Preliminary – will be modified as we go along.

**ECONOMICS c275A/DEMOGRAPHY c275**

**ECONOMICS OF POPULATION**

The class meets **Wednesday 4:10-6**, at **2232 Piedmont Ave in the seminar room**. 2232 Piedmont is located opposite the stadium on Piedmont, between Haas School of Business and Bancroft.

**Ronald Lee’s office hours** are held in room 202 of 2232 Piedmont Ave, Tuesday, 3:40-5:00, and Thursday, 3:40-5:00 (except on the first Thursday of each month, when OH ends at 4:10). You can sign up on-line at http://www.wejoinin.com/sheets/lucip. You are also welcome to catch me after class for brief consultations or email me to set up an appointment at another time.

**Diversity of Student Backgrounds**: Students in this class typically come from many different departments and sometimes do not have much background in economics or demography. To accommodate the range of backgrounds, I sometimes suggest different readings for those with less or more economic background. I also emphasize substance, and informal presentations of theory. The term paper can be written satisfactorily in different ways using different methods. In short, I facilitate and encourage the participation of students who do not have extensive backgrounds in economics or demography.

**Reading List**: The reading list for this course and a list of class topics are included in this syllabus. The readings themselves can mostly be downloaded by you from JSTOR.

**Formal Requirements for Course**: There are no exams in this class. Grades are a fact of life and must be assigned. The grade will be based 80% on the term paper and 20% on class participation. Class participation includes brief critical reports on outside papers (about 500 words, probably a couple per student over the term), and occasionally brief emailed responses (generally just a paragraph or two) to questions or exercises I may pose in class. My experience has been that despite there being no exams, students do the readings, if anything more regularly than in the past when I gave exams.

It is important that you do the readings. This does not mean that you have to read every word of every paper, but that you should read them carefully enough to understand the issues, the research design, the methods, and the findings, and form a critical opinion of the paper, and be able to participate in a class discussion about it. It will be useful for you to think about how you might apply methodological or theoretical lessons from the paper to other substantive topics.

**Term Paper**: The topic of the research paper is chosen by you, subject to my approval. My strong preference is that you do original research, either empirical or (occasionally) theoretical, rather than a literature review. Otherwise, there is wide latitude in choice of topic. It is usually possible for work on the dissertation or prospectus to satisfy the paper requirement for this course. For students also taking Econ/Demog c175, you
should write a single paper to satisfy the requirement for both courses, but it should conform to the paper description for this course, not 175. If you are writing a paper for some other course, you can talk to me and the other professor about the possibility of doing a joint paper. I much prefer that you be adventurous with this paper and take chances with new topics and new approaches, rather than choosing a safe topic. Often this paper ends up contributing to a later dissertation, either ending up as a chapter, or negatively, by revealing that some topic is not viable. The papers are due by the end of RRR week, that is by Friday, May 10.

We will have a four hour end-of-term conference on Saturday, May 11, 9-1, unless this conflicts with exams. If this time doesn’t work for all, we can reschedule. Students will present their term papers, with about 15 minutes for each, including discussion.

Critical Summaries of Optional Readings: Most weeks I will ask two or three students to prepare brief critical summaries of one of the optional readings. These should be 500 words or less, and should present the material in a non-technical and intuitive style. They should also include the student’s views about the strengths and weaknesses of the article. Students should attach one or two figures or tables that will provoke our interest and lead to discussion. The report should be emailed to the entire class by 9:00 p.m. the evening before class and all students should read these reports before coming to class. We will briefly discuss the summarized articles in class. Each student will do two or three of these summaries during the term.

Field Requirements in Economics: For a Ph.D. student in Economics, the field requirement for Economic Demography consists of this course, Economics c275A/Demography c275 (same course), plus Demography 210, which covers demographic analysis and basic mathematical demography. Econ/Demog c275 is offered each year in the spring term. Demography 210 is offered every fall term. In some departments besides Economics it may be possible to make special arrangements for a field in demography (e.g. in Public Policy or Public Health). On bSpace you will find a folder (under Resources) containing past field exams for Economic Demography. If you are planning to take the field you should practice using these exams.

Web Site: There is a bSpace class web site. If you are officially enrolled in this course and appear on the Registrar's official class list then you will automatically see this class web site when you log on to bSpace. If you encounter any problems, please contact Ellen Langer at erlanger@demog.berkeley.edu. If you are not officially enrolled but would like access to the web site as a guest, contact Ellen Langer (erlanger@demog.berkeley.edu).

Topics in Formal Demography: During some lectures I plan to spend 10 or 15 minutes presenting some basic mathematical models in demography in relation to the economy, with the idea that by the end of term, these will add up to a basic foundation. Most of these models are of macro demographic processes, and I will develop the interface with macroeconomic models. Some students may find this material heavy going, others may find it elementary. My presentations of this formal material will be informal and, I hope, intuitive.

Outline of topics

1) Economics of the Family: Marriage and Fertility
   a. Economics of Marriage and Divorce
   b. Economics of Fertility
2) Causality
   a. Principles of causal inference
   b. Examples from economic demography
3) Health and Mortality
   a. Socioeconomic differentials in mortality, and direction of causation
   b. Theoretical Models and their Estimation
   c. Early life effects on later life outcomes
4) Demographic Aspects of Life Cycle and Household
   a. Demographic Composition and Household Behavior
   b. Intergenerational Transfers at the Family Level
5) Economic Consequences of Immigration
   a. Theory of impacts
   b. Immigration, wages of natives, employment
   c. Fiscal impact of immigration.
6) Population and the Macro Economy
   a. Population Aging and Intergenerational Transfers
   b. The Demographic Transition, Savings, and Economic Growth
   d. Population Growth, Human Capital, and Economic Development
   e. Unified growth theory (time permitting)
7) End of Term Conference: Presentation of Term Papers

Schedule of Classes (approximate)

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<tr>
<th>Date</th>
<th>Topic</th>
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<td>January 23</td>
<td>Introduction, Economics of Marriage and Divorce (1)</td>
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<td>January 30</td>
<td>Marriage and Divorce (2)</td>
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<td>February 6</td>
<td>Economics of Fertility (1)</td>
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<td>February 13</td>
<td>Fertility (2)</td>
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<td>Causal analysis in economic demography</td>
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<td>February 27</td>
<td>Health and Mortality (1)</td>
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<td>March 6</td>
<td>Health and Mortality (2)</td>
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<td>March 13</td>
<td>Dependency, Household and Economy</td>
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<td>March 20</td>
<td>Economic consequences of immigration (1)</td>
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<td>March 27</td>
<td>SPRING BREAK</td>
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<td>April 3</td>
<td>Economic consequences of immigration (2)</td>
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<td>April 10</td>
<td>Population Meetings(PAA) – No Class Meeting</td>
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<td>April 17</td>
<td>Population and Economic Development (1)</td>
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<td>May 1</td>
<td>Unified Growth Theory</td>
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<td>May 11</td>
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ECONOMICS 275A/DEMOGRAPHY 275:
ECONOMICS OF POPULATION

I. Background

II. Economics of the Family: Marriage (3 readings; 10 abstracts; 1.5 classes)


III. Economics of the Family: Fertility and Investment in Offspring (5 readings; 2 classes)

*Theory*


*Empirics*

IV. Causal Analysis in Demography and Applied Studies in Fertility and Family (1 careful reading + 4 to skim; 1.5 classes).

Methodological/Conceptual Background


V. Biology, Genetics, and Economic Demography

FOR STUDENT REPORTS


VI. Health and Mortality
1) Background: Formal, Theoretical, Descriptive
   a. Biodemography of health and longevity (brief lecture: optimality, mutation accumulation)
   b. Some formal and statistical issues (my short essay)
   c. Descriptive background on trends and forecasts
2) Structural economic models and interpretations of trends
3) Special topics
   a. Fetal programming and early life effects
4) Broad interpretations


VII. Demographic Aspects of Life Cycle and Household

Demographic Composition and Household Behavior
A.V. Chayanov, The Theory of Peasant Economy, Daniel Thorner et al translators, (University of Wisconsin Press, 1986; originally 1925); pp. 53-81.


Ronald Lee, “PopEconMath” on bSpace – a few pages of notes tying stable population theory to the macroeconomy.

Intergenerational transfers and markets as alternate ways of smoothing consumption over the Life Cycle


Population Aging and Intergenerational Transfers


Chapter 3 on the demographic background on population aging, pp.32-61.
Chapter 4 on health and disability, pp.62-74.
Chapter 5 on labor force participation and retirement, pp.73-105, except for pp.mid-86-mid-90.
VIII. Economic Consequences of Immigration


IX. Population and Economic Development

The Demographic Transition, Savings, and Economic Growth


Population Growth, Human Capital, and Economic Development


Looking for a Natural Experiment: Micro studies

**Unified Growth Theory**

"Towards a Unified Theory of Economic Growth Oded Galor on the transition from Malthusian stagnation to modern economic growth An interview with introduction by Brian Snowdon", WORLD ECONOMICS • Vol. 9 • No. 2 • April–June 2008.


To consider:
- Early childhood investment and later life development.
- New NAS report on health and mort at younger ages <50