

Economics of Population
Spring 2005
Economics 672
Course Syllabus

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Kuykendahl 310
MW1:30-2:45 pm

Office hours MW 3:00-4:00

The Economics of Population is concerned with important and pervasive demographic processes, their causes and their consequences. We will begin with a broad overview of demographic change and its relationship to economic growth drawing on historical experience. Next the course will focus on the macroeconomic consequences of population trends both in low income and high income countries. Then, we will consider the application of economic models to demographic events, e.g., childbearing, mortality, marriage, divorce, and living arrangements. Time permitting we will conclude with research on migration and immigration. Grades will be based on a mid-term examination, a final examination, a term paper, and class participation. Students will present their papers during the a half-day mini-seminar to be scheduled for a Saturday morning near the end of the semester. The course will be conducted as a combined seminar and lecture course. Each student will be expected to lead the discussion of one of the readings during the lecture. The weighting for grades will be determined by the class on the first day.

Weights for grading:	Final	___%
	Mid-term	___%
	Paper/presentation	___%
	Class participation	___%

Economics of Population – Schedule (subject to change)			
	Dates	Monday	Wednesday
1	1/10 and 12	I. Introduction and overview	II. Demographic transition and demographic fundamentals
2	1/17 and 19	Holiday: Martin Luther King Day	
3	1/24 and 26		III. Macroeconomic Consequences
4	1/31 and 2/2		
5	2/7 and 9		
6	2/14 and 16		
7	2/21 and 23	Holiday: President's Day	
8	2/28 and 3/2		Review
9	3/7 and 9	Mid-term Examination	No Class
10	3/14 and 16	IV. Economics of the Family	
11	3/21 and 23	Spring Break	
12	3/28 and 30		No Class
13	4/4 and 6		
14	4/11 and 13		
15	4/18 and 20		
16	4/25 and 27	VII. Immigration Issues	
	4/30	8:30 – 12:00 Mini-Seminar, Miller Room, Saunders 515	
17	5/2 and 4	Review	
Final Exam: Friday, May 13, 2:15-4:15.			
Classes will be held from 1:30 – 2:45 in Kuykendahl 310			

Economics 672
Economics of Population
Reading List (subject to revision)

Reading list is subject to revision. Required readings are indicated by * (presented by me) or ♣ (presented by a student).

I. Overview

Background reading: *The Future of Population in Asia (East-West Center 2002) (Will be distributed in class.)

II. Demographic transition and demographic fundamental

The objective of this section is to provide an historical overview of broad demographic change and to learn some of the standard tools and methods used to study population.

A. Mortality

1. Measurement: *(Palmore and Gardner 1994: 9-18, 30-61)

2. Determinants:

Mortality Determinants: ♣(Fogel 1997) (Preston 1975; Preston 1980; Martin, Trussell et al. 1983; Caldwell 1986; Mosk and Johansson 1986)

How long will we live: (Lee 2001; Olshansky, Carnes et al. 2001)

Mortality crises: (Ashton, Hill et al. 1984; Watkins and Menken 1985)

Evolution of aging: (Lee 2003; Robson and Kaplan 2003)

B. Fertility

1. Measurement: *(Palmore and Gardner 1994: 30-79, 91-108)

2. Determinants:

Framework: (Montgomery 1987)

Supply of children: (Bongaarts and Menken 1983)

Demand for children: (Lee and Bulatao 1983; Schultz 1997)

Value of children: (Mueller 1976)

Child mortality: (Ben-Porath 1976; Say 1991)

Population policy: (Molyneaux and Gertler 2000; Tsui 2001)

C. Age-Structure, population momentum, and steady states

Additional Reading and Information Sources:

Mathematics of population: (Keyfitz 1968)

Demographic methods: (Shryock, Siegel et al. 1976)

Mortality data: The National Center for Health Statistics is responsible for collecting data on vital statistics (births, deaths, divorces, marriages) in the United States. Their website provides detailed data on the US case and publications that explain methodology.

<http://www.cdc.gov/nchs/>. Life tables for a many countries can be found at

<http://www.lifetable.de/>. Historical data for many OECD countries:

<http://www.mortality.org/>.

Population projections, methods: (Lee 1998; U.S. National Research Council 2000) The NRC book is available for free in an on-line version:

http://books.nap.edu/html/beyond_six_billion/

Population projections, data: (United Nations 2000) Summary information and description available online at <http://unpopulation.org>

Recent UN report on marriage and fertility in low-fertility countries: (United Nations Population Division 2003) can be downloaded from the Population Division web site <http://unpopulation.org>

III. Population and Macroeconomics

A. Historical Perspectives on Population and Development: Population Size, Resource Constraints, and Induced Innovation

1. The Malthusian Perspective: *Lee (1973).
2. Induced innovation: Hayami and Ruttan (1987); *Hayami (2001); Boserup (1965; 1981).

B. Industrial Economies and Population Growth

1. Neo-classical perspective: *Solow (1956); ♣Mankiw, Romer, and Weil (1992); ♣ Hansen and Prescott (2002).
2. Aging and industrial economies: *Cutler et al. (1990)

C. Industrial Economies and Age Structure

1. Fundamentals: *Samuelson (1958); Diamond (1965); Willis (1988); Lee (1994; 2000).
2. The Demographic Bonus: ♣Bloom and Williamson (1998); Kelley and Schmidt (2001); Mason and Lee (2001).
3. Saving and Wealth: *Mason (1987); Mason (1988); Modigliani (1954); Tobin (1967).
4. Empirical Studies of Saving: ♣Kelley and Schmidt (1996); Williamson and Higgins (2001); ♣Deaton and Paxson (2000); Lee, Mason, and Miller (2000; 2003).
5. Financial Markets, Housing Markets, etc.: Poterba (2001; 2004) on financial markets. Mankiw and Weil (1989) on housing.

IV. Economics of the family

This section of the course will rely heavily on a recently published textbook (Ermisch 2003) to provide a theoretical foundation for research on the family. Supplemental readings will be assigned to illustrate applied research on the economics of the family and alternative theoretical approaches. Two useful publications that address many aspects of the economics of the family are Becker (1991) and Rosenzweig and Stark (1997).

A. Intra-Household Allocation *Ermisch (2003), Chapter 2.

B. Altruism in the Family *Ermisch (2003), Chapter 3.

C. Home Production and Investment *Ermisch (2003), Chapter 4.

The pill and female labor force participation: ♣Goldin and Katz (2002)

D. Investment in and Financial Transfers to Children *Ermisch (2003), Chapter 5, sections 5.1-5.3 only.

Estimating the cost of children: Deaton (1997: 241-68) Lazear and Michael (1988)


Income, gender, and child investment: ♣Duflo (2003)

E. Economics of Fertility *Ermisch (2003), Chapter 6.

Abortion and crime rates in the US: ♣Donahue and Levitt (2001)

The US baby boom: Butz and Ward (1979)

Research on fertility in developed countries: Hotz et al. (1997)

Research on demand for children in developing countries: Schultz (1997: sections 1, 2, 5, and 6) Rosenzweig (1977) 

F. Economics of Marriage *Ermisch (2003), Chapter 7.

Marriage: Manser and Brown (1980)

Recent analysis of dowry payments in India Anderson (2003)

Divorce: Weiss and Willis (1985) Becker et al. (1977)

H. Non-Altruistic Family Transfers *Ermisch (2003), Chapter 9.

Additional theoretical and empirical research on IG transfers:

Becker (1974; 1991); Becker and Tomes (1976); ♣Becker and Murphy (1988); Barro (1974); Altonji et al. (2000); Cox (1987); Frankenberg et al. (2002); Kotlikoff and Spivak (1981); ♣Lillard and Willis (1997); McGarry and Schoeni (1997).

I. Household Formation *Ermisch (2003) Chapter 10.

Recent broad overview: Palloni (2001)

Analysis of US historical patterns: Costa (1998, Chapter 6)

Decision-making by young men: McElroy (1985)

Valuable contribution that provides a somewhat different and broader theoretical perspective: Ben-Porath (1980) Pollak (1985)

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