

University of Toronto  
Department of Economics

ECO 432S/ 2808S: Topics on the economics of the family  
Winter 2012  
UC 257

Instructor: Aloysius Siow  
Office: 301, 150 St. George St.  
Office hours: Wed 4-6 pm

Lectures: M2-4

This course **USES MICROECONOMICS & MULTIVARIATE CALCULUS** to study the economics of the family, including marriage, divorce, children, single parenthood and gender roles.

*Prerequisite:* [ECO204Y1/ECO206Y1](#), multivariate calculus

*Grading scheme:* homework (50%) & final (50%) or paper with agreement of instructor by the end of reading week (50%).

*Class notes and readings on blackboard*

Reading schedule:

Jan 9: Frontier research questions on the family according to Becker.

Efficient investment in Children's human capital & the separation theorem.

Drolet, M. 2005. [Participation in Post-secondary Education in Canada: Has the Role of Parental Income and Education Changed over the 1990s? \(Analytical Studies Branch Research Paper Series\)](http://www.statcan.gc.ca/pub/11f0019m/11f0019m2005243-eng.pdf) <http://www.statcan.gc.ca/pub/11f0019m/11f0019m2005243-eng.pdf>

Jan 16: Quantity and quality of children

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

Jones, L.E., A. Schoonbroodt, and M. Tertilt. 2008. *Fertility theories: can they explain the negative fertility-income relationship?* National Bureau of Economic Research WP 14266.

Bailey & Collins: Electrification and the baby boom.  
<http://ideas.repec.org/a/aea/aejmac/v3y2011i2p189-217.html>

Albanesi and Olivetti: Baby boom II. <http://www.nber.org/papers/w16146>

Josh Lewis: Electrification and children's health

Jan 23, Jan 30: Inefficient investment in children (no negative transfer & public goods).

Duflo, E. "Grandmothers and granddaughters: Old-age pensions and intrahousehold allocation in South Africa" *The World Bank Economic Review*, 17(2003), 1-25.  
<http://siteresources.worldbank.org/INTAFRREGTOPGENDER/Resources/duflograndmothers.pdf>

Hongbin Li & Mark Rosenzweig & Junsen Zhang, 2008. "Altruism, Favoritism, and Guilt in the Allocation of Family Resources: Sophie's Choice in Mao's Mass Send Down Movement," <http://ideas.repec.org/p/egc/wpaper/965.html>

Botticini, M., and A. Siow. 2003. "Why dowries?" *American Economic Review* 93(4): 1385–1398.

Feb 6: Frictionless transferable utilities model of marriage, positive assortative matching

Choo, E., and A. Siow. 2006. "Who Marries Whom and Why." *Journal of Political Economy* 114(1): 175-201.

Decker, Colin, et. al.. 2011. " UNIQUE EQUILIBRIA AND SUBSTITUTION EFFECTS IN A STOCHASTIC MODEL OF THE MARRIAGE MARKET".  
<http://www.math.toronto.edu/mccann/papers/DLMS.pdf>

Galichon, A., and B. Salanié. 2011. *Cupid's invisible hand: social surplus and identification in matching models*. Columbia University mimeo.

Siow, A. 2010. "Testing Becker's model of positive assortative matching". University of Toronto manuscript.

Feb 13            Non transferable utility model of the marriage market (Directed Search).

Peter Arcidiacono, et. al., 2011. "Terms of Endearment".. Duke University manuscript. [http://public.econ.duke.edu/~psarcidi/PMP\\_current\\_clean3.pdf](http://public.econ.duke.edu/~psarcidi/PMP_current_clean3.pdf)

Feb 27, Mar 5            Dynamic models of marriage & search friction in marriage markets.

Stevenson, Betsey and Justin Wolfson (2000), "Till Death do Us Part: Effects of Divorce Laws on Suicides, Domestic Violence and Spousal Murder"  
<http://www.nber.org/papers/w10175>

Mar 12: Equilibrium matching in school, work and marriage

McCann, et. al.. 2011. "Becker meets Ricardo: A Social and Cognitive Skills model of human capabilities.", University of Toronto manuscript.

Mar 19, 26, Apr 4:    Gender & Marriage

Smith, J.P., and M. Ward. 1989. "Women in the Labor Market and in the Family." *The Journal of Economic Perspectives* 3(1): 9–23.

Ventura, S.J., and C.A. Bachrach. 2000. "Nonmarital childbearing in the United States, 1940–99." *National vital statistics reports* 48(16): 1–40.

Bailey, M.J., and S.M. Dynarski. 2011. *Gains and Gaps: Changing Inequality in US College Entry and Completion*. National Bureau of Economic Research. wp 17633.

Siow, A. 1998. "Differential Fecundity, Markets, and Gender Roles." *Journal of Political Economy* 106(2): 334-354.

Lena Edlund, and Hyejin Ku, 2011. "The Slave Trade and Polygyny in Africa". manuscript.

Erica Field. "Age of menarche, marriage and female education, and Female earnings".  
<http://ideas.repec.org/a/ucp/jpolec/v116y2008i5p881-930.html>

Buckles. Delaying infertility and female earnings.  
<http://www.nd.edu/~kbuckles/natality.pdf>

Bailey. Pill and Female Earnings.  
[http://econpapers.repec.org/article/tprqjecon/v\\_3a121\\_3ay\\_3a2006\\_3ai\\_3a1\\_3ap\\_3a289-320.htm](http://econpapers.repec.org/article/tprqjecon/v_3a121_3ay_3a2006_3ai_3a1_3ap_3a289-320.htm)

Siow, A. 2002. *Do innovations in birth control technology increase the welfare of women?* mimeo, [http://www.economics.utoronto.ca/siow/papers/birth\\_control.pdf](http://www.economics.utoronto.ca/siow/papers/birth_control.pdf)