ECONOMICS OF POPULATION

READING LIST

January 14  Modern Economic and the Demographic Transition: Puzzles
January 21  I. Private and Social Returns To, and Investments In, Schooling
January 28  II. Health: Length of Life, Stature, Sickness
February 4  III. Individual Behavior: Production-consumption
February 11 IV. Family Coordination: Unified or Bargaining
February 18 V. Family Life Cycle: Marriage, Fertility and Post-school Training
February 25 VI. Quantity and Quality of Children: Tradeoff between Fertility and Investments in the Human Capital of Children

March 4 - MIDTERM EXAM

SPRING VACATION

March 25  VII. Gender Gap in Human Capital
April 1   VIII. Wage Differences: Supply and Demand and Cohort Size
April 8   IX. Intergenerational Mobility: Genetic Inheritance, Human Capital and Transfers
April 15  X. Pre-industrial Economic-Demographic Equilibrium
April 22 XI. Family Coping Strategies: Lifecycle Savings or Intergenerational Exchange and Consumption Smoothing and Age Composition Effects

May 9 - PAPERS DUE

Recommended Book Purchases: My textbook Economics of the Population (Addison Wesley, 1981) roughly parallels the course. It is out of print and my secretary has photocopies she can order for $10. Becker's A Treatise on the Family is an influential perspective on the field which is required reading for the most part and may be acquired in paperback at the Yale Bookstore. Look for 2nd edition.

Graduate students interested in household economics should acquire M. Rosenzweig and O. Stark, Handbook of Population and Family Economics, Vol 1A (Elsevier Science Pub, 1997), A. Deaton and J. Muellbauer, Economics and Consumer Behavior (Cambridge University Press, 1980), and

**Reading List:** Required reading is denoted (*) while other items (below the line) provide alternative viewpoints or greater depth that might be particularly useful in preparing a research paper.

Frequently used items are on overnight reserve at Social Science Library (S) or Cross Campus Libraries (C), sometimes in photocopy or reprint (X) form on reserve only at Social Science Library.

**Let Me Know Promptly If You Cannot Locate Any Item.**

**Seminar Objectives:** First, the seminar develops economic approaches to the study of population changes. Specifically, the micro economic demand framework of household consumption, labor supply and production is used to interpret health and mortality, fertility, nutrition, and the changing character of the family and gender roles. Simple game theoretic approaches to bargaining and marriage are discussed as an alternative framework to the standard neoclassical model of the integrated family. Historical and contemporary "population problems" are assessed from the individual's perspective in the second half of the semester and related to household savings behavior. A variety of empirical studies will be reviewed and others can be added in response to student interest.

**Paper:** A brief empirical research paper on the economic and demographic behavior of individuals or families. Economic theory should be reviewed for its implications, particular hypotheses set forth, and an empirical methodology outlined with specific data identified to test formally the selected hypotheses. These research papers have often become senior essays or graduate students have submitted them to the Economics Department after revision to meet the applied econometrics paper requirement in the Ph.D. Program. Regression packages such as STATA, SAS or LIMDEP should suffice for most students to carry out their research. STAT lab consultants may be helpful in getting started. Summer stipends are occasionally available to extend promising research papers toward a dissertation topic, or a senior essay toward a publishable paper.

**Prerequisites:** It is useful to be familiar with micro-economic theory and have sufficient knowledge of statistics or econometrics to evaluate regression analyses. More econometrics, demographic methods, and economic theory, labor, history and public health will open doors to a wider and deeper literature on many interdisciplinary topics. Statistical techniques will be briefly reviewed in class but the student will not be held accountable for the tools, but for what we learn from them.

**Requirements:** There will be a midterm. The research paper must be handed in by (May 9, 2002). Students should make an appointment with me to discuss their research paper topic IN JANUARY and have agreed on a promising topic with defined data **BY FEBRUARY 11.** Several problem sets will be circulated which count only 5% toward your grade, but must be turned in until they are satisfactory to let me monitor your progress with the seminar material.

**GRADING**

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<tr>
<th>Component</th>
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<tr>
<td>Class participation</td>
<td>15%</td>
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<td>Problems</td>
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<td>Midterm</td>
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100%
I. **Private and Social Returns to, and Investments in, Schooling**


* SX Mincer, J., 1974, *Schooling, Experience and Earnings*, pp. 7-23.


II. **Health: Length of Life, Stature, Sickness**


III. Individual Behavior: Production and Consumption


SC Deaton, A. and J. Muellbauer, 1980, Economics of Consumer Behavior, Cambridge University Press. Part One, particularly, Chapters 3 and 4, pp. 60-95 and also Chapters 10 and 11.


IV. Family Coordination: Unified or Bargaining Approaches


V. Family Life Cycle Choices: Marriage, Fertility, and Post-schooling Skill Specialization


**March 4 - MIDTERM**

1:30 pm - 3:20 pm

VI. **Quantity-Quality Trade-off: Fertility Differentials and Investments in Children.**


VII. **Gender Gap in Human Capital**


VIII. Wage Structure by Skill and Gender: Demands of Labor and Supplies


IX. Intergenerational Mobility: Genetic Inheritance, Human Capital and Transfers


*X S Lam, D., 1999, “Generating Extreme Inequality,” University of Michigan, processed paper.


X. Preindustrial Economic-demographic Equilibrium: Malthusian Dynamics and the Transition


*SC Schultz, T.P., 1981, Economics of Population, Chapters 2, 3 and 8, pp. 9-61, 227-238.


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XI. Family Coping Strategies: Lifecycle Savings or Intergenerational Exchange, and Consumption Smoothing and Age Composition Effects


