Dr Sriya Iyer
Part IIB Paper 8

Demography and Development

This lecture course provides an introduction to the two-way interaction between population growth and economic development. It covers the following main topics:

Lecture 1. Why do economists want to explain demographic behaviour? Transition theory and the Malthusian model
Lecture 2. The 'household demand approach' and its applications
Lecture 3. Externalities to childbearing and social norms; the demand for children vs. the supply of family planning
Lecture 4. Social interactions and fertility transitions
Lecture 5. Mortality and missing women
Lecture 6. Current policy debates about demography in poor countries

Aims of the Course

The aims of this course are to introduce participants to debates, conceptual tools, and empirical findings relevant to analysing the interaction between population growth and economic development in poor countries.

Objectives of the Course

By the end of this course, students should have acquired a basic knowledge and understanding of the following:

- recent demographic patterns in developing economies
- the theory of 'demographic transition' and its applicability to modern LDCs
- the Malthusian model
- the microeconomic unitary models of fertility
  - the effect of income rises on fertility (income and substitution effects)
  - the relationship between child 'quantity' and child 'quality'
  - the relationship between fertility, child labour and insurance
- the macro- and micro-level externalities to childbearing
- the relevance of social norms and social interactions for fertility decisions
- empirical estimation of social interaction effects on fertility behaviour
- debates about mortality and 'missing women' in poor countries
- recent policy debates about the demand for children vs. the supply of family planning
- contemporary population debates in India, China, the Middle East and Sub-Saharan Africa

Essential Reading

N. Birdsall, (1988), 'Economic approaches to population growth', in H. Chenery & T. N. Srinivasan (eds.), Handbook of development economics, vol. I, ch. 12.

S. N. Durlauf and J Walker, (1999) 'Social Interactions and Fertility Transitions', University of Wisconsin-Madison Social Systems Working Paper 28

S. Iyer and M. Weeks (2005), 'Multiple Social Interactions and Reproductive Externalities: An Investigation of Fertility Behaviour in Kenya,' Cambridge Working Papers in Economics, 461.

E. Oster (2005), 'Hepatitis B and the Case of the Missing Women'
Journal of Political Economy, 113(6): p. 1163-1216 (December)

P. Dasgupta (1993). An enquiry into well-being and destitution, Oxford: Clarendon Press.

S. Iyer (2002). Demography and religion in India, Delhi: Oxford University Press.

T. P. Schultz (1998). Economic demography, Volumes 1 and 2. Cheltenham: Edward Elgar.

A. C. Kelley (1988). 'Economic consequences of population change in the Third World', Journal of economic literature 26.

A. Jain (1998). Do population policies matter? Fertility and politics in Egypt, India, Kenya and Mexico, New York: Population Council.

Specific readings on each topic will be provided in separate handouts at each lecture.

All lecture handouts are available on:
http://www.econ.cam.ac.uk/faculty/iyer/teaching.htm.

Suggested Essay Questions

The following questions could be used as essay titles for supervisions related to this lecture course:

1. How good is our evidence that rapid population growth generates externalities for economic development?

2. As an explanation for the fertility transition, are demographic transition theories and Malthusian approaches as robust as microeconomic models of fertility?

3. Compare and contrast the impact of 'price effects' and of 'income effects' on fertility in a developing economy.

4. ‘Improving the position of women in LDCs is tantamount to solving the population problem.’ Is this a good assessment of the demographic situation in the less-developed world today?

5. Would compulsory schooling for all children reduce fertility in LDCs? Would it increase welfare?

6. Are state-sponsored family planning programmes the most effective way of reducing population growth in developing countries?

7. Do social norms and social interactions in developing countries explain fertility behaviour better than do “price” effects’?

8. Do cultural or genetic factors better explain the imbalance in the numbers of women relative to men in developing countries?