

Economics 210: Economics of the Family*

Jeremy Greenwood

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1 Description

This course will study modern family economics. The class will develop economic models to study topics such as female labor supply, fertility, marriage and divorce, women's liberation, premarital sex and parental socialization, investment in health, and retirement. This is an advanced undergraduate class. Calculus is an *integral* part of the course. Some elementary probability theory is drawn upon. Students unwilling to learn some of the tools used in modern economic should not take this class.

Posting any material from this course online is prohibited.

TA: Pengfei Han — *Email:* pengfeih@sas.upenn.edu; *Office hours:* Fridays: 4:00-6:00 p.m (please email the day before), *Rm:* McNeil 537.

Departmental policies regarding courses are available here:

<http://www.econ.upenn.edu/undergraduate/policies>

2 Grading

The course will be evaluated on the basis of two take-home exams. *No* collaboration with *any* person (either in or out of the class) is allowed for the exams. The exams will be graded on a mixture of the skills you show in economics and mathematics. A penalty, which is strictly enforced, is

*Reading list may be subjected to change.

assessed for each day an exam is late: 10% for the first day and 15% for each day thereafter. On each exam, bonus will be awarded for all the errors in the diagrams, economic logic and mathematics that you find in the class notes. Keep your bonus point comments to yourself.

The first take-home will be handed out on Wednesday, November 1st and will be due on Tuesday, November 7th.

The second take-home exam will be handed out on Wednesday, December 6th and will be due on Monday, December 11th.

3 Textbook

Greenwood, Jeremy *Evolving Households: The Imprint of Technology on Life*. The book is available from Wharton Reprographics as Study.net TEXTPAK.

4 More Working Mothers

- The basic model of labor supply
- A model of female labor supply
 - The Becker-Reid theory of Household Production
- Heterogenous Females
- The Rise in Female Labor Supply
 - Introductory Video, “Women’s Liberation: An Economic Perspective”
<http://www.sas.upenn.edu/60second/archive/womens-liberation-economic-perspective>
 - Appliances
 - Brain and Brawn

Aguiar, Mark and Erik Hurst. (2007) “Measuring Trends in Leisure: The Allocation of Time Over Five Decades.” *The Quarterly Journal of Economics* 122 (3 August), 969-1006.

5 The Baby Boom and Baby Bust

- Basic Demographic Measures
- The Demographic Transition
- A Model of Fertility
 - Demographic Transition
 - Baby Boom
- World War I in France
- The Choice Over Jobs and Kids
- Malthus

6 Marriage and Divorce

- A Model of Marriage and Divorce
- Analyzing the Decline in Marriage and the Rise in Divorce
- Assortative Mating
- Growing up with a Single Mother
- The Beckerian Theory of Marriage

7 Social Change

- Women's Liberation
- A Model of Premarital Sex
 - Introductory Video, “From Shame to Game in One Hundred Years”
<https://www.youtube.com/watch?v=bR366Gq-5Sg>
- A Model of Parental Socialization

8 Health and Retirement

- Better Health
- A Model of Life Expectancy and Health Care Spending
- The Development of New Drugs
- Health Insurance
- A Model of the AIDS/HIV epidemic in Africa
- The Trend in Retirement
- A Model of Retirement
- Old Age Security