

**Economics 466: Economics of Population  
Course Outline and Reading List  
Fall 2007**

**Instructors:**

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**Class Meeting Time and Place:**

Monday 2:30-4:00, 1512 CC Little (lectures); Wednesday 2:30-4:00, 1570 CC Little (computer lab)

See UM CTools web site for office hours and announcements (<https://ctools.umich.edu>).

**Course Description:**

This course uses an economic perspective to analyze the dramatic changes in fertility, mortality, marriage, and household structure in recent decades in both industrialized and developing countries. The course includes a computer lab component built around statistical analysis of household survey data. Students will use the statistical package Stata to analyze demographic and economic change in the United States and other countries, applying recent innovations in the application of microeconomic theory and econometrics to the analysis of demographic behavior, labor markets, poverty, and inequality. Topics include: economics of fertility and marriage; economic and demographic analysis of population growth; intergenerational transmission of income inequality; impact of changing age structure on social security systems. Coursework includes: computer-based problem sets and writing exercises; a paper based on computer analysis of household survey data; written midterm and final examinations.

**Prerequisites:** Economics 401. Students are expected to have a basic familiarity with intermediate microeconomics. Given the emphasis on statistical analysis in the course, Economics 404 or 405 are strongly recommended. Familiarity with computer statistical packages will be useful but is not required.

**Course Material:**

There is no text book or course pack. All readings are available electronically through the CTools web site for the course.

**Course web sites:**

UM CTools: <https://ctools.umich.edu>

Web-based course on statistical analysis of survey data: <http://www.psc.isr.umich.edu/saproject/>

**Grading:** Required work for the course consists of the following:

- A 20 page term paper (counts for 30% of grade)
- Two mid-term exams (each exam counts for 30% of grade)
- Problem sets throughout the course (10% combined) We encourage collaboration on problem sets, but each student must write up a separate problem set for submission.

**Upper Division Writing Requirement:** Writing requirements are the same for all students in the class. First draft of term paper is due Monday, November 12. The final version of the paper is due at the end of the regularly scheduled exam time for the class, Tuesday December 18 at 3:30. The grade on the first draft will count for 30% of the final paper grade.

**Important Dates:**

Wednesday October 10:	Term paper proposal due
Wednesday October 24:	First mid-term exam
Monday November 12:	First draft of term paper due
Monday December 10:	Second mid-term exam (last class meeting)
Tuesday December 18:	Final term paper due at 3:30 p.m. (end of scheduled final exam time)

**Outline of Lectures and Reading List**  
 (\* indicates required readings, other readings optional)

**Lecture 1 – September 5****Overview of Demographic Rates and Population Dynamics**

\*Population Reference Bureau, “Transitions in World Population,” *Population Bulletin* v. 59, no.1, 2004, pp. 1-20.

**Lecture 2 – September 10****Historical Patterns of Demographic and Economic Change**

\*T. Paul Schultz, Chapter 2, “Preindustrial Equilibrium: A Malthusian Perspective,” pp. 9-33, in *Economics of Population*, Addison-Wesley, 1981.

\*Ronald Lee, “The Demographic Transition: Three Centuries of Fundamental Change,” *Journal of Economic Perspectives*, 17(4), Fall 2003, pp. 167-180 (remainder of paper included below).

David Lam, “How the World Survived the Population Bomb: An Economic Perspective,” in *The Economics of Sustainable Development*, Sisay Asefa, ed. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, 2005, pp. 99-132.

**Lecture 3 – September 17****Trends in Fertility and Women’s Work in the U.S. and Developed Countries**

\*V. Joseph Hotz, Jacob Klerman, and Robert Willis, “The Economics of Fertility in Developed Countries,” in M.R. Rosenzweig and O. Stark, *Handbook of Population and Family Economics*, 1997, pp. 276-292.

Dora Costa, “From Mill Town to Board Room,”

Claudia Goldin, ...

**Lecture 4 – September 24****The Economics of Fertility: Quantity-Quality**

\*V. Joseph Hotz, Jacob Klerman, and Robert Willis, “The Economics of Fertility in Developed Countries,” in M.R. Rosenzweig and O. Stark, *Handbook of Population and Family Economics*, 1997, pp. 292-298.

\*Gary Becker and H. Gregg Lewis, “On the Interaction between the Quantity and Quality of Children,” *Journal of Political Economy*, March 1973: pp. S279-S288.

Gary Becker, “Nobel Lecture: The Economic Way of Looking at Behavior,” *Journal of Political Economy*, June 1993, pp. 385-409.

**Lecture 5 – October 1****The Economics of Fertility: Opportunity Cost of Time**

\*V. Joseph Hotz, Jacob Klerman, and Robert Willis, “The Economics of Fertility in Developed Countries,” in M.R. Rosenzweig and O. Stark, *Handbook of Population and Family Economics*, 1997, pp. 298-305.

\*James P. Smith; Michael P. Ward Time-Series Growth in the Female Labor Force, *Journal of Labor Economics*, Vol. 3, No. 1, Part 2, 1985, pp. S59-S90.

Martha Bailey, “More Power to the Pill: The Impact of Contraceptive Freedom on Women’s Life Cycle Labor Supply,” *Quarterly Journal of Economics*, February 2006, pp. 289-320.

**Lecture 6 – October 8****Economics of Contraception and Abortion**

Phillip Levine, *Sex and Consequences*, 2004, Chapter 3 and 4, pp. 39-76.

\*Phillip Levine, *Sex and Consequences*, 2004, Chapter 5, pp. 77-106.

**October 15 – Fall STUDY Break – No Lecture****Lecture 7 – October 22****Fertility, Investments in Children, and Intergenerational Mobility**

\*David Lam and Suzanne Duryea, “Effects of Schooling on Fertility, Labor Supply, and Investments in Children, With Evidence from Brazil,” *Journal of Human Resources*, Winter 1999, 34(1): 160-192.

David Lam, “Evolutionary Biology and Rational Choice in Models of Fertility,” in Kenneth W. Wachter and Rodolfo Bulatao, editors, *Offspring: Human Fertility Behavior in Biodemographic Perspective*, National Academies Press, Washington, D.C., 2003, pp. 322-338.

**Lecture 8 – October 29****Education, Earnings, and Inequality**

Claudia Goldin, Understanding the Gender Gap

\*Kermyt Anderson, Anne Case and David Lam, “Causes and Consequences of Schooling Outcomes in South Africa: Evidence from Survey Data,” *Social Dynamics* 27(1): 137-59, 2001.

**Lecture 9 – November 5****Measurement of Poverty and Inequality**

\*Hilary W. Hoynes, Marianne E. Page, and Ann Huff Stevens “Poverty in America: Trends and Explanations,” *Journal of Economic Perspectives*, Winter 2006, pp. 47-68.

\*Shaohua Chen and Martin Ravallion, “How Have the World’s Poorest Fared since the Early 1980s?” *World Bank Research Observer*, 2004, 19(2): 141-69.

**Lecture 10 – November 12****Economics of HIV/AIDS**

\*Anne Case and Cally Ardington, “The Impact of Parental Death on School Outcomes: Longitudinal Evidence from South Africa,” *Demography*, 43(3): 401-420, August 2006.

UNAIDS Report on the global AIDS epidemic, World Health Organization, 2006.

Kalanidhi Subbarao and Diane Coury, “Reaching out to Africa’s Orphans,” World Bank, 2004.

**Lecture 11 – November 19****Economics of Marriage**

\*Gary Becker, “A Theory of Marriage: Part I,” *Journal of Political Economy*, July/August 1973, pp. 813-836, 841-846.

David Lam and Robert Schoeni, “Family Ties and Labor Markets in the United States and Brazil,” *Journal of Human Resources*, Fall 1994, 29(4): 1235-1258.

**Lecture 12 – November 26****Economic Links Between Generations**

\*Gary Becker, “A Theory of Social Interactions,” *Journal of Political Economy*, 82(6), Nov.-Dec. 1974, pp. 1063-1093.

Gary Becker and Kevin Murphy, “The Family and the State,” *Journal of Law and Economics*, April 1988, pp. 1-18.

**Lecture 13 – December 3****The Demography and Economics of Age Structure**

\*David Lam, “The Demography of Youth in Developing Countries and its Economic Implications,” World Bank Policy Research Working Paper #4022, October 2006 (background paper for the 2007 World Development Report).

\*Ronald Lee, “The Demographic Transition: Three Centuries of Fundamental Change,” *Journal of Economic Perspectives*, 17(4), Fall 2003, pp. 180-190.

\*Ronald Lee, “The Formal Demography of Population Aging, Transfers, and the Economic Life Cycle,” in Linda Martin and Samuel Preston, editors, *Demography of Aging*, Washington: National Academy Press, 1994, 8-49.