The Baby Boom and World War II:  
A Macroeconomic Analysis

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Abstract

We argue that one major cause of the U.S. postwar baby boom was the increased demand for female labor during World War II. We develop a quantitative dynamic general equilibrium model with endogenous fertility and female labor-force participation decisions. We use the model to assess the long-term implications of a one-time demand shock for female labor, such as the one experienced by American women during wartime mobilization. For the war generation, the shock leads to a persistent increase in female labor supply due to the accumulation of work experience. In contrast, younger women who turn adult after the war face increased labor-market competition, which impels them to exit the labor market and start having children earlier. In our calibrated model, this general-equilibrium effect generates a substantial baby boom followed by a baby bust, as well as patterns for age-specific labor-force participation and fertility rates that are consistent with U.S. data.