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In the U.S., Hispanics tend to have more children. But 'baby bonuses' have proved ineffective everywhere.



UPWARD MOBILITY

Want to Raise Birthrates? Immigration Is the Key

It isn't always easy to tell whether President Trump is serious or pulling our leg, and maybe that's the way he likes it. Reopening Alcatraz? Annexing Canada? A tariff on foreign films? Watching a movie made abroad is a threat to our national security, but using TikTok, a social-media platform owned by a company based in China, is nothing to worry about?

When the president was asked last month if the government should provide incentives for women to have more children, he responded: "Sounds like a good idea to me." Mr. Trump might be serious about this one. Members of his inner circle, including Elon Musk and Vice President JD Vance, have been vocal proponents of larger families. The administration reportedly has been fielding pro-natal proposals from conservative advocacy groups, one of which would provide a \$5,000 "baby bonus" to new mothers.

The concern about low fertility rates in the U.S. is warranted. A fertility rate of 2.1 children per woman is necessary to sustain replacement of the population. Last year, the U.S. birthrate was about 1.6. That was slightly above the record low set in 2023 but still below replacement level, which the U.S. hasn't seen since the mid-2000s. This matters in part because the age and growth rate of a country's population helps determine its economic prosperity. A growing populace can attract capital investment as the market for goods and services expands.

Significant innovations and discoveries more often come from people in their 30s and 40s. An aging population could harm our global competitiveness. And without enough young workers to replace retirees, health and pension costs can become debilitating.

Europe and Asia have already traveled much further down this demographic road. Japan's population peaked in 2009. In 1975, it had eight workers for every retiree. By 2005, the ratio had declined to 3.3 workers per retiree. "In 2011, for the first time, people in Japan bought more adult diapers than they did diapers for babies," wrote Jonathan Last in his book, "What to Expect When No One's Expecting."

Below-replacement fertility has likewise turned Europe into a giant retirement community. According to Eurostat, birthrates in the European Union averaged 1.38 in 2023, "ranging from 1.06 in Malta to 1.81 in Bulgaria." France (1.6), Germany (1.4), Italy (1.2) and Spain (1.1) were nowhere near replacement level.

Asian and European experiences are worth examining because the political leaders of these nations, like Mr. Trump, thought that monetary benefits would induce women to have more children. Taiwan has spent more than \$3 billion on natalist initiatives. France expanded a policy in 1994 that offered money to couples with multiple children to subsidize child-rearing costs. In 2006, when Russian per-capita income was \$10,700, Vladimir Putin doubled the government's monthly child-support payments and offered a \$9,200 baby bonus to mothers who had a second child. Russia's population was 143 million in 2006, where it roughly remains today.

Back home, progressives and big-government conservatives insist that more-generous welfare spending can reverse these population trends. Yet even Nordic societies that are known for generous maternity leave and child-care policies have also seen a dearth in newborns.

The challenges that advanced nations are facing stem from decades of progress for women. In addition to the role that contraception and reproductive rights have played in lowering fertility rates, more women attend college and join the workforce. They delay marriage and put off having children, which leads to fewer babies. Trying to bribe women into having more children than they want has been largely unsuccessful, even when the government offers to pay for child-care while mom returns to the office.

What has helped prevent U.S. birthrates from going off the deep end is the presence of Hispanics, who tend to have more children. On Monday, the administration announced that the government would pay illegal immigrants \$1,000 to self-deport with the prospect of returning through legal channels. "We're going to work with them so that maybe someday, with a little work, they can come back in if they're good people, if they're the kind of people that we want," Mr. Trump told reporters. If the president is serious, bringing them back could do a lot more than baby bonuses to address our demographic dilemma.

Mr. Trump has restored order to the southern border after four years of studied incompetence under President Biden. Illegal crossings have been reduced to a trickle, and violent migrants have been targeted for removal. It's exactly what he promised to do if re-elected. If the president wants to turn to addressing legal immigration, he now has the political capital and credibility to do so.

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