

*Pregnancy is a time of physiologic, mental and emotional change, when women are highly vulnerable to psychological distress and stress hormones are found to have negative impact on birth outcomes. Job loss, and in particular, layoffs, can be associated with strong effects on people's lives, but individuals who do not lose employment can still suffer from layoffs due to pessimistic job expectations. In this paper we aim to analyze the impact of exposure to stressful events during pregnancy on preterm births. We construct firm level layoff episodes and link them to pregnant employees' maternal leave records. We thus study if mass layoffs displacing pregnant mothers' coworkers exert any effect on birth outcomes. On top of that, we also exploit information on fathers employment records and study if similar episodes in fathers' workplaces have comparable effects. We find that firm level mass job losses have a statistically significant effect on preterm births. The next steps of the project will focus on understanding heterogeneity in these effects, at both the firm and the mothers/fathers level.*