

17P032

Population Economics

3 ECTS

## Overview and Objectives

This course is designed to provide a broad overview of the field of population economics. We will only be able to “sample” a few topics and get acquainted with the types of methods employed in the area.

We will start the class with an introduction to history of population and measurement and review the theory and empirical evidence of the First Demographic transition. We will next focus on the main theories of fertility behavior from less developed to more developed contexts (in which fertility is below replacement level of 2.1). We will go over the main implications of the microeconomic model of fertility of Becker, analyze the impact of changes in family planning and in economic conditions on fertility, how fertility preferences are shaped, and whether policies have been successful in rising fertility.

Next, we will look at the transformation of marriage from child brides in some contexts to very late marriage or a rise in long-term cohabitation in others. We will study how changes in fertility, mortality and partnership formation shape the demographic pyramid and what implications this has on the sustainability of welfare policies. As migration has been put forward as a solution for dwindling populations in OECD countries, we will focus on the determinants of migration, revise the debate on the labor market impact of migrants as well as the evidence of migrant integration in many socio-economic outcomes. We will close the class with a general overview of gender issues starting with an analysis of female labor market outcomes and ending the class with some studies of gender discrimination either via sex-selective abortion or via exclusion in the labor market.

## Course Outline

1. Overview of historical population trends
2. First Demographic Transition
3. Economic theories of fertility
  - a. Microeconomic models (Becker and others)
  - b. Economic conditions and fertility
  - c. Preferences
  - d. Policies
4. Marriage, divorce and cohabitation
5. Changes in demographic structure and their implications
  - a. Demographic dividends
  - b. Dependency ratios and welfare state
6. Migration
  - a. What determines migration flows? Measurement
  - b. Labor market impact of immigrants on destination countries
  - c. Immigrant integration
7. Gender
  - a. Changes in female labor force participation and gender wage gaps
  - b. Missing women and other forms of discrimination

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### Required Activities and Evaluation

Each week there will be a list of main readings related to the topic (and some additional background readings for those interested in furthering a particular topic and constitute some of the material I use to prepare my class).

Each student is required to prepare three reflection papers of either type A or type B at the week of their choosing (at least one of each type). Summaries of readings should be kept to a minimum (no more than one short paragraph). Two of the papers of max 3 pages (25% each) double spaced need to be sent to me the day before the class for which they have been assigned. The third paper of max 8 pages (45%) double spaced can be handed up to one week after classes end. Any paper can be handed in earlier.

**Type A:** A critical analytical review of one of the papers listed in the topic of that week (e.g. main ideas in the paper, how they address the topic under discussion, highlight the advantages and drawbacks of the paper on empirical and/or theoretical grounds; suggest avenues for improved research as if you were writing a referee report)

**Type B:** An overview critical, analytical and original assessment of at least two of the listed papers in one topic (e.g. common themes, conflicting arguments, issues you find missing and strengths of the discussions)

**Type C:** For the long paper students can also choose to write an empirical analysis of one of the topics of the course.

The course will combine lecture time and for a few sessions also discussion of required papers (read before class time). Participation (5%) in class discussion is an important component of the class.

### Main References

This is a list of basic references. Additional references will be provided during the course:

Adserà, A. (2005). "Vanishing Children: From high Unemployment to Low Fertility in Developed Countries," *American Economic Review* 95 (2): 198-193, May.

Ambrus, A. and E. Field (2008), "Early Marriage, Age of Menarche, and Female Schooling Attainment in Bangladesh," *Journal of Political Economy* 116(5): 881-930

Almond, D. and L. Edlund (2008), "Son Biased Sex Ratios in the U.S. 2000 Census," *Proceedings of the National Academy of Science* 105(15): 5681-5682.

Siwan Anderson. 2007. The Economics of Dowry and Brideprice. *Journal of Economic Perspectives*, 21:151-174.

Angrist, J., V. Lavy, and A. Schlosser. (2010). "Multiple Experiments for the Causal Link between the Quantity and Quality of Children," *Journal of Labor Economics* 28(4):773–823

Autor, D., D. Dorn and G. H. Hanson (2015). "The Labor Market and the Marriage Market: How Adverse Employment Shocks Affect Marriage, Fertility, and Children's Living Circumstances," MIT Working Paper, July 2015.

Francine D. Blau & Lawrence M. Kahn, 2017. "The Gender Wage Gap: Extent, Trends, and Explanations," *Journal of Economic Literature*, vol 55(3), pages 789-865.

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David E. Bloom, David Canning, Günther Fink, Implications of Population Aging for Economic Growth, NBER Working Paper No. 16705, January 2011

John Bongaarts. 2004. Population Aging and the Rising Cost of Public Pensions. *Population and Development Review*, 30:1-23.

Michael A. Clemens. 2011. Economics and Emigration: Trillion-Dollar Bills on the Sidewalk? *Journal of Economic Perspectives*, 25(3): 83-106.

Deaton, A. (2008) Height, healthy and inequality: The distribution of adult heights in India, *American Economic Review*, May; 98 (2): 468-474.

Goldin C. A Grand Gender Convergence: Its Last Chapter. *American Economic Review*. 2014;104 (4) :1091-1119

Goldin, C. and L. Katz (2002), "The Power of the Pill: Oral Contraceptives and Women's Career and Marriage Decisions," *Journal of Political Economy* 110(4): 730-770.

Goldin, Claudia, and Cecilia Rouse, "Orchestrating Impartiality: the Impact of Blind Auditions on Female Musicians," *American Economic Review*, LXXXX (2000), 715–742.

Guinnane, T. W. (2011). "The Historical Fertility Transition: A Guide for Economists," *Journal of Economic Literature*, 49(3): 589-614

Ronald Lee. 2003. The demographic transition: Three centuries of fundamental change. *Journal of Economic Perspectives*, 17:167-190

Lee, R., and A. Mason (2010), "Some Macroeconomic Aspects of Global Population Aging," In a Special Supplement to *Demography*, 47 (Suppl.), S151–S172.

Lundberg, S., R. A. Pollak and J. Stearns, (2016). "Family Inequality: Diverging Patterns in Marriage, Cohabitation, and Childbearing," *Journal of Economic Perspectives*, 30(2): 79-102.

Kristin Mammen; Christina Paxson (2000) Women's Work and Economic Development *The Journal of Economic Perspectives*, Vol. 14, No. 4. (Autumn, 2000), pp. 141-164.

McLanahan, S.F. and W.C. Jacobsen (2015) "Diverging Destinies Revisited" In *Families in an Era of Increasing Inequality* Amato, P.R., Booth, A., McHale, S.M., Van Hook, J. (Eds.), New York : Springer.

The National Academies of Sciences, Engineering, and Medicine. (2016). *The Economic and Fiscal Consequences of Immigration*. Washington, DC: The National Academies Press. doi: 10.17226/23550. (some sections)

Schaller, J. (2016) "Booms, Busts, and Fertility: Testing the Becker Model Using Gender-Specific Labor Demand," *Journal of Human Resources*, 51(1): 1-29

Betsy Stevenson and Justin Wolfers. 2007. Marriage and Divorce: Changes and their Driving Forces. *Journal of Economic Perspectives*. 21(2): 27-52.