternity benefits by month of birth. The Soviet government financed the program resulting in no direct costs on employers. The program effectively ended in 1992, after the Soviet Union dissolved, and hyperinflation eroded the value of maternity benefits to effectively zero. However, women likely expected these benefits to stay in place permanently. Previous maternity benefits were never cancelled, and in 1989 the government expanded partially paid and unpaid leaves to 18 months and 3 years after birth, respectively.

3. Conceptual Framework

Why would maternity benefits affect post-birth divorce? Marital stability may change due to changes in (1) household income or (2) return-to-work behavior. Theoretically, economic circumstances may affect marital stability, where unexpected changes in earnings capacity or household roles may play an important role (Becker et al. 1977, Weiss and Willis 1997).

First, previous empirical literature yields mixed results of the effect of household income on marital stability. Positive income shocks may either increase (Böheim and Ermisch 2001, Charles and Stephens 2004, Rainer and Smith 2010) or decrease (Battu et al. 2013) marital stability. In our context, maternity benefits have ambiguous effects on household income due to partial replacement of wages; for no change in income, the mother needed to increase her leave length by 2.1 months. If mothers do not extend their leave, then maternity benefits simply increase household income by the value of the benefits. However, if mothers substantially extend their leave, then household income may decrease if lost earnings during the months of extra leave outweigh the increase in maternity benefits.

Second, maternity benefits may change incentives to return to work after childbirth. Mothers may choose to take longer leaves, then return to work, or may leave the labor force for longer periods resulting in long-run changes in female employment. Becker (1991) argues that delayed return to work reduces divorce risk due to the increased time-investment in children, a relationship-specific public good. In contrast, Oppenheimer (1994, 1997) proposes a flexibility model predicting that shared responsibility for both income and housework strengthens marriages by reducing income risk. Finally, collective bargaining models yield ambiguous predictions of the effect of increased female income because the extra income may enable women to get a divorce, or the extra income may increase female bargaining power within the marriage which lowers divorce (Lundberg and Pollack 1996, 2007).

The empirical evidence on the effect of female earnings on divorce is similarly ambiguous. Divorce is more likely if a wife's earnings exceed her husband's (Bertrand et al. 2015), and high wife to husband wage ratios or unexpected increases in the wife's earnings disrupt marriages (Chiappori et al. 2018, Folke and Rickne 2020, Weiss and Willis 1997). However, in more recently formed marriages the link between female earnings and divorce is weaker (Foster and Stratton 2021, Schwartz and Gonalons-Pons 2016). In fact, Newman and Olivetti (2018) find that divorce is less likely when the wife has higher labor force attachment.

Changes in maternal return-to-work behavior may also affect marital stability by changing the short- and long-run parental division of labor. For instance, maternity leave may intensify specialization within the household and reinforce traditional gender roles, as women historically take all, or most, of the leave (Bertrand 2020).²² In countries with egalitarian attitudes towards gender roles in the household, increased household specialization, due to more time away from

²² For instance, Canaan (2022) shows that a 3-year expansion of paid leave in France increases household specialization: mothers exit the labor force, while fathers raise their work hours.

work of the mother, may lead to greater conflict within marriages and greater marital instability. But if leave makes household specialization less extreme, this may have positive effects on marital stability.²³ Alternatively, in countries like the Baltics with entrenched traditional gender roles within the household, where women are also expected to work, more maternal time away from work may lead to more stability within marriages.

Both changes in post-birth household income and labor supply may affect stress within the family, resulting in changes in marital stability. Adverse mental health shocks increase the probability of relationship breakdown (Bünnings et al. 2021; Negrusa and Negrusa 2014). For the household income channel, a delay in returning to work affects disposable income, which may affect parental stress. For the return-to-work channel, a delay in returning to work may reduce emotional stress within the family that decreases the risk of divorce. Maternity leave, purely through increases in leave length (and not due to changes in household income), improves the physical and mental health of mothers (Albagli and Rau 2019; Beuchert et al. 2016; Bullinger 2019; Bütikofer et al. 2020). If paid leave also improves child health, this may reduce parental stress and provide an additional avenue to increase marital stability.²⁴

What do we expect to happen in the Baltics? Considering the expectation that women work full-time even after birth, we predict limited effects on post-birth employment, and only short-run increases in leave. As there is less scope for maternity leave to have persistent effects on maternal employment, there is less scope for paid leave to affect marital conflict. Because the traditional gender roles were so entrenched, a woman's increased time at home does not deviate from her expected role and does not increase marital discord. Instead, the increased time at home is predicted to reduce stress in the post-birth year, leading to fewer divorces.

²³ Sigle-Rushton (2010) shows that shared responsibility for work makes relationships more robust.

²⁴ Parental leave increases birth weight, and decreases premature birth and infant and child mortality (Ruhm 2000; Tanaka 2005; Rossin 2011). Improved child health persists into elementary school (Lichtman-Sadot and Bell 2017).

4. Data and Sample Selection

We use the Survey of Health, Ageing and Retirement in Europe (SHARE) – a rich household panel survey of European countries that began in 2004. The Czech Republic entered SHARE in 2007, Estonia and Hungary in 2011, and Latvia, Lithuania, Bulgaria and Romania joined in 2017. Individuals aged 50 and older (and their spouses) are surveyed, and retrospective life history questions were administered in 2008-09 and 2017 (SHARELIFE). We mainly use the 2017 SHARELIFE survey, but also use the 2008 SHARELIFE survey for the Czech Republic as questions were not repeated in 2017 for individuals who participated in 2008.

The SHARELIFE life histories were collected using life history calendar methods that begin with questions about easily remembered events (birth dates of children, marriage history); these dates are used to aid in dating other events such as residential and job history. While subject to recall error, these data are reasonably reliable (Kesternich et al. 2014) and the retrospective annual employment data in SHARELIFE are consistent with administrative pension data. Bühler et al. (2022) rigorously test the validity of these data by comparing the retrospective employment data for Germany in SHARELIFE with linked administrative data for the same respondents from the German Pension Insurance Fund (SHARE-RV). The German SHARELIFE data cover up to 30 years of the individual's employment history when they were age 21 to 50 and include individuals who lived in East Germany prior to 1990. The employment spells at ages 25 to 35 reported by East Germans in SHARELIFE match their employment spells at the same ages in the administrative data in 95% of all cases. The authors argue that the consistency in employment reporting in East Germany was due to the norm of full-time employment in the socialist system, which is also the case in our sample of countries. The employment and education history data allow us to create annual indicators for eligibility for maternity benefits for each woman.²⁵ The

²⁵ See appendix B for the creation of indicators for eligibility for maternity benefits.

retrospective mobility data allow us to match our country-level indicators that vary by year to individuals in each year they lived in a particular country.

We form a panel with one observation per woman per year in the period we study. To include the maximum number of ages and minimize concerns with selective mortality we restrict our analysis to women aged 18 to 33 in the period from 1979 to 1985. We choose age 18 because the youngest women in SHARE are age 50 in 2017, or age 18 in 1985. We choose age 33 to minimize any effects from selective mortality: if a woman is age 33 in 1979, then she is age 71 in 2017 which is near the average of female life expectancy in our sample of countries in the study period.²⁶ We start the analysis in 1979 to minimize concerns due to selective mortality out of the sample, because we do not want to have women older than the average life expectancy in our sample that is observed in 2017. Because we want to include the maximum number of ages, we end our analysis in 1985 with three years under the reform.²⁷ As women had children at relatively young ages, restricting the sample to age 18 to 33 covers most births. In 1981, for example, 90 percent of births in the Baltics occur in women ages 18 to 33.

5. Effect of Maternity Benefits on Marital Stability

The summary statistics from our sample affirm that the demographic and labor market characteristics of the Baltics (treatment; Estonia, Latvia, and Lithuania) and the East European countries (comparison; Hungary, Bulgaria, the Czech Republic, and Romania) were similar. Table 1 shows the characteristics of women ages 18 to 33 before maternity benefits started. Across treatment and control countries (1) we find high full-time employment rates, (2) similar probabilities of having a child each year, and ages at first birth and first marriage, and (3) low rates of cohabitation. Women in the Baltics attain more years of education, and the overall marriage rate

²⁶ In 1985, life expectancy was 69.4 years in Estonia, 69.3 years in Latvia and 70.5 years in Lithuania, 71.2 in Bulgaria, 69 in Hungary, 71 in the Czech Republic, and 69.7 in Romania (World Bank data).

²⁷ If we extended our analysis to 1986, we would have to restrict our sample to ages 19 to 33.

is lower. The control countries have more generous maternity benefits, where length of leave is higher. Among women who gave birth in a given year (Panel B), the focus of our paper, differences across treatment and controls are small and statistically indistinguishable, except for a lower shared married and shorter marriage duration in the treatment group. Figure C2 shows smooth trends of some of these variables without jumps in 1982, which is reassuring.

A. *Methods: Difference in Differences*

We examine the effect of maternity benefits on short-and long-run post-birth marital stability among women who were married at birth and were eligible for maternity benefits.²⁸ We compare post-birth marital stability of women in the Baltics relative to East European countries, using the following generalized difference in differences specification,

$$O_{i,c,y} = \alpha + \delta_y + \gamma_c + \eta_k + \gamma_c \eta_k + \sum_{t=79}^{80} \theta_t S_c 1(y = t) + \sum_{t=82}^{85} \pi_t S_c 1(y = t) + X_{i,c,y} + \epsilon_{i,c,y} \quad (1)$$

where $O_{i,c,y}$ are outcomes for a woman i , who had a child in country c in year y and was married at that time, such as whether married or ever divorced 1 to 20 years after birth. Further, δ_y are year fixed effects, γ_c are country fixed effects, η_k are number of previous children²⁹ fixed effects, S_c equals 1 for a Baltic republic and 0 for an East European country, and $X_{i,c,y}$ are individual controls such as birth year, years of education³⁰ fixed effects, marriage duration at the time of birth, and dummies for the number of children who are ages 0 to 5, 6 to 12, and 13 to 17 in year y controlling for the age composition of existing children. Importantly, $\gamma_c \eta_k$ are interactions of country and number of previous children fixed effects, allowing us to compare post-birth marital stability among women having births of the same parity.

²⁸ We cannot conduct the analysis for women who are ineligible, or who had children out of wedlock due to sample size limitations; most women who gave birth were eligible for benefits and were married.

²⁹ Number of previous children may change across time (y), as women have more children. It excludes births in year y : if a woman has a first (second) birth in year y then number of previous children equals to 0 (1) in year y .

³⁰ Years of education represent completed years by 2017, and do not change across time (y).

Further, we perform a robustness test by including annual co-variates at the country level such as real GDP per capita, production of electro energy, doctors per 10,000 people, and the share of the population living in urban areas.³¹ These co-variates test whether the change in marital stability was due to other coincidental economic shocks.

We omit year 1981, because we expect benefit receipt to go up among women who gave birth in 1982, at the earliest. Women found out the exact timing of benefits in the Baltics in September 1981. Even though mothers started receiving benefits in November 1982, mothers who gave birth at any point during 1982 experienced an increase in benefits, where benefits were higher for babies born later in the year (see table A1). This is because mothers could receive benefits until their child turned one, and receive job protected leave until the child turned 18 months old.

The coefficients π_{82} to π_{85} capture the effect of the program on post-birth marital stability for mothers who gave birth over three years after its implementation.³² The point estimates, θ , test whether post-birth marital stability was evolving similarly among mothers who gave birth before implementation in our treatment and comparison countries. We summarize our results from equation (1) in a difference in differences specification where years 1980 to 1981 represent the omitted reference time period; we include one dummy for years 1983 to 1985 interacted with a dummy for a Baltic republic, measuring the average effect among mothers who gave birth over three years post-implementation, and one dummy for year 1979 interacted with a dummy for a Baltic republic, testing for differential pre-trends.³³

We cluster standard errors at the most conservative level – country – to allow for an

³¹ These covariates are from the Maddison Project Database (2018), the Soviet statistical yearbook (Goskomstat SSSR, 1979-1987) and the CMEA statistical yearbook (CMEA, 1979-1986) and are likely measured with error.

³² We measure the effect of having expanded maternity benefits for the current birth only. Because women who give birth before the reform (and are either in the pre-period in the main strategy or are in the control group in the alternative strategy) also could have children after the reform, we may underestimate effects on marital stability relative to the case when these women were not eligible for benefits for any subsequent children.

³³ We also include a dummy for 1982 interacted with a Baltic dummy, but do not present this.

arbitrary correlation structure at this level. Because we have few clusters in this analysis (7 countries), inference based on asymptotics is problematic. We address this concern by constructing confidence intervals and calculating p-values using the clustered wild bootstrap – a method which provides reliable inference in our context (Cameron et al. 2008; Roodman et al. 2019).³⁴ In all tables, we present the clustered wild bootstrap p-values under each coefficient, because the wild bootstrap provides confidence intervals and p-values, but not standard errors. In all figures, we present the clustered wild bootstrap 95% confidence intervals.

B. Short and Long-run Effect on Marital Stability

We examine post-birth divorce for women who were married at birth. The estimates 1 to 5 years after birth are in the period before 1991 and should be unaffected by the collapse of the Soviet Union. The estimates 6 to 20 years after birth are post-1991 and could be affected by the collapse, especially if our treatment and control countries evolved differently after 1991. However, it is still of interest to test whether changes in divorce persisted in this period. If maternity benefits only shift the timing of divorce of couples who would divorce anyway, this will result in changes in divorce in the first few years after birth, but no long-run changes. However, if maternity benefits change the decision whether to divorce at all, this will result in persistent changes in divorce.

We examine whether post-birth divorce trended differently in the Baltic and East European countries for births before the maternity benefit program. First, panel A in figure 2 presents covariate adjusted differences in the probability of post-birth divorce in the Baltics and Eastern Europe compared to the difference in 1981. There is no difference in trends in the probability of divorce 3 and 4 years after birth in these countries before maternity benefits, as the point estimates for years 1979 to 1981 are individually indistinguishable from zero and have a flat trend; there is

³⁴ We use a 6-point distribution rather than the default Rademacher distribution to determine the number of bootstrap samples due to the small number of clusters (MacKinnon et al. 2021; Webb 2022).

a trend-break in the evolution of the difference in divorce 5 years after birth.³⁵

Second, table 2 presents difference in differences estimates of the effect of maternity benefits on short- and long-run marital stability using our baseline model in equation (1). The coefficient on the ‘Before’ period tests for the presence of pre-trends and represents the difference in post-birth marital stability between the Baltics and East European countries in 1979 relative to the same difference in 1980 to 1981. The coefficient on the ‘After’ period estimates the treatment effect and represents the post-birth marital stability between the Baltics and East European countries in 1983 to 1985 relative to the same difference in 1980 to 1981. For the outcomes of married and ever divorced up to 5 years after birth, the ‘Before’ period coefficients are close to zero providing evidence of parallel pre-trends. For outcomes of ever divorced 6 to 20 years after birth, the ‘Before’ coefficients are mostly insignificant, but they are larger in magnitude, and are sometimes comparable in size with the treatment effect coefficients. The ‘Before’ coefficients always have the same sign as the ‘After’ coefficients, meaning that pre-trends are moving in the opposite direction as the treatment effect. We can make causal claims, in the presence of such pre-trends, as we are under-estimating the true increase in divorce (Goodman-Bacon 2021).

Marital stability after birth increased immediately after maternity benefits. The probability of remaining married goes up by a statistically significant 1.1, 1.6, and 2.9 percentage points 1, 4, and 5 years after birth, respectively, among mothers who were married at birth. Consistent with these results, the probability that a woman has ever been divorced in the 4 and 5 years after birth goes down by a statistically significant 2.0 and 3.8 percentage points, representing a 42 and 62 percent decline over pre-treatment means of 4.8 and 6.1.

Our estimated increases in marital stability are robust to several checks. First, table C1

³⁵ In the years 1979 to 1981, there is a statistically insignificant pre-trend in the direction against finding negative effects on divorce, which implies that we are under-estimating the true decrease in divorce. Goodman-Bacon (2021) argues that causal inference claims can be made when pre-trends go against finding an effect.

presents results as controls are added to the regression. Column 1 includes country, number of previous children, country by number of previous children and year fixed effects; column 2 adds individual-level co-variables such as birth year, years of education fixed effects, and marital duration at birth; column 3 adds dummies for the number of children ages 0 to 5, 6 to 12, and 13 to 17; column 4 adds annual, country-level covariates. The coefficients are similar across columns, showing that the results are robust to gradually adding controls.³⁶ Second, we also include linear pre-trends by treatment group in this analysis, a strategy that addresses any potential non-parallel pre-trends in our treatment and control countries (Bhuller et al. 2013; Goodman-Bacon 2021).³⁷ Table C2 shows that our results are robust to including pre-trends. Third, effects are similar across all three Baltic countries (table C3), and results are robust to dropping one control country at a time (table C4), so our results are not driven by a particular treatment or control country.³⁸

The increase in marital stability is likely permanent – due to couples deciding not to divorce at all rather than delaying inevitable divorces. Twenty years after birth, women were 4.0 percentage points less likely to be divorced (table 2, column 15), representing a 25 percent decrease over the pre-treatment mean of 15.9. These estimates are similar to those for five years after birth. Thus, much of the decline in divorce happened within the first five years after childbirth, suggesting that this is the most vulnerable period for marital stability after birth.

C. Composition of Births after Maternity Benefits

Potential selection of women into having children after the program is of concern, because changes in marital stability may be due to both the direct effect of the program and a change in the

³⁶ Results are robust to adding controls for all other analyses. Equation (1) corresponds to model 3 in table C1.

³⁷ We estimate the treatment-group pre-trends directly in our pre-treatment period from 1979 until 1981 (by including an interaction of a dummy for a Baltic republic with linear year), and partial them out of the full time-period data from 1979 to 1985. Then, we use the resulting data after we partial out the pre-trends to estimate effects of maternity benefits on our outcomes of interest.

³⁸ Table C5 shows that results are robust to dropping 1985, indicating that maternity benefit expansions in Hungary and the Czech Republic in 1985 do not affect our conclusions.

composition of mothers, if childbearing increased.³⁹ However, we find that women who gave birth after the program were like those who gave birth before. In table 3, we use equation (1) with individual characteristics of women who gave birth each year as dependent variables. We find very small and statistically insignificant changes in the individual characteristics of mothers, such as years of education, at least some college, marital status, age, age at first birth, age at first marriage, marriage duration, and job tenure. These results indicate that, on average, similar mothers had children before and after the policy.

D. Heterogeneous Increases in Marital Stability

While declines in divorce are larger in magnitude among women with shorter marriage durations, they are similar by parity of the new child, education, and age. Table 4 presents these results.⁴⁰ Most of the coefficients are not statistically significant, given the smaller sample sizes. Panel A shows that divorce decreases similarly among women who had no children or at least one child at the time of birth. Panel B shows that divorce also decreases similarly among women with secondary or less education and women with some college or more education. Panel C shows that the magnitude of the decrease in divorce is larger among women who were married 4 years or less at the time of birth, and the coefficient is significant at the 10 percent level.⁴¹ Panel D shows that divorce decreases similarly for women who gave birth at younger and older ages.

E. Interpretation of Increases in Marital Stability

Does the increase in marital stability represent a direct effect of maternity benefits? In support of this, table 3 showed no evidence of changes in the composition of mothers. Also, all regressions include previous number of children (at the time of the birth) by country fixed effects

³⁹ Malkova (2018) evaluated the same policy in Soviet Russia and found an increase in childbearing.

⁴⁰ While of interest, we cannot perform the analysis separately for students and employed women, because only 6 percent of women in our sample are full-time students. We cannot perform a heterogeneity analysis based on spousal age or education gaps because we lack information about the spouse in our period of interest.

⁴¹ Four years is the median marriage duration among married women in our sample in the year of childbirth.

as well children's age composition fixed effects, so we are comparing changes in post-birth divorce among women with the same number of children and with children of similar ages, at the time of birth. Thus, differences in the number of children cannot explain our results. However, women who decided to have children because of maternity benefits may differ in unobservable characteristics. For example, families with high marital stability may decide to have these children.

Two pieces of evidence suggest that unobserved mother characteristics are unlikely to explain our results. First, childless couples may have less information on their marital stability than couples with children, as they do not know how a child will affect their marriage. Thus, if we observe changes in divorce for families who have their first child, it is less likely that the decision to have that child was influenced by marital stability. Indeed, divorce decreases among families who are having their first child (table 4, panel A, column 1). Second, marriages that lasted longer may be more stable. Thus, if we observe changes in stability for marriages with shorter durations, it is less likely that the decision to have a child was influenced by marital stability. Indeed, marital stability increases the most among marriages with shorter durations (table 4, panel C).

6. Robustness to an Alternative Identification Strategy

We assess the robustness of our marital stability results using an alternative identification strategy. Our main identification strategy takes advantage of cross-country comparisons, which may raise concerns due to potentially differential evolutions of economic environments. To circumvent this concern, we use an alternative strategy that only uses the sample of mothers in the Baltics. This allows us to compare mothers who faced the same economic environments. Using our alternative strategy, we find similar declines in marital stability, which is consistent with evidence on the similarities of our treatment and control countries.

In the Baltic republics, we compare the marital stability of mothers who give birth before and after the program to mothers with slightly older children, who were not affected by the

program at the time of childbirth. Mothers who give birth in our reference years serve as the treatment group, while mothers of 4-year-olds, in our reference years, serve as the comparison group.⁴² We perform the following generalized difference-in-differences specification,

$$M_{i,c,y} = \alpha + \delta_y + \gamma_c + \eta_k + \gamma_c \eta_k + \gamma_c D_{i,c,y} + \beta_1 D_{i,c,y} + \sum_{t=79}^{80} \theta_t D_{i,c,y} 1(y = t) + \sum_{t=82}^{85} \pi_t D_{i,c,y} 1(y = t) + X_{i,c,y} + \epsilon_{i,c,y} \quad (2)$$

where $M_{i,c,y}$ is a marital status outcome of mother i , residing in country c , in year y (whether married and ever divorced 1 to 20 years after year y), $D_{i,c,y}$ equals to one if mother i has a child born in year y and equals to zero if mother i has a 4-year-old child in year y and no child born in year y .⁴³ We also include year fixed effects (δ_y), country fixed effects (γ_c), number of previous children fixed effects (η_k), number of previous children by country fixed effects ($\gamma_c \eta_k$), country by whether have a newborn in year y fixed effects ($\gamma_c D_{i,c,y}$), and individual controls such as birth year, years of education fixed effects and marital duration ($X_{i,c,y}$). Thus, the sample consists of mothers of newborns (who gave birth in year y) and of mothers who had 4-year-old children in year y and no births in year y . As a robustness test, we add the interaction of year by country fixed effects ($\delta_y \gamma_c$), that control for coincidental economic shocks in each country. As a placebo test, we perform this analysis in our control countries which were not affected by the program.

Similar to the main strategy (equation 1), the coefficients π_{82} to π_{85} capture the effect of the program on post-birth marital stability for mothers who gave birth over 3 years after its

⁴² We choose mothers of 4-year-olds (and not of younger children) to make sure none of the mothers in our control group were treated — had children that were born after the program. For instance, mothers of 4-year-olds in 1985 gave birth in 1981 and were not eligible for the program.

⁴³ For instance, because we want to measure outcomes in the same year, to estimate the effect of maternity benefits on whether married 1 year after birth, we compare the marital status of mothers of newborns 1 year after birth to the marital status of mothers of 4-year-olds, when their child is 5 years old.

implementation.⁴⁴ We summarize our results from equation (2) in a difference in differences specification where years 1980 to 1981 represent the omitted reference time period; we include one dummy for years 1983 to 1985 interacted with a dummy for having a newborn (relative to a 4-year-old child), measuring the average effect among mothers who gave birth over three years post-implementation, and one dummy for year 1979 interacted with a dummy for having a newborn, testing for differential pre-trends.⁴⁵

Again, we find an immediate increase in marital stability after childbirth in the Baltics. Table 5 presents results from equation (2). The probability of being married increases 1, 4, and 5 years after childbirth, which is reflected in a decline in the probability of ever being divorced 5 years after childbirth. These results mirror those in table 2, where magnitudes are qualitatively similar. Figure 2 (panel B) shows that while trends in marital stability among treatment and comparison groups were similar before maternity benefits, the probability of ever being divorced within 3, 4, and 5 years after childbirth goes down among the treatment group. The long-term effect of maternity benefits on divorce is similar in magnitude to that of our main identification strategy until about 15 years after birth, although the coefficient becomes statistically insignificant after year 8. Similar findings using an alternative identification strategy bolster our conclusion that the increase in marital stability is due to the maternity benefit program.

Several analyses support the internal validity of our estimates. First, our results are robust to gradually adding controls in table C6, and do not change with the addition of country by year fixed effects. Second, our results are robust to adding linear pre-trends interacted with the treatment group in table C7. Third, we perform a placebo test using equation (2); we estimate the effect of the program on divorce in East European countries who were not affected by the program. Table

⁴⁴ The point estimates, θ , test whether post-birth marital stability evolves similarly among mothers of newborns relative to 4-year-olds before program implementation.

⁴⁵ We also include a dummy for 1982 interacted with a dummy for having a newborn, but do not present this.

C8 shows no effects of the program on post-birth divorce in these countries. Finally, table C9 shows similar effects on post-birth marital stability within each Baltic country.

7. Mechanisms: Effect of Maternity Benefits on Employment Outcomes

What can explain the increase in marital stability? To shed light on this question, we estimate the effect of maternity benefits among women who were eligible and married at birth on take-up of maternity leave, leave length, maternity benefit receipt, and employment one to twenty years after birth.⁴⁶ We use both the main (equation 1) and alternative (equation 2) strategies to estimate these effects, and our findings are consistent across both strategies.

As expected, the probability of any maternity benefits receipt increased after the program. Figure 3 shows results using equation (1). Panel C shows that trends in benefit receipt were parallel in Baltic and East European countries before the program start, which was followed by an increase in receipt starting from women who gave birth in 1982. Table 6 (column 3) shows that after the program start, women were 17.5 percentage points more likely to receive maternity benefits, representing a 43.6 percent increase over a pre-treatment mean of 40.1.⁴⁷ Table 7 shows that this increase is also consistent with what we find in the alternative specification.⁴⁸

While mothers did not change their take-up of leave, they did increase their leave length. Table 6 (column 1) shows no change in the take-up of leave from the previous high level of 91.8 percent, consistent with availability of shorter fully paid leave before the program. Figure 3 (panel B) shows that maternity leave length went up starting for women who gave birth in 1982, while

⁴⁶ Similar to marital stability, effects on employment 6 to 20 years after birth may be affected by the collapse of the Soviet Union, especially if our treatment and control countries evolved differentially after the collapse.

⁴⁷ Maternity benefit receipt is reported in response to a question asking the source of income during maternity leave. There were seven options, including wage income, spousal support, family support, in addition to maternity benefits and child benefits. As a result, mean benefit receipt is likely underreported as some women may have selected only spouse or wage income, even if they received maternity benefits in a particular year.

⁴⁸ Because we cannot observe benefit receipt, leave take-up, and leave length in the year a mother has a 4-year-old child, we assign past values reported in the year of birth to these mothers in the year their child is 4-years-old.

the trends in leave in the Baltic and East European countries were parallel before.⁴⁹ Table 6 (column 2) shows that leave length went up by 5.1 months, representing a 49.3 percent increase over a pre-treatment mean of 10.3 months. Again, table 7 shows that these results are consistent with those in the alternative specification.

The program did not affect long-run maternal employment after birth. Only employment 1 year after birth went down, which is consistent with an increase in leave length. Panels A and B in figure 4 show no change in employment two and five years after birth in both the main and alternative specifications. Similarly, tables 6 and 7 (columns 4 to 6) show small and statistically insignificant coefficients that point to no effects on maternal employment 2 to 5 years after birth. The program also did not affect employment in the long term with no effects on employment up to 20 years after birth (columns 7 to 10).

For the average mother in our sample, maternity benefits decreased her income during the first 18 months after birth. Before the program, women lost 1,176 rubles in earnings during their 10.3-month leave, while receiving fully paid leave for 2 months after birth.⁵⁰ After the program, the average woman lost less in earnings during her first 10.3 months of leave due to receiving a monthly 35-ruble transfer for 8.4 months, and a 50- or 100-ruble transfer for the birth of the first or second and third child. During the additional 5 months of leave, she lost the earnings for those months, and received 35 rubles for 1.6 months until the child turned one. Summing up, after maternity benefits, she lost 1451 rubles in earnings.⁵¹ Thus, the average woman experienced a 275-ruble decline in income over the 18 months after the birth of the child.

⁴⁹ Figure C3 shows the distribution of maternity leave length shifts to the right after the maternity benefit program in our sample. The leave length variable is provided in groups, as shown on the x-axis in the histogram, and we use the midpoint of each group to assign a leave length in months to a particular woman.

⁵⁰ The average female monthly wage in the Baltics is 140 rubles in 1981. Lost earnings: $140 \times (10.4 - 2) = 1176$.

⁵¹ After the reform, with 10.4 months of leave, mothers of second children lose: $1176 - 35 \times (10.4 - 2) - 100 = 782$ rubles. Mothers of first children lose: $1176 - 35 \times (10.4 - 2) - 50 = 832$. If an extra 5 months of leave is taken after the reform, mothers lose: $5 \times 140 - 1.6 \times 35 = 644$. After the program, assuming first and second births are equally split, mothers lose: $0.5 \times 782 + 0.5 \times 832 + 644 = 1451$ rubles.

To summarize, for an average mother, post-birth marital stability increased due to the extra maternal time at home after childbirth, and not due to increased household income. However, the relative importance of these channels may differ depending on heterogeneous responses in leave length among mothers. For instance, the increased household income channel would predominate if mothers do not take longer leaves. Table C10 shows little variation in increases in leave length by birth parity, education and age at birth, which is consistent with the relatively compressed wage distribution in the Soviet Union (Brainerd 1998; table A3). Thus, it is difficult to disentangle the contribution of each channel to the decrease in divorce. However, couples in shorter marriages, with the largest declines in divorce (table 4), increase their leave length by 2.2 months more than couples in longer marriages. This result provides suggestive evidence that the leave length channel predominated among couples in shorter marriages.

8. Discussion and Conclusion

The maternity benefit program in the Soviet Union was a milestone in a society in which women shouldered the *dual burden* of full-time employment and household work. Through a program that extended partially paid maternity leave until a child's first birthday and job protection for 18 months, the Soviet government enabled women to increase their time at home after childbirth without harming their post-birth employment trajectories, an important outcome in a country that strongly encouraged mothers to work.

The program also had an unintended, positive effect on marital stability for at least a decade after childbirth. This is a novel finding, where a small previous literature on maternity leave found unchanged post-birth marital stability after short expansions or expansions outside the first year of birth. In our setting, a significant expansion of maternity leave occurred in the *first* year after childbirth – a stressful period for a marriage – which may explain the increase in marital stability we find in contrast to other settings. In a region where women worked full-time while providing

almost all childcare and household labor, the expansion of maternity leave likely provided welcome (if temporary) relief and mitigated the marital stress often caused by the arrival of a child. The increased maternal specialization in household work during the period of extra leave decreased divorce and was consistent with the prevailing unequal gender norms. An emerging literature highlights that women’s career choices, both before and after childbirth, depend on stereotypes about gender-specific skills and roles (Bertrand 2020; Boelmann et al. 2020; Casarico and Lattanzio 2023; Kleven et al. 2019).

Several avenues for future research on maternity policies and marital stability remain. First, one could directly test the hypothesis that the effect of maternity leave on marital stability depends on household division of labor expectations by exploiting couple-level proxies for gender norms, such as husband-wife differences in education. Second, an important question is whether maternity leave in the first year stabilizes cohabiting partnerships, a relevant issue for countries in which cohabitation is prevalent. Third, are even longer maternal leaves beneficial for marriage? Lengthy parental leaves are detrimental to maternal mental health (Chuard 2023) and lead to declines in long-run maternal employment (Rossin-Slater 2018), which has implications for the household division of labor and divorce risk. Finally, a broader question is whether other policies that change the household division of labor – such as the provision or subsidization of early childcare – affect the probability of cohabitation and marriage dissolution. Additional studies on these issues in low- and middle-income countries will help us understand the potential of culture and gender norms in mediating the responses to such policies.

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Table 1. Characteristics of women in the Baltic and East European countries before the maternity benefits program

	1979 to 1981		t-test of Difference	
	Baltic (1)	East European (2)	Baltic-East European (3)	p-value (4)
<i>A. All women ages 18 to 33</i>				
Employed	0.85	0.839	0.011	0.805
Gave birth	0.12	0.112	0.008	0.448
Age at first birth	23.6	22.5	1.068	0.000***
Years of education	12.6	11.3	1.271	0.110
Married	0.649	0.802	-0.153	0.000***
Age at first marriage	22.8	21.2	1.598	0.006***
First marriage (if married)	0.939	0.961	-0.023	0.118
Marriage duration (if married)	6.3	7.7	-1.464	0.000***
Cohabit	0.044	0.021	0.023	0.338
Work full-time	0.982	0.958	0.025	0.082*
# Observations	7356	9708	17064	
<i>B. Women ages 18 to 33 who gave birth in a given year</i>				
Married	0.896	0.959	-0.063	0.010***
Age at birth	25.1	24.8	0.250	0.691
Years of education	12.3	11.0	1.298	0.208
Took maternity leave	0.912	0.936	-0.024	0.703
Length of leave (months)	10.4	21.0	-10.61	0.126
First marriage (if married)	0.95	0.964	-0.014	0.414
Marriage duration (if married)	4.1	4.9	-0.764	0.014**
Cohabit	0.049	0.018	0.030	0.322
# Observations	883	1088	1971	

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Notes: This table presents descriptive statistics of our sample of analysis, separately for the Baltic republics (Estonia, Latvia, and Lithuania) and East European countries (Bulgaria, the Czech Republic, Hungary, and Romania) before the maternity benefit program, and t-tests of the differences. The Baltic republics (treatment) experienced the reform in maternity benefits, while East European countries (comparison) did not. Panel A includes all women ages 18 to 33, while panel B includes a subset of women in panel A who gave birth in the year of observation. Source: SHARE.

Table 2. Effect of maternity benefits on marital stability after birth

		<i>A. Short-run (1 to 5 years after birth)</i>				
		Married after birth			Ever divorced	
		1 Year after	4 Years after	5 Years after	4 Years after	5 Years after
		(1)	(2)	(3)	(4)	(5)
Before program	Coef	0.008	0.001	0.010	-0.006	-0.018
	pval	0.344	0.915	0.452	0.743	0.282
After program	Coef	0.011**	0.016***	0.029*	-0.020***	-0.038**
	pval	0.036	0.008	0.060	0.010	0.014
# Observations		3409	3409	3409	3409	3409
Dep var mean		0.993	0.958	0.949	0.048	0.061
		<i>B. Medium-run (6 to 10 years after birth)</i>				
		Ever divorced after birth				
		6 Years after	7 Years after	8 Years after	9 Years after	10 Years after
		(6)	(7)	(8)	(9)	(10)
Before program	Coef	-0.032	-0.040*	-0.020	-0.021	-0.020
	pval	0.120	0.062	0.154	0.260	0.258
After program	Coef	-0.038**	-0.046**	-0.041***	-0.043***	-0.036**
	pval	0.012	0.012	0.010	0.010	0.034
# Observations		3409	3409	3409	3409	3409
Dep var mean		0.067	0.078	0.087	0.098	0.106
		<i>C. Long-run (11 to 20 years after birth)</i>				
		Ever divorced after birth				
		11 Years after	12 Years after	15 Years after	17 Years after	20 Years after
		(11)	(12)	(13)	(14)	(15)
Before program	Coef	-0.022	-0.020	-0.020	-0.032*	-0.026
	pval	0.240	0.134	0.186	0.082	0.258
After program	Coef	-0.032***	-0.030***	-0.032**	-0.036**	-0.040**
	pval	0.010	0.010	0.014	0.046	0.044
# Observations		3409	3409	3409	3409	3409
Dep var mean		0.112	0.12	0.133	0.142	0.159

* p < 0.1; ** p < 0.05; *** p < 0.01

Notes: These difference-in-differences coefficients summarize the results from equation (1). ‘Before Program’ is a dummy for year 1979 interacted with a Baltic republic dummy, while ‘after program’ is a dummy for years 1983 to 1985 interacted with a Baltic republic dummy and measures the effect of the maternity benefit program on marital status after birth. The omitted reference time period consists of years 1980 and 1981. This specification also includes a dummy for 1982, but we do not report that coefficient. The sample consists of women ages 18 to 33 who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The ‘dep var mean’ is the pre-treatment dependent variable mean in the Baltic republics in 1979-1981. Standard errors are clustered at the country-level and are estimated using the wild cluster bootstrap. As a result, p-values are presented under the coefficients. Source: SHARE.

Table 3. Effect of maternity benefits on the composition of mothers

		Years of education (1)	At least Some college (2)	Married (3)	Age (4)
Before program	Coef	0.153	-0.004	0.025	0.099
	pval	0.705	0.939	0.360	0.843
After program	Coef	-0.077	0.037	-0.008	-0.451
	pval	0.529	0.452	0.669	0.148
# Observations		3671	3664	3671	3671
Dep var mean		12.37	0.499	0.896	25.07
		Age at first birth (5)	Age at first marriage (6)	Marriage duration (7)	Job tenure (8)
Before program	Coef	0.170***	0.093	-0.012	0.118
	pval	0.010	0.585	0.931	0.739
After program	Coef	-0.018	0.036	0.098	0.097
	pval	0.679	0.833	0.559	0.677
# Observations		3671	3544	3361	3380
Dep var mean		22.65	22.11	4.10	4.93

* p < 0.1; ** p < 0.05; *** p < 0.01

Notes: These difference in differences coefficients summarize the results from equation (1). The sample consists of women ages 18 to 33 who are eligible for maternity benefits and gave birth in the year of observation. The dependent variables are years of education (column 1), whether completed at least some college (column 2), whether married (column 3), age (column 4), age at first birth (column 5), age at first marriage (column 6), marriage duration in years (column 7), and job tenure at the current job in years (column 8). See notes for table 2.

Table 4. Heterogeneous effects of maternity benefits on marital stability after birth

		Ever divorced 5 years after birth			
		<i>A. Parity of new child</i>		<i>B. Completed education</i>	
		First child	Second and above	Secondary	Some college
		(1)	(2)	(3)	(4)
After program	Coef	-0.039	-0.035	-0.034	-0.032
	pval	0.290	0.298	0.156	0.326
# Observations		1511	1898	2171	1227
Dep var mean		0.077	0.046	0.064	0.057
		<i>C. Marriage duration</i>		<i>D. Age</i>	
		≤ 4 years	> 4 years	18-25	26-33
After program	Coef	-0.048*	-0.021	-0.031	-0.038
	pval	0.078	0.575	0.188	0.174
# Observations		2037	1328	1852	1557
Dep var mean		0.072	0.041	0.066	0.054

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Notes: These coefficients summarize results from equation (1) for the same sample as table 2 (women ages 18 to 33 who are eligible for maternity benefits, gave birth and were married at the time of birth). The dependent variable is whether ever divorced 5 years after birth. Panel A presents results separately by the parity of the new child; panel B by education groups; panel C by marriage duration at the time of birth; and panel D by age at the time of birth. See notes for table 2.

Table 5. Effect of maternity benefits on marital stability: alternative strategy in the Baltic republics

		<i>A. Short-run (1 to 5 years after birth)</i>				
		Married after birth			Ever divorced after birth	
		1 Year after	4 Years after	5 Years after	4 Years after	5 Years after
		(1)	(2)	(3)	(4)	(5)
Before program	Coef	0.013	0.002	0.013	-0.016	-0.022
	pval	0.164	0.947	0.621	0.490	0.484
After program	Coef	0.010*	0.040**	0.038**	-0.035**	-0.037**
	pval	0.094	0.038	0.034	0.022	0.042
# Observations		2983	2983	2983	2983	2983
Dep var mean		0.993	0.958	0.949	0.048	0.061
		<i>B. Medium-run (6 to 10 years after birth)</i>				
		Ever divorced after birth				
		6 Years after	7 Years after	8 Years after	9 Years after	10 Years after
		(6)	(7)	(8)	(9)	(10)
Before program	Coef	-0.014	-0.056	-0.043	-0.040	-0.043
	pval	0.751	0.328	0.482	0.727	0.759
After program	Coef	-0.030*	-0.036***	-0.036***	-0.033	-0.031
	pval	0.0601	0.002	0.006	0.166	0.292
# Observations		2983	2983	2983	2983	2983
Dep var mean		0.067	0.078	0.087	0.098	0.106
		<i>C. Long-run (11 to 20 years after birth)</i>				
		Ever divorced after birth				
		11 Years after	12 Years after	15 Years after	17 Years after	20 Years after
		(11)	(12)	(13)	(14)	(15)
Before program	Coef	-0.040	-0.041	-0.047	-0.048	-0.050
	pval	0.719	0.715	0.721	0.679	0.523
After program	Coef	-0.027	-0.026	-0.022	-0.005	-0.005
	pval	0.390	0.436	0.559	0.883	0.859
# Observations		2983	2983	2983	2983	2983
Dep Var Mean		0.112	0.120	0.133	0.142	0.159

* p < 0.1; ** p < 0.05; *** p < 0.01

Notes: This table presents estimates of the effect of maternity benefits on marital stability after birth using equation (2), where mothers of 4-year-olds serve as controls for mothers of newborns. The sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, and mothers of 4-year-olds are married when their child is age 4. Standard errors are clustered by country and whether have a newborn (relative to a 4-year-old). See notes for table 2 and figure 2 (panel B).

Table 6. Effect of maternity benefits on maternal leave length and employment after birth

		<i>A. Short-run (1 to 5 years after birth)</i>					
		Took any leave (1)	Leave length (months) (2)	Received maternity benefits (3)	Work 1 year after birth (4)	Work 2 years after birth (5)	Work 5 years after birth (6)
Before program	Coef	-0.029	-1.003	-0.032	0.017	0.034	0.027
	pval	0.326	0.258	0.166	0.432	0.272	0.16
After program	Coef	0.013	5.086***	0.175***	-0.036**	-0.017	-0.014
	pval	0.663	0.002	0.002	0.050	0.232	0.478
# Observations		3249	3249	3409	3409	3409	3409
Dep var mean		0.918	10.32	0.401	0.913	0.930	0.957
		<i>B. Medium and long-run (6 to 20 years after birth)</i>					
		Work 7 years after birth (7)	Work 10 years after birth (8)	Work 15 years after birth (9)	Work 20 years after birth (10)		
Before program	Coef	0.011	0.002	-0.030*	-0.038		
	pval	0.418	0.931	0.064	0.106		
After program	Coef	0.004	-0.009	0.003	0.026		
	pval	0.563	0.669	0.789	0.406		
# Observations		3409	3409	3409	3409		
Dep var mean		0.969	0.96	0.884	0.852		

* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Notes: These difference-in differences-coefficients summarize the results from equation (1). The sample consists of women ages 18 to 33 who are eligible for maternity benefits and gave birth in the year of observation. The dependent variables vary by column: maternity leave length in months (column 1); whether took any maternity leave (column 2); whether received maternity benefits (column 3); and whether employed 1 to 20 years after birth (columns 4 to 10). Standard errors are clustered at the country level and are estimated using the wild cluster bootstrap. See notes for table 2.

Table 7. Effect of maternity benefits on maternal leave length and employment after birth: alternative strategy in the Baltic republics

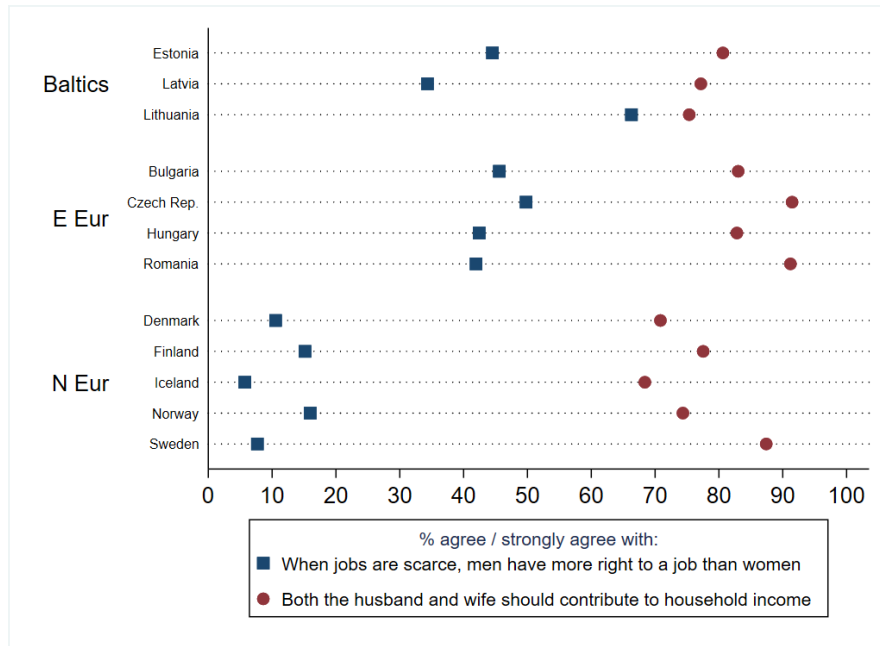
		<i>A. Short-run (1 to 5 years after birth)</i>					
		Took any leave (1)	Leave length (months) (2)	Received maternity benefits (3)	Work 1 year after birth (4)	Work 2 years after birth (5)	Work 5 years after birth (6)
Before program	Coef	-0.144	3.522	-0.003	0.002	0.013	0.009
	pval	0.352	0.106	0.907	0.889	0.581	0.699
After program	Coef	-0.047	3.801*	0.180**	-0.007	-0.015	-0.036
	pval	0.691	0.058	0.020	0.721	0.158	0.362
# Observations		1755	1755	2991	2983	2983	2983
Dep var mean		0.918	10.32	0.401	0.913	0.93	0.957
		<i>B. Medium and long-run (6 to 20 years after birth)</i>					
		Work 7 years after birth (7)	Work 10 years after birth (8)	Work 15 years after birth (9)	Work 20 years after birth (10)		
Before program	Coef	0.005	-0.008	-0.001	-0.081		
	pval	0.855	0.769	0.963	0.112		
After program	Coef	-0.026	-0.049	-0.002	-0.005		
	pval	0.146	0.150	0.901	0.685		
# Observations		2983	2983	2983	2983		
Dep Var Mean		0.969	0.960	0.884	0.852		

* p < 0.1; ** p < 0.05; *** p < 0.01

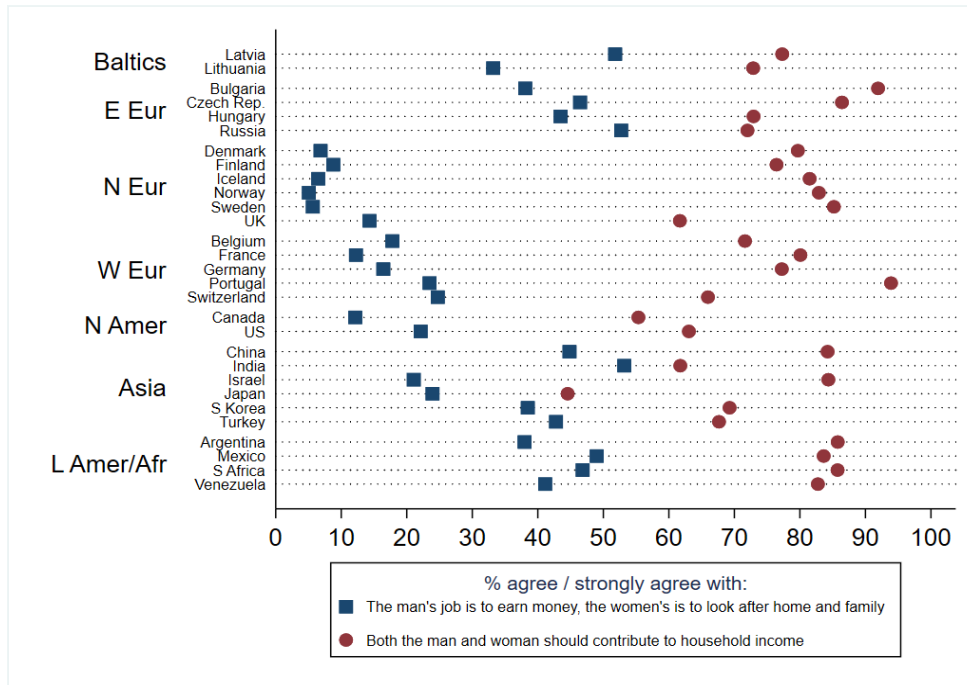
Notes: This table presents estimates of the effect of maternity benefits on marital stability after birth using equation (2), where mothers of 4-year-olds serve as controls for mothers of newborns. The sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, and mothers of 4-year-olds are married when their child is age 4. See notes for table 5 and figure 2 (panel B).

Figure 1. Gender norms in the Baltics, Eastern Europe, and other countries

A. 1990 European Values Survey



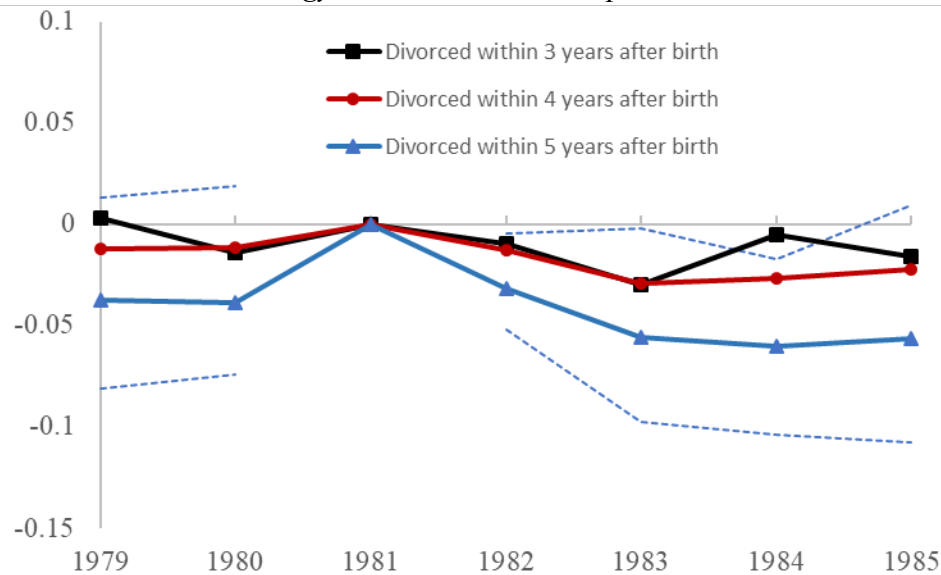
B. 2012 International Social Survey



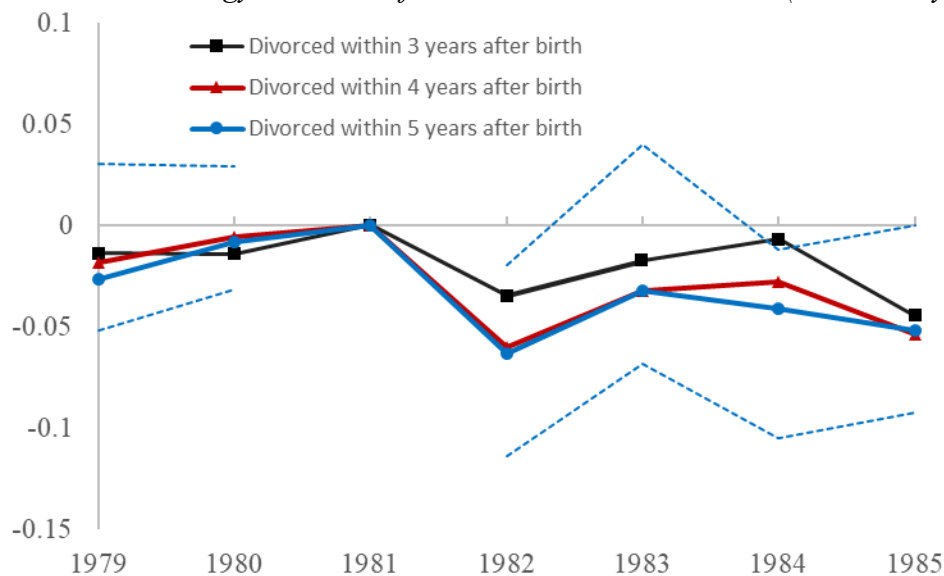
Notes: Panel A presents the share of population age 18 and over who agree with: (a) “When jobs are scarce, men have more right to a job than women” (squares; traditional household gender norms), (b) who agree or strongly agree with “Both the husband and wife should contribute to household income” (circles; egalitarian labor market gender norms). Panel B presents the share of the population age 18 and over who agree or strongly agree with: (a) “A man’s job is to earn money, a woman’s is to look after the home and family” (squares; traditional household gender norms), and (b) “Both the man and woman should contribute to household income” (circles; egalitarian labor market gender norms).

Figure 2. Effect of maternity benefits on ever divorced after birth

A. Main strategy: Baltic vs. East European countries



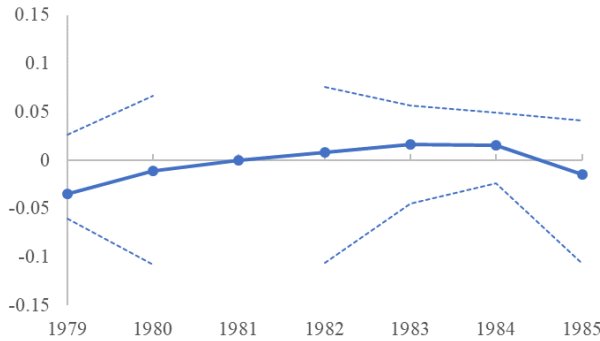
B. Alternative strategy: Mothers of newborns vs. older children (Baltics only)



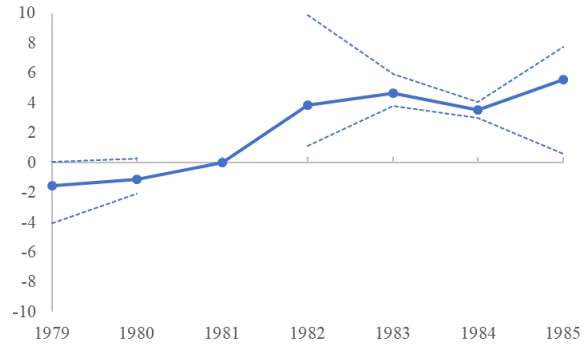
Notes: We present estimates of θ and π from equation (1) in panel A and equation (2) in panel B, where the dependent variable is whether have ever been divorced 3, 4, or 5 years since giving birth. In panel A, the sample consists of women ages 18 to 33 in both Baltic and Eastern European countries who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The coefficients present the difference in post-birth divorce among women living in the Baltics relative to women in Eastern Europe who have given birth in each year relative to the difference in 1981. In panel B, the sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, while mothers of 4-year-olds are married when their child is age 4. The coefficients present the difference in probability of post-birth divorce among women in the Baltics with newborns (treatment) relative to women in the Baltics with 4-year-olds (comparison) in each year relative to the difference in 1981. Dashed lines construct 95-percent, point-wise confidence intervals. In panel A, we cluster standard errors at the country-level, while in panel B we cluster standard errors by country and whether have a newborn (relative to a 4-year-old). Source: SHARE.

Figure 3. Effect of maternity benefits on leave take-up, leave length and benefit receipt

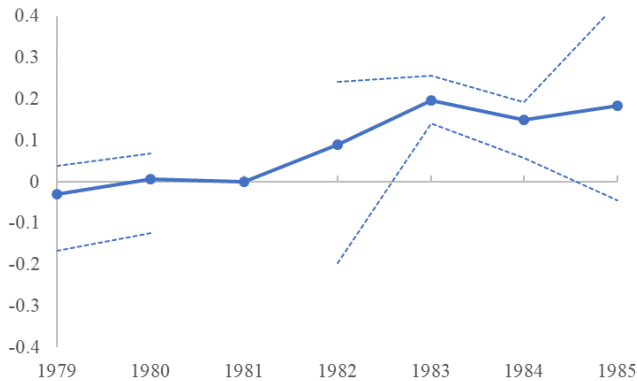
A. Took any leave



B. Maternity leave length (in months)



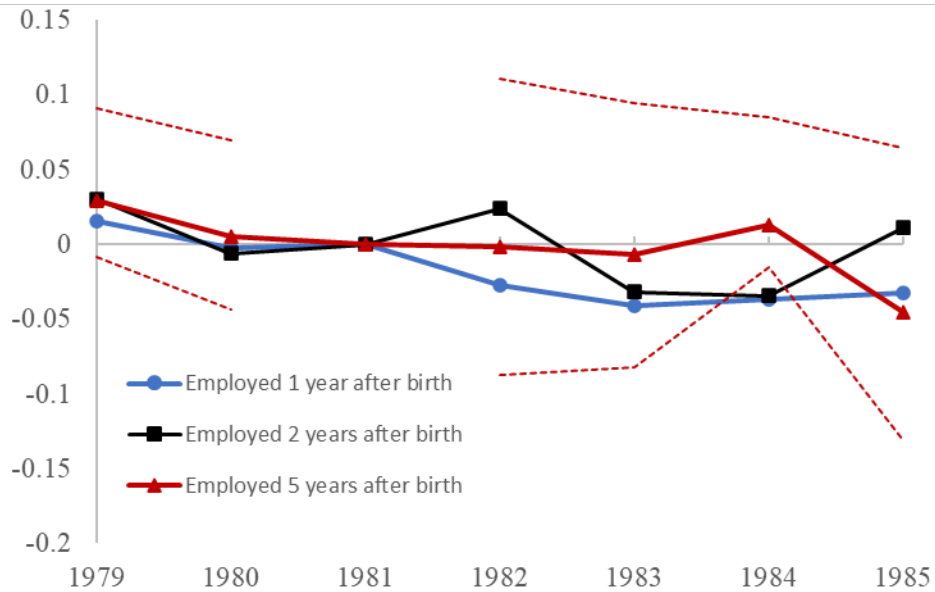
C. Received maternity benefits



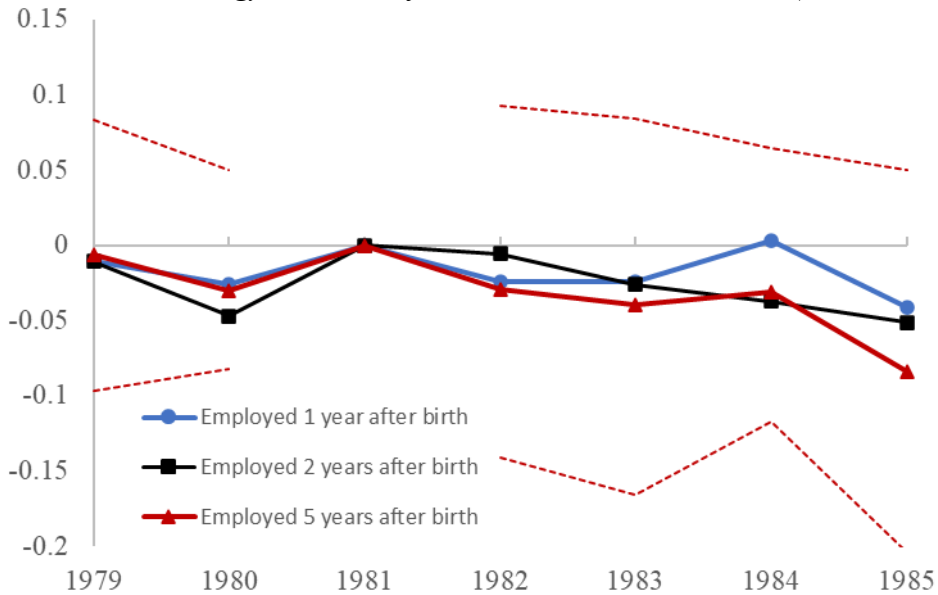
Notes: We present θ and π from equation (1), where the dependent variables are: maternity benefit take-up (panel A), maternity leave length (panel B), and maternity benefit receipt (panel C). These coefficients present the difference in outcomes among women living in the Baltic republics relative to in East European countries who have given birth in each year relative to the difference in 1981. The sample consists of women ages 18 to 33 who are eligible for maternity benefits, gave birth in the year of observation, and are married at birth. The x-axis represents the year a woman gave birth. Dashed lines construct 95-percent, point-wise confidence intervals using the wild-cluster bootstrap. Standard errors are clustered at the country-level. Source: SHARE.

Figure 4. Effect of maternity benefits on female employment after birth

A. Main strategy: Baltic vs. East European countries



B. Alternative strategy: mothers of newborns vs. older children (Baltics only)



Notes: We present estimates of θ and π from equation (1) in panel A and equation (2) in panel B, where the dependent variable is whether employed 1, 2, and 5 years since giving birth. In panel A, the sample consists of women ages 18 to 33 in both Baltic and Eastern European countries, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The coefficients present the difference in probability of post-birth employment among women living in the Baltic republics relative to in Eastern Europe, who have given birth in each year relative to the difference in 1981. In panel B, the sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, while mothers of 4-year-olds are married when their child is age 4. The coefficients present the difference in probability of post-birth employment among women in the Baltics with newborns (treatment) relative to women in the Baltics with 4-year-olds (comparison) in each year relative to the difference in 1981. Dashed

lines construct 95-percent, point-wise confidence intervals. In panel A, we cluster standard errors at the country-level, while in panel B we cluster the standard errors by country and whether have a newborn (relative to a 4-year-old). Source: SHARE.

ONLINE APPENDICES

APPENDIX A

1. Divorce and Remarriage in the Soviet Baltic Republics

Women initiated most divorces in the Soviet Union in this period (Bazyler 1990). Child support was awarded to mothers in most divorces. Fathers were required to pay 25% of their salary as child support for a single child, 33% for two children and 50% for three or more children (Bazyler 1990) although child support was weakly enforced, and many fathers failed to pay it regularly (Moskoff 1983). Monthly child allowances for single women were 5 to 10% of the average female monthly wage in the Baltics (David and McIntyre 1981). Remarriage rates were similar by gender in the Baltic countries. For men aged 18 to 34 who married in Lithuania in 1989, 10.9% had been married previously, versus 10.5% of Lithuanian women in the same age group. For Latvia the corresponding figures are 16.0% for men and 16.5% for women, and in Estonia 14.0% of men had been married previously as compared with 16.2% of women (calculated from Goskomstat 1990). We have been unable to find information on child support, divorce initiation or remarriage for other countries in this period.

References:

Bazyler, Michael J. 1990. "Soviet Family Law" *University of Kansas Law Review* 39 (1): 125-174.

David, Henry P. and Robert J. McIntyre. 1981. *Reproductive Behavior: Central and Eastern European Experience*. (New York: Springer Publishing Company).

Goskomstat. 1990. *Demograficheskii ezhegodnik SSSR 1990 [Demographic Yearbook of the USSR 1990]*. (Moscow: Financy i Statistika).

Moskoff, William. 1983. "Divorce in the USSR." *Journal of Marriage and Family* 45(2): 419-425.

2. Maternity Leave Policies in Eastern Europe

(a). Bulgaria

From 1973, women received four months of job-protected maternity leave for the first child, five months for the second child, six months for the third child (and so on) paid at 100% of the previous salary. Additional job-protected leave of up to two years paid at a flat rate equal to the minimum wage was also provided. There were no changes to this policy during our study period.

Source: Vassilev, Dimiter. "Bulgaria," in Henry P. David, ed., *From Abortion to Contraception: A Resource to Public Policies and Reproductive Behavior in Central and Eastern Europe from 1917 to the Present* (Westport, CT and London: Greenwood Press, 1999), 69-89.

(b). Czechoslovakia

Two maternity leave programs were in place during our study period:

(1) Maternity leave: Job-protected maternity leave paid at 90% of the woman's net average earnings for 26 weeks in 1968-1986, extended to 28 weeks in 1987.

(2) Extended maternity leave: Job-protected extended maternity leave taken after regular maternity leave was exhausted. Implemented in 1970, women with at least two children received a flat payment of 25% to 33% of the average female salary up to the child's 2nd birthday (Hašková et al. report 25%; OECD reports 33%). Women with one child could take unpaid leave up to the child's 2nd birthday. In 1985 women with one child became eligible for the 25-33% flat payment until the child's 1st birthday. In 1988 women with at least two children could take up to three years of extended maternity leave.

Sources:

Hašková, Hana, Hana Maříková and Zuzana Uhde (2009). "Leaves, Allowances, and Facilities: Childcare Past and Present," in Hana Hašková and Zuzana Uhde, eds., *Women and Social Citizenship in Czech Society: Continuity and Change* (Prague: Institute of Sociology, Academy of Sciences of the Czech Republic), 72-134.

Kocourková, Jiřina. 2011. "Czech Republic: Normative or Choice-Oriented System?" in Sheila B. Kamerman and Peter Moss, eds., *The Politics of Parental Leave Policies*, Bristol University Press, 51-67.

[OECD Family Database Annex.](#)

(c). Hungary

Three maternity leave programs were in place during our study period:

(1) Maternity leave: 12 weeks of maternity leave paid at 100% of pre-birth earnings starting in the 1960s.

(2) Extended maternity leave ("GYES" program): Created in 1967, GYES provided job-protected paid leave after regular maternity leave was exhausted. Women received a flat payment equal to the minimum old-age pension (30-40% of average female wages) until the child turned 2 ½. GYES was extended to child's 3rd birthday in 1969.

(3) Additional maternity leave ("GYED"): Introduced in 1985, GYED provided job-protected paid leave after regular maternity leave was exhausted. Women received an income-related payment of 65-75% of earnings until the child's 1st birthday. Women go onto GYES after GYED is exhausted. GYED was extended to 1.5 years in 1986 and 2 years in 1987.

Note that there is no change in the total paid leave available for mothers in Hungary over the study period (162 weeks).

Sources:

Korintas, Marta and Nada Stropnik. 2011. "Hungary and Slovenia: Long Leave or Short?" in Sheila B. Kamerman and Peter Moss, eds., *The Politics of Parental Leave Policies*, Bristol University Press, 135-157.

[OECD Family Database Annex.](#)

Spéder, Zsolt and Ferenc Kamarás (2008). "Hungary: Secular Fertility Decline with Distinct Period Fluctuations," *Demographic Research* 19: 599-664.

(d). Romania:

Starting in 1966, women could take 112 days of maternity leave paid at a rate of 55% to 85% of previous salary depending on work experience and birth parity. There were no changes to this policy during our study period.

Sources:

Baban, Adriana, "Romania," in Henry P. David, ed., *From Abortion to Contraception: A Resource to Public Policies and Reproductive Behavior in Central and Eastern Europe from 1917 to the Present* (Westport, CT and London: Greenwood Press, 1999), 191-221.

Muresan, Cornelia, Paul-Teodor Haragus, Mihaela Haragus and Christin Schröder. (2008) "Romania: Childbearing Metamorphosis Within a Changing Context," *Demographic Research* 19: 855-906.

3. Details of the Maternity Benefit Program

Table A1 presents additional paid leave payments (column 4) and cash payments at birth (column 3) by month (column 2) and year of birth (column 1). It also presents months of additional paid leave (column 5) corresponding to additional paid leave in rubles. The table includes additional benefits introduced through the maternity benefit program. Mothers who gave birth in September 1982 and after were eligible for the full paid leave of 10 months at 35 rubles per month (350 rubles). Even though benefits went into effect in November of 1982, women could receive them for the remaining months until a child turned one. Full-replacement maternity benefits for two months after birth already existed, so the new benefits were paid out 3 to 12 months after birth. Thus, if a child was born in September 1982, a woman received the first payment of partially paid parental leave in November 1982. Births before September 1982 were progressively eligible for fewer months of paid leave: those born in August of 1982 were eligible for 9 months (315 rubles), while those born in December of 1981 were eligible for 1 month (35 rubles). Births before December 1981 were not eligible for any additional paid leave.

The cash payment was paid once at the birth of the child and equaled to 50 rubles for the first birth and 100 rubles for the second or third birth. We denote it as B in table A1. The cash payment equaled to 0 rubles for women who gave birth before November 1982, and the full amount for women who gave birth in November 1982 and after.

Note that the maternity benefits program also extended job-protected unpaid leave to 18 months, from a previous level of 12 months. This expansion is described in table A1 under ‘months of additional unpaid leave’ (column 6). Thus, women who gave birth in November 1981 and after were eligible for the full extra 6 months of job-protected unpaid leave until the child turned 18 months; women who gave birth in June 1981 were eligible for 1 extra month of job-protected unpaid leave until the child turned 18 months. However, women could take this leave only after November 1982 for the remaining months until their child turned 18 months old.

Second, we construct average female wages from 1980 until 1990. Data on wages by gender were not published in the Soviet Union. Instead, we have collected archival data on average female wages in each Baltic republic by education. We have constructed wages for three educational categories: (1) less than high school (incomplete secondary and less), (2) secondary (general secondary, specialized secondary and incomplete higher), and (3) higher (completed higher education). These data are taken from a large survey conducted in 1981.

The wage data are tabulations for each republic by wage intervals and education levels of women. For each education level, the data include the share of women in each wage interval. We calculate the midpoint of each wage interval and calculate average female wages within each educational category by taking a weighted average of midpoints of wage intervals. The educational categories present include: completed higher, incomplete higher, specialized secondary, general secondary, incomplete secondary, primary, and less than primary. To group these, we use the share

of women in each educational group from 1979 to provide weights of women in each educational category.

Finally, we construct the benefit replacement rate, which equals to: $(\text{total paid leave payments} + \text{cash payment at birth}) / (\text{Average female monthly wage} * 12 \text{ months})$. Table A3 presents the average monthly wages of women in 1981 by three education groups in different republics in our sample. It also presents the maternity benefits replacement rate for the first child, and for the second child.

For additional information on the program, see RFE-RL 158/81 “Maternity Benefits for Soviet Women Are Expanded”, April 10, 1981 and RFE-RL 353.81 “Dates for Introduction of New Maternity Benefits Set”, Sept. 8, 1981.

Table A1. Maternity Benefits by Month and Country of Birth

(1)	(2)	(3)	(4)	(5)	(6)
Year of Birth	Month of Birth	Cash Payments at Birth (rubles)	Additional Paid Leave (rubles)	Months of Additional Paid Leave	Months of Additional Unpaid Leave
≤1980	All	0	0	0	0
1981	Apr	0	0	0	0
1981	May	0	0	0	0
1981	Jun	0	0	0	1
1981	Jul	0	0	0	2
1981	Aug	0	0	0	3
1981	Sep	0	0	0	4
1981	Oct	0	0	0	5
1981	Nov	0	0	0	6
1981	Dec	0	35	1	6
1982	Jan	0	70	2	6
1982	Feb	0	105	3	6
1982	Mar	0	140	4	6
1982	Apr	0	175	5	6
1982	May	0	210	6	6
1982	Jun	0	245	7	6
1982	Jul	0	280	8	6
1982	Aug	0	315	9	6
1982	Sep	0	350	10	6
1982	Oct	0	350	10	6
1982	Nov	B	350	10	6
1982	Dec	B	350	10	6
≥1983	all	B	350	10	6

Notes: This table presents additional benefits from the maternity benefits program by year of birth (column 1) and month of birth (column 2). The variables include: additional cash payments at birth in rubles (column 3), additional paid leave in rubles (column 4), additional months of paid leave (column 5), and additional months of job-protected unpaid leave (column 6). B equals to 50 rubles for first births and 100 rubles for second and third births.

Table A2. Archival Sources of Wage Data

Country	Year	Source
Lithuania	1981	RGAE f. 1562 op. 64 d. 2463
Latvia	1981	RGAE f. 1562 op. 64 d. 2467
Estonia	1981	RGAE f. 1562 op. 64 d. 2477

Notes: The titles of these documents are “Tables for *Republic* of data of a one-time survey of income of families of workers over September of *Year*”. These data are available for all Baltic republics, and years 1981, 1984 and 1989.

Table A3. Average Monthly Wages of Women and Maternity Benefit Replacement Rates in the Baltic Republics

	(1)	(2)	(3)	(4)
<i>A. Average wages for women in 1981 (in rubles)</i>				
Country	All	< High School	Secondary	Higher
Lithuania	136.1	133.4	128.1	176.3
Latvia	140.5	141.8	133.9	166.5
Estonia	149.5	148.3	143.8	177.5
<i>B. First child maternity benefit replacement rate</i>				
Lithuania	24.5%	25.0%	26.0%	18.9%
Latvia	23.7%	23.5%	24.9%	20.0%
Estonia	22.3%	22.5%	23.2%	18.8%
<i>C. Second or third child maternity benefit replacement rate</i>				
Lithuania	27.6%	28.1%	29.3%	21.3%
Latvia	26.7%	26.4%	28.0%	22.5%
Estonia	25.1%	25.3%	26.1%	21.1%

Notes: Panel A presents average monthly wages of women in 1981 by Baltic republic and level of education. Panels B and C present the average replacement rate of benefits in 1983, for first or second and third births, respectively. The replacement rate equals the total maternity benefits (paid leave for 10 months+cash payment at birth) divided by the average annual female wage. Sources: table A1 and table A2.

APPENDIX B

Eligibility for Maternity Benefits Creation in SHARE

We create annual indicators for maternity benefits eligibility using our data. Eligibility is defined each year, based on working history and current schooling status, and may vary across years for the same individual. The variables we use to create eligibility indicators include: working status, whether in education, and whether had a child.

We list an individual as eligible for maternity benefits in the year of observation if:

1. Worked last year and worked this year if did not have a child this year.
2. Worked last year, but did not work this year if had a child this year.
3. Did not work this year, but had a child last year and was eligible last year.
4. Enrolled in any schooling this year.

We list an individual as eligible for maternity benefits in the year of observation if:

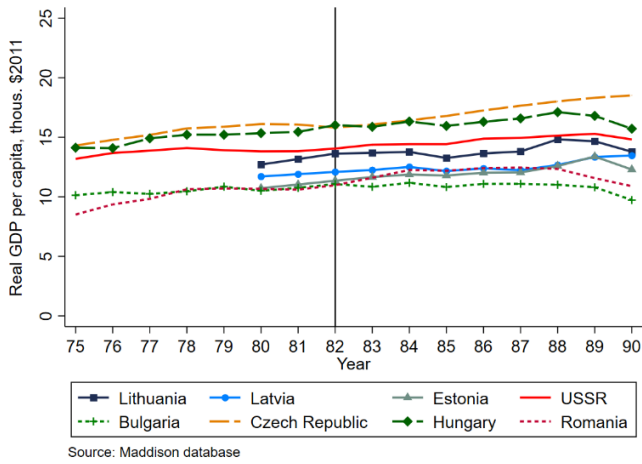
1. Did not work last year, as long as did not have a child last year and was not eligible last year.
2. Did not work this year and did not have a child this year, so long as did not have a child last year and was not eligible last year.

APPENDIX C

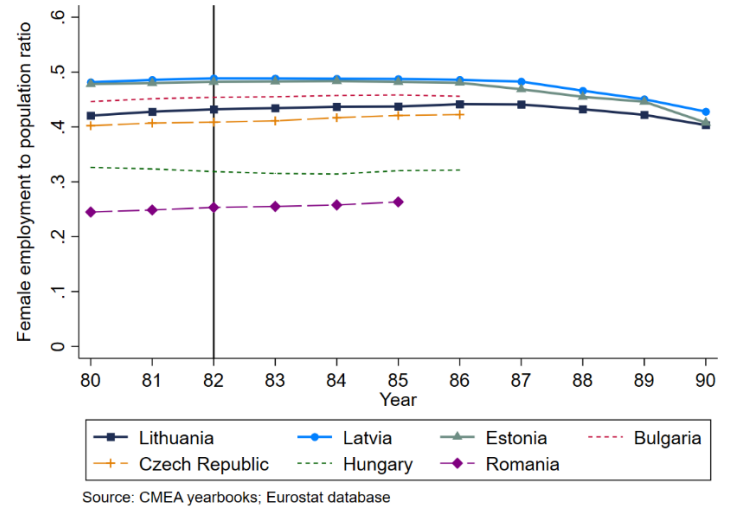
Figures and Tables

Figure C1. Evolution of Country Characteristics over Time

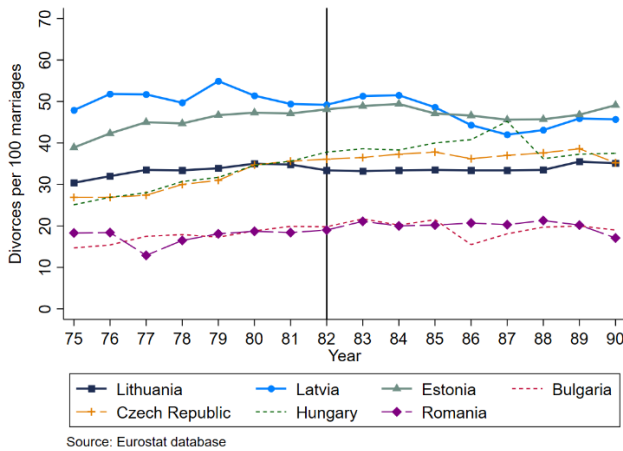
A. Real GDP per Capita (thous. \$2011)



B. Female Employment Population Ratio



C. Divorces per 100 Marriages

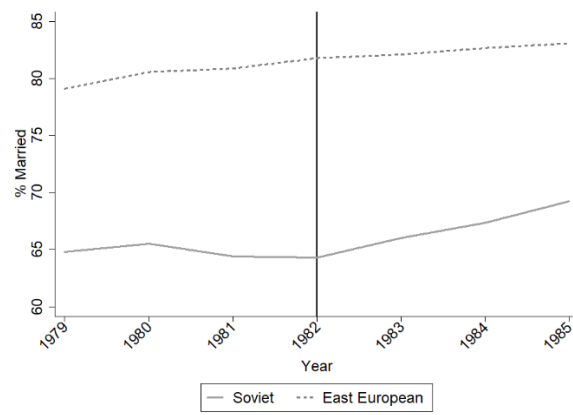
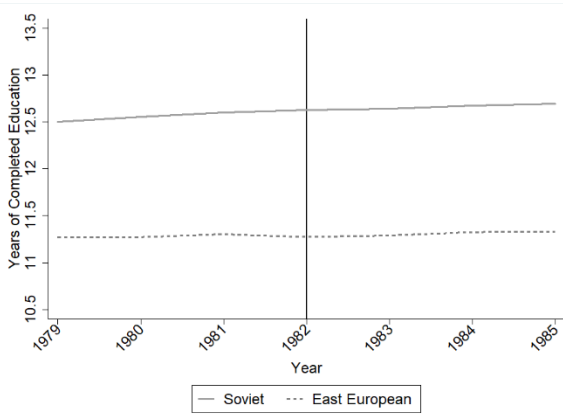


Notes: Panel A graphs real GDP per capita, which is unavailable for the Baltic countries prior to 1980. Panel B graphs the total number of women employed divided by the total number of women. Consistent data for Eastern Europe is unavailable after 1986. Panel C graphs the total number of divorces by the total number of marriages among the entire population. Sources: Maddison database, CMEA yearbooks, and the Eurostat database.

Figure C2. Evolution of Maternal Characteristics over Time

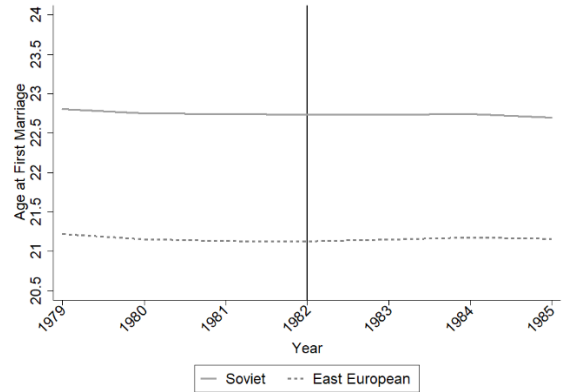
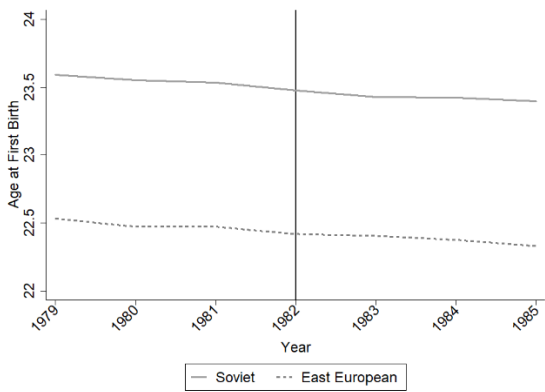
A. Years of Completed Education

B. % Married



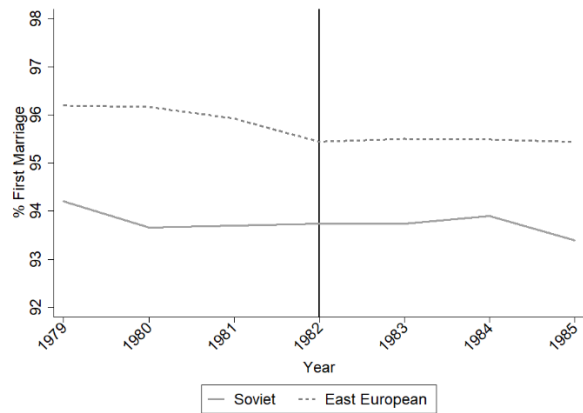
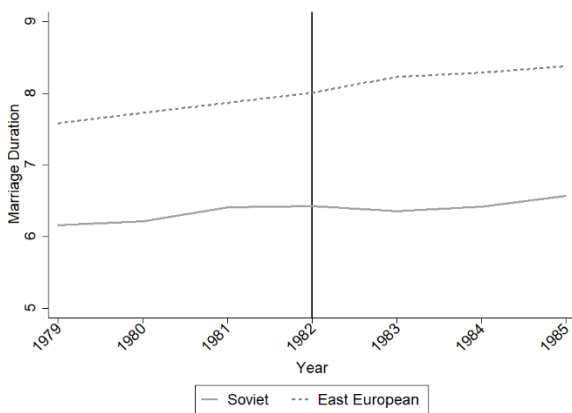
C. Age at First Birth

D. Age at First Marriage

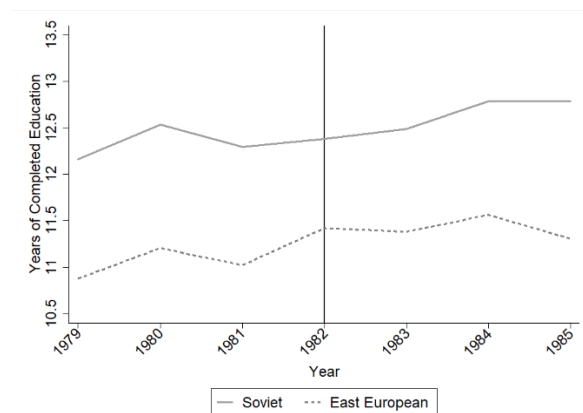


E. Marriage Duration in years

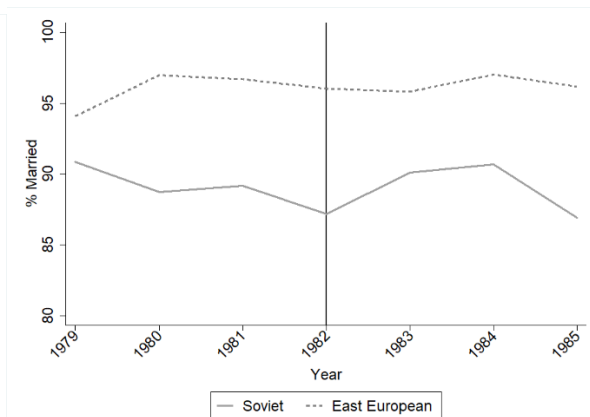
F. % First Marriage



G. Years of Completed Education (gave birth)

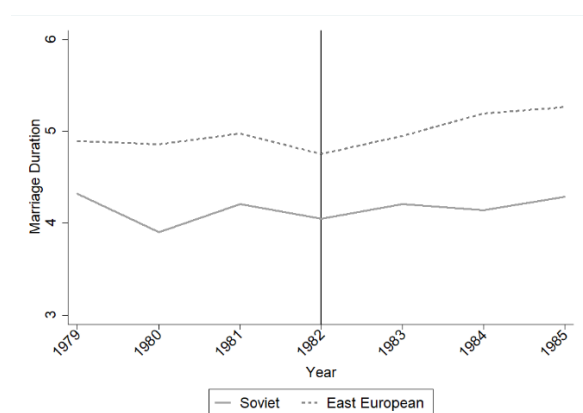


H. Married (gave birth)

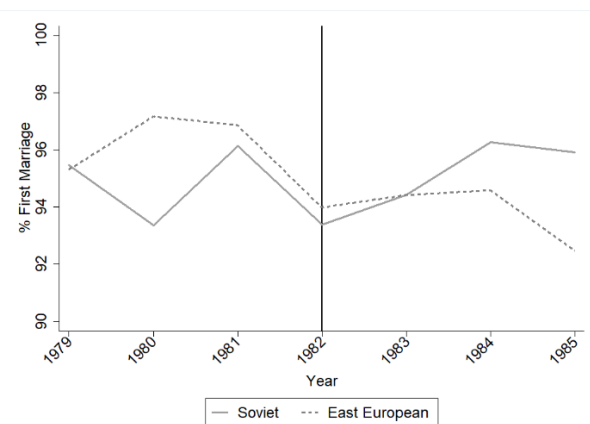


I.

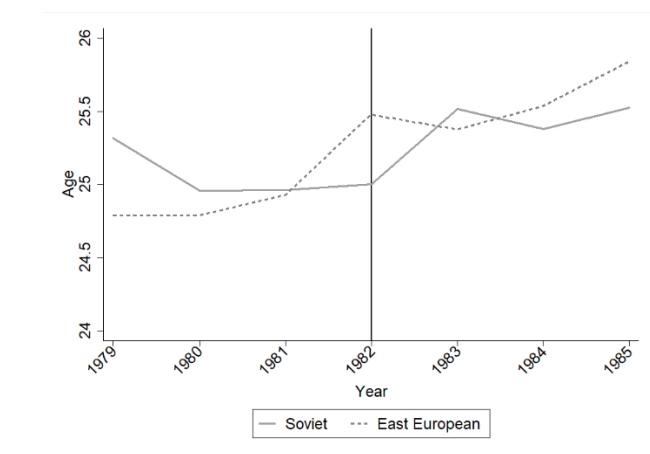
Marriage Duration in years (gave birth)



J. % First Marriage (gave birth)

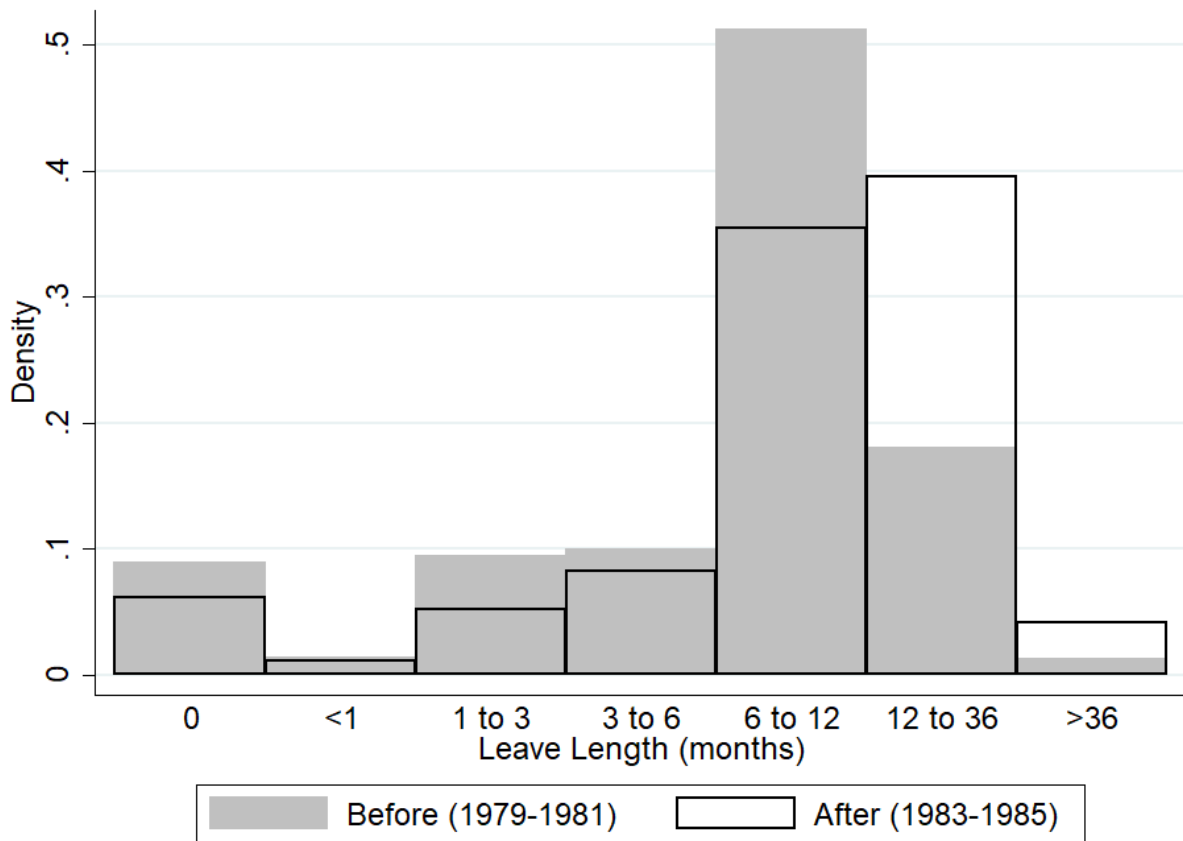


K. Age (gave birth)



Notes: Panels A to F are for the sample of all women ages 18 to 33 in our sample of countries, while panels E and F are necessarily restricted to married women. Panels G to K are for the sample of all women ages 18 to 33 who gave birth in the reference year (x-axis), while panels I and J are necessarily restricted to married women. Years of completed education is at the time of the SHARE survey in the 2000s, so it may be higher than education in the reference year.

Figure C3. Distribution of Maternity Leave Length before and after the Program



Notes: This histogram shows the distribution of maternity leave length among mothers who gave birth before and after the maternity benefit program in the Baltics. We restrict the sample to women in our analysis (see table 2). The x-axis is leave length, which is reported in intervals. Source: SHARE.

Table C1. Effect of Maternity Benefits on Marital Stability after Birth: Adding Covariates

		(1)	(2)	(3)	(4)
Dependent Variable	<i>A. Married 1 Year After Birth</i>				
Before Program	Coef	0.00817	0.00808	0.00781	0.0022
	pval	0.408	0.336	0.344	0.739
After Program	Coef	0.0106**	0.0102**	0.0105**	0.0154**
	pval	0.042	0.038	0.036	0.012
# Observations		3409	3409	3409	3409
Dep Var Mean		0.9930	0.9930	0.9930	0.9930
Dependent Variable	<i>B. Ever Divorced 5 Years After Birth</i>				
Before Program	Coef	-0.0213	-0.0175	-0.018	-0.0157
	pval	0.24	0.316	0.282	0.394
After Program	Coef	-0.0368**	-0.0367**	-0.0377**	-0.0364**
	pval	0.014	0.014	0.014	0.050
# Observations		3409	3409	3409	3409
Dep Var Mean		0.0605	0.0605	0.0605	0.0605

Notes: These difference in differences coefficients summarize results from equation (1). The sample consists of women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. ‘Before Program’ is a dummy for year 1979 interacted with a Baltic republic dummy, while ‘after program’ is a dummy for years 1983 to 1985 interacted with a Baltic republic dummy and measures the effect of the maternity benefit program on post-birth marital stability. The omitted reference time period consists of years 1980 and 1981. This specification also includes a dummy for 1982, but we do not report that coefficient. Column 1 includes country, number of previous children, country by previous number of children, and year fixed effects; column 2 adds birth year, and years of education fixed effects, and marital duration at birth; column 3 adds dummies for the number of children ages 0 to 5, 6 to 12, and 13 to 17; column 4 adds annual country-level real GDP per capita in 2011 US\$, production of electro energy (milliards kilowatt-hours), number of doctors per 10,000 people, and the share of the population living in urban areas. The ‘dep var mean’ is the pre-treatment dependent variable mean in the Baltic republics in 1979-1981. Standard errors are clustered at the country-level and are estimated using the wild cluster bootstrap. As a result, p-values are presented under the coefficients. Sources: SHARE; Maddison Historical Statistics; Goskmostat SSSR; CMEA. Statistically significant at ***0.01, **0.05, and *0.10.

Table C2. Effect of Maternity Benefits on Marital Stability, Maternity Leave Length and Employment After Birth: Detrended Results

<i>A. Marital Stability</i>						
		(1)	(2)	(3)	(4)	(5)
		Married			Ever Divorced	
Dependent Variable		1 Year after Birth	4 Years after Birth	5 Years after Birth	4 Years after Birth	5 Years after Birth
After Program	Coef	0.0232***	0.0335***	0.0921***	-0.0434***	-0.111***
	pval	0	0.004	0.004	0.002	0.002
# Observations		3409	3409	3409	3409	3409
Dep Var Mean		0.993	0.958	0.949	0.0484	0.0605
<i>B. Leave and Work Outcomes</i>						
		(1)	(2)	(3)	(4)	(5)
		Maternity			Work 1	Work 5
Dependent Variable		Took Any Leave	Leave Length (months)	Received Maternity Benefits	Year after Birth	Years after birth
After Program	Coef	-0.0313	2.411**	0.165***	-0.0361	0.0102
	pval	0.203	0.0313	0	0.125	0.563
# Observations		3249	3249	3409	3409	3409
Dep Var Mean		0.918	10.32	0.401	0.913	0.957

Notes: These difference in differences coefficients summarize the results from equation (1), after we remove linear pre-trends by treatment group. The sample consists of women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The dependent variables vary by column: whether married 1, 4 or 5 years after birth (panel A, columns 1, 2 and 3), whether ever divorced within 4 or 5 years after birth (panel A, columns 4 and 5), whether took any maternity leave (panel B, column 1), maternity leave length in months (panel B, column 2), whether received maternity benefits (panel B, column 3), whether employed 1 year after birth (panel B, column 4) and whether employed 5 years after birth (panel B, column 5). See notes for table C1. Source: SHARE.

Table C3. Effect of Maternity Benefits on Marital Stability, Maternity Leave Length and Employment After Birth: Results by Country

Country		(1)	(2)	(3)	(4)	(5)	(6)
		Lithuania	Latvia	Estonia	Lithuania	Latvia	Estonia
		A. Married 1 Year after Birth			B. Ever Divorced 5 Years after Birth		
After Program	Coef	0.00394	0.0101	0.0134*	-0.0595	-0.0376	-0.0244
	pval	0.410	0.320	0.056	0.232	0.551	0.264
# Observations		2157	2071	2604	2156	2071	2603
Dep Var Mean		1	0.986	0.993	0.0659	0.0839	0.0501
		C. Took any Leave			D. Maternity Benefits Receipt		
After Program	Coef	0.00481	0.034	0.0153	0.197	0.145**	0.164**
	pval	0.765	0.494	0.517	0.160	0.044	0.022
# Observations		2046	1958	2474	2157	2071	2604
Dep Var Mean		0.96	0.928	0.896	0.484	0.483	0.337
		E. Maternity Leave Length			F. Employed 5 Years after Birth		
After Program	Coef	6.156**	3.718*	5.258**	-0.00314	0.0223	-0.0352
	pval	0.049	0.092	0.016	0.797	0.402	0.154
# Observations		2046	1958	2474	2156	2071	2603
Dep Var Mean		10.51	9.68	10.45	0.951	0.944	0.964
		G. Employed 1 Year after Birth					
After Program	Coef	-0.0568	-0.018	-0.0368			
	pval	0.170	0.547	0.202			
# Observations		2157	2071	2604			
Dep Var Mean		0.945	0.902	0.902			

Notes: These difference in differences coefficients summarize the results from equation (1). The sample consists of women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The dependent variables vary by panel: whether married 1 year after birth (panel A), whether ever divorced within 5 years after birth (panel B), whether took any maternity leave (panel C), whether received maternity benefits (panel D), maternity leave length in months (panel E), whether employed 1 year after birth (panel F) and whether employed 5 years after birth (panel G). See notes for table C1. Source: SHARE.

Table C4. Effect of Maternity Benefits on Marital Stability, Maternity Leave Length and Employment After Birth: Excluding One Country at a Time

		Excluded Country			
		Bulgaria	Czech Republic	Hungary	Romania
Dep Var		<i>A. Married 1 Year after Birth</i>			
After Program	Coef	0.0112**	0.0126***	0.00964*	0.00877
	pval	0.040	0.010	0.0561	0.108
# Observations		3140	2608	3159	3017
Dep Var Mean		0.993	0.993	0.993	0.993
Dep Var		<i>B. Ever Divorced 5 Years after Birth</i>			
After Program	Coef	-0.0391**	-0.0289**	-0.0419**	-0.0408**
	pval	0.034	0.026	0.022	0.026
# Observations		3140	2608	3159	3017
Dep Var Mean		0.0605	0.0605	0.0605	0.0605
Dep Var		<i>C. Took Any Leave</i>			
After Program	Coef	0.0126	-0.0119	0.0149	0.023
	pval	0.735	0.515	0.667	0.490
# Observations		2993	2462	3014	2912
Dep Var Mean		0.918	0.918	0.918	0.918
Dep Var		<i>D. Leave Length</i>			
After Program	Coef	5.186***	4.897***	4.97***	5.132***
	pval	0.006	0.004	0	0.004
# Observations		2993	2462	3014	2912
Dep Var Mean		10.32	10.32	10.32	10.32
Dep Var		<i>E. Received Maternity Benefits</i>			
After Program	Coef	0.179***	0.164**	0.168**	0.188***
	pval	0.010	0.012	0.016	0.008
# Observations		3140	2608	3159	3017
Dep Var Mean		0.401	0.401	0.401	0.401
Dep Var		<i>F. Employed 1 Year after Birth</i>			
After Program	Coef	-0.0277	-0.0483	-0.0449**	-0.0254
	pval	0.130	0.190	0.026	0.154
# Observations		3140	2608	3159	3017
Dep Var Mean		0.913	0.913	0.913	0.913
Dep Var		<i>G. Employed 5 Years after Birth</i>			
After Program	Coef	-0.0107	-0.00654	-0.0233	-0.0138
	pval	0.645	0.759	0.206	0.505
# Observations		3140	2608	3159	3017
Dep Var Mean		0.957	0.957	0.957	0.957

Notes: These difference in differences coefficients summarize the results from equation (1), where one East European control country is omitted from the regression in each column. The sample consists of women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The dependent variables vary by panel. See notes for table C1. Source: SHARE.

Table C5. Effect of Maternity Benefits on Marital Stability, Maternity Leave Length and Employment After Birth: Dropping 1985

		<i>A. Marital Stability</i>				
		(1)	(2)	(3)	(4)	(5)
			Married		Ever Divorced	
			4 Years	5 Years	4 Years	5 Years
		1 Year	After	After	after	after
		After Birth	Birth	Birth	Birth	Birth
After Program	Coef	0.0138**	0.0204**	0.0298	-0.026**	-0.0429**
	pval	0.040	0.026	0.110	0.018	0.020
# Observations		2769	2769	2769	2769	2769
Dep Var Mean		0.993	0.958	0.949	0.0484	0.0605
		<i>B. Leave and Work Outcomes</i>				
		(6)	(7)	(8)	(9)	(10)
			Maternity		Work 1	Work 5
			Leave	Received	Year	Years
		Took Any	Length	Maternity	after	after
		Leave	(months)	Benefits	Birth	birth
After Program	Coef	0.024	4.691***	0.164***	-0.0291	-0.00538
	pval	0.587	0.008	0	0.210	0.837
# Observations		2645	2645	2769	2769	2769
Dep Var Mean		0.918	10.32	0.401	0.913	0.957

Notes: These difference in differences coefficients summarize the results from equation (1), where the year 1985 is dropped. The sample consists of women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation, and were married at the time of birth. The dependent variables vary by column: whether married 1, 4 or 5 years after birth (panel A, columns 1, 2 and 3), whether ever divorced within 4 or 5 years after birth (panel A, columns 4 and 5), whether took any maternity leave (panel B, column 6), maternity leave length in months (panel B, column 7), whether received maternity benefits (panel B, column 8), whether employed 1 year after birth (panel B, column 9) and whether employed 5 years after birth (panel B, column 10). See notes for table C1. Source: SHARE.

Table C6. Effect of Maternity Benefits on Marital Stability after Birth: Adding Covariates, Alternative Strategy in the Baltic Republics

		(1)	(2)	(3)	(4)
Dependent Variable	<i>A. Married 1 Year After Birth</i>				
Before Program	Coef	0.0137	0.0145	0.0127	0.0131
	pval	0.202	0.152	0.164	0.252
After Program	Coef	0.0106*	0.00971	0.00952*	0.00984
	pval	0.052	0.102	0.094	0.140
# Observations		2983	2983	2983	2983
Dep Var Mean		0.9930	0.9930	0.9930	0.9930
Dependent Variable	<i>B. Ever Divorced 5 Years After Birth</i>				
Before Program	Coef	-0.0263*	-0.0215	-0.0221	-0.0227
	pval	0.086	0.278	0.484	0.607
After Program	Coef	-0.0313	-0.037**	-0.0374**	-0.0363**
	pval	0.138	0.040	0.042	0.014
# Observations		2983	2983	2983	2983
Dep Var Mean		0.0605	0.0605	0.0605	0.0605

Notes: These difference in differences coefficients summarize results from equation (2). The sample includes women in the Baltics, ages 18 to 33, eligible for maternity benefits, gave birth or had a 4-year old and were married in the year of observation (1979 to 1985). ‘Before Program’ is a dummy for year 1979 interacted with a Baltic republic dummy, while ‘after program’ is a dummy for years 1983 to 1985 interacted with a Baltic republic dummy. The omitted reference time period consists of years 1980 and 1981. This specification also includes a dummy for 1982, but we do not report that coefficient. Column 1 includes country, number of previous children, country by previous number of children, whether have a newborn (relative to a 4-year old), country by whether have a newborn, and year fixed effects; column 2 adds birth year, and years of education fixed effects, and marital duration (at the time of birth for mothers of newborns, and when the child is 4 for mothers of 4-year-olds); column 3 adds dummies for the number of children ages 0 to 5, 6 to 12, and 13 to 17; column 4 adds country by year fixed effects. The ‘dep var mean’ is the pre-treatment dependent variable mean for mothers who gave birth from 1979 to 1981. Standard errors are clustered at the country by whether have a newborn level and are estimated using the wild cluster bootstrap. As a result, p-values are presented under the coefficients. Sources: SHARE. Statistically significant at ***0.01, **0.05, and *0.10.

Table C7. Effect of Maternity Benefits in the Alternative Strategy: Detrended Results

		<i>A. Marital Stability</i>				
		(1)	(2)	(3)	(4)	(5)
			Married	5 Years After Birth	Ever Divorced	
		1 Year After Birth	4 Years After Birth		4 Years after Birth	5 Years after Birth
After Program	Coef	0.00544	0.0389**	0.0337**	-0.0299***	-0.0303***
	pval	0.42	0.028	0.018	0.010	0.010
# Observations		2983	2983	2983	2983	2983
Dep Var Mean		0.993	0.958	0.949	0.0484	0.0605
		<i>B. Work Outcomes</i>				
		(4)	(5)			
		Work 1 Year after Birth	Work 5 Years after birth			
After Program	Coef	-0.00819	-0.039			
	pval	0.729	0.178			
# Observations		2983	2983			
Dep Var Mean		0.913	0.957			

Notes: This table presents estimates of the effect of maternity benefits on marital stability after birth using equation (2), after we remove linear pre-trends by treatment group. Mothers of 4-year-olds serve as controls for mothers of newborns. The sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, and mothers of 4-year-olds are married when their child is age 4. See notes for table C6. Source: SHARE.

Table C8. Placebo Test of Effect of Maternity Benefits on Marital Stability: Alternative Strategy in East European Countries

		<i>A. Short-Run (1 to 5 years after birth)</i>				
		(1)	(2)	(3)	(4)	(5)
			Married		Ever Divorced	
Dependent Variable		1 Year After Birth	4 Years After Birth	5 Years After Birth	4 Years after Birth	5 Years after Birth
Before Program	Coef	-0.00801	0.00466	0.0144*	0.00597	0.00515
	pval	0.368	0.607	0.0521	0.697	0.721
After Program	Coef	-0.00365	0.00936	0.00779	-0.00617	0.00225
	pval	0.513	0.124	0.603	0.382	0.839
# Observations		3564	3564	3564	3564	3564
Dep Var Mean		0.999	0.981	0.977	0.0218	0.0275
		<i>B. Medium-run (6 to 10 years after birth)</i>				
		(6)	(7)	(8)	(9)	(10)
		Ever Divorced after Birth				
Dependent Variable		6 Years after	7 Years after	8 Years after	9 Years after	10 Years after
Before Program	Coef	0.0108	0.00913	-0.00706	0.0088	0.0123
	pval	0.418	0.394	0.581	0.523	0.458
After Program	Coef	-0.00133	-0.000562	0.000958	0.00586	0.00784
	pval	0.857	0.961	0.949	0.641	0.525
# Observations		3564	3564	3564	3564	3564
Dep Var Mean		0.0333	0.0401	0.0459	0.055	0.0654
		<i>C. Long-run (11 to 20 years after birth)</i>				
		(11)	(12)	(13)	(14)	(15)
		Ever Divorced after Birth				
Dependent Variable		11 Years after	12 Years after	15 Years after	17 Years after	20 Years after
Before Program	Coef	0.0184	0.0106	0.0218	0.0216	0.0338
	pval	0.362	0.597	0.270	0.196	0.144
After Program	Coef	0.00717	0.00158	0.0192	0.0279	0.0269
	pval	0.615	0.905	0.188	0.162	0.232
# Observations		3564	3564	3564	3564	3564
Dep Var Mean		0.0711	0.0734	0.0837	0.0872	0.0929

Notes: These estimates are a placebo test of effects presented in table 5 and measure the effect of maternity benefits on marital stability after birth using equation (2), where mothers of 4-year-olds serve as controls for mothers of newborns. The sample consists of women in East European countries that were not affected by the maternity benefit program. See notes for table C6. Source: SHARE.

**Table C9. Effect of Maternity Benefits on Marital Stability, and Employment After Birth:
Alternative Strategy Results by Country**

Country		(1)	(2)	(3)	(4)	(5)	(6)
		Lithuania	Latvia	Estonia	Lithuania	Latvia	Estonia
Dependent Variable		<i>A. Married 1 Year after Birth</i>			<i>B. Ever Divorced 5 Years after Birth</i>		
After Program	Coef	-0.00162	0.00552	0.0114	-0.0301	-0.0329	-0.0375
	pval	0.801	0.679	0.288	0.631	0.198	0.246
# Observations		732	593	1657	732	593	1657
Dep Var Mean		1	0.986	0.993	0.0659	0.0839	0.0501
Dependent Variable		<i>F. Employed 1 Year after Birth</i>			<i>G. Employed 5 Years after Birth</i>		
After Program	Coef	0.00231	0.0207	-0.036	-0.0163	-0.0747	-0.0462
	pval	0.697	0.651	0.138	0.611	0.705	0.631
# Observations		732	593	1657	732	593	1657
Dep Var Mean		0.945	0.902	0.902	0.951	0.944	0.964

Notes: This table presents estimates of the effect of maternity benefits using equation (2), separately within each Baltic country. In this case mothers of 4-year-olds serve as controls for mothers of newborns. The sample consists of eligible women ages 18 to 33 in the Baltics, where mothers of newborns are married at the time of birth, and mothers of 4-year-olds are married when their child is age 4. See notes for table C6. Source: SHARE.

Table C10. Heterogeneous Effects of Maternity Benefits on Maternal Leave Length

Dependent Variable		(1)	(2)	(3)	(4)
		Maternity Leave Length			
		<i>A. Parity of New Child</i>		<i>B. Education</i>	
		First Child	Second and above	Secondary	Some College
After Program	Coef	5.718***	4.407**	4.38***	6.042**
	pval	0.008	0.036	0	0.018
# Observations		1437	1812	2054	1184
Dep Var Mean		10.58	10.09	10.89	9.774
		<i>C. Marriage Duration</i>		<i>D. Age</i>	
		≤4 years	>4 years	18-25	26-33
After Program	Coef	6.06***	3.776*	4.862***	4.914**
	pval	0.004	0.054	0.006	0.012
# Observations		1940	1269	1753	1496
Dep Var Mean		10.61	9.74	10.96	9.444

Notes: These coefficients summarize results from equation (1) by group. The sample includes women ages 18 to 33, who are eligible for maternity benefits, gave birth in the year of observation and were married at the time of birth. The dependent variable is the length of maternity leave in months. Panel A presents results separately by the parity of the new child; panel B by education groups, panel C by marriage duration at the time of birth, and panel D by age at the time of birth. See notes for table C1. Source: SHARE.