Purpose: This course introduces students to the use of sophisticated theoretical and empirical economic analysis in studying a variety of issues related to one of the most fundamental building blocks of the economy, the family. An emphasis is placed on understanding how economists make an argument and how each academic endeavor builds on the body of literature behind it. Intermediate Microeconomics and Economic Statistics are prerequisites.

Office Hours: My office is Room 111 Hubbard Hall, phone 725-3790.
Office hours are: Monday 4:30-5:30
Fridays 1:00-3:00

It helps me if you come at these times. Otherwise, please make an appointment via email. In your email please provide possible meeting days and times. Email is a very efficient way to reach me. Please note that my email address is not in standard form; it is connelly@bowdoin.edu. I check it often during the day, but irregularly in the evening and on the weekend.

Format: This course is an advanced seminar. Students are expected to attend all classes, to have read the material before class and to participate fully in class discussions. Discussion questions are sometimes handed out a class session or two before the discussion will take place and occasionally informal written answers will be requested for the day of the discussion. These will be checked off but not graded. Formal writing assignments include a literature review paper connected to a class reading, a take-home exam focusing on the readings up to that date, and an original research paper. Each student is also required to make three oral presentations, two focusing on one of the class readings, and an additional one at the end of the semester on his or her research project.

Oral Presentations: One of the aspects that distinguish seminars from other types of courses is that in a seminar students take much more of the responsibility for class discussion. Throughout the semester, the readings will be divided among you. Students will work in pairs to present the basics of the syllabus paper to the class and will help facilitate the discussion. Each presentation is worth 5% of your grade. Each pair of students will do two presentations. Papers with asterisks next to the date are available for presentations. We will schedule the first set of presentations right away and the second set sometime soon hereafter.

Literature Review Paper: Students will pick an additional paper eligible for presentation (other than the two he or she is presenting) and write a 3 to 4-page paper which places the journal article on the syllabus in the context of the economic literature on that topic. To do so the student will usually read one paper that predates the syllabus paper and is cited in the paper and one that comes after the syllabus paper and cites the syllabus paper. This pattern may be altered if the paper is very old or very new. The purpose of the exercise is to explore how these three papers are interrelated, how the latter papers build from or challenge the previous scholarship and identify what are the remaining research questions in this mini-field of the literature.

The papers on which you will base your Literature Review Paper will be selected along with Oral Presentation papers (marked with asterisks) or those marked with + and assigned along with the first set of
asterisked papers. You will turn in your Lit Review Paper the day we talk about the article in class so that your insights will become part of our class discussion on that day.

**Research Paper:** Each student is required to write a research paper (12-15 pages) on a topic of his or her choosing broadly related to the economics of the family subject to my approval. I will provide a list of some suggested topics. Paper proposal are due November 20th at 5:00 p.m. On December 2
d you are required to turn in the draft introduction to the paper, a detailed outline of the rest of the paper, and a full bibliography by class time (11:40 am). A full draft is due December 6 at 5:00 p.m. On Dec 9, 11, 12, and 13
th students will present their papers to the rest of the class. Please note that Dec 12 and 13
th are during reading period. We will have class at 11:40 as usual but go later than 1:05pm so that we can include all the remaining presentations. The final version of the paper must be completed by Dec. 21st at 9 a.m. (which is the official time of our final exam, not that we are having a final exam.) Papers must make use of journal-based economic research and must have proper citations. The grade on the paper will also recognize the quality of all intermediate products.

**Exam:** There will be one comprehensive take-home exam, most of the way through the semester. It will be available Nov. 12th at 5 p.m. Students can begin the exam at any time from Nov 12th at 5 p.m. until November 17th at 9 a.m. Once begun your answers are due 24 hours later. The exam is to be done individually, that is, there may not be any discussion of the exam with classmates. Students may refer to the course materials in preparing their answers to the exams. Again proper citations are required.

**Grading:** The final grade for the course will be based on:

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<th>Component</th>
<th>Percentage</th>
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<tr>
<td>Research Paper including oral presentation of research</td>
<td>40%</td>
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<tr>
<td>1 take-home exam</td>
<td>25%</td>
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<tr>
<td>Literature Review Paper</td>
<td>15%</td>
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<tr>
<td>Two oral presentations of syllabus papers</td>
<td>10%</td>
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<tr>
<td>General class participation and informal writing assignments</td>
<td>10%</td>
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**Important Dates:**

<table>
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<tr>
<th>Date</th>
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<tr>
<td>Sept 30</td>
<td>No class. Rosh Hashana</td>
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<tr>
<td>Oct 9</td>
<td>No class. Yom Kippur</td>
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<tr>
<td>Nov 20</td>
<td>Paper proposals due 5:00 p.m.</td>
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<td>Nov 13</td>
<td>No class. Take home exam available 5:00 p.m. Nov 12th, due 24 hours later. Last possible start time Sunday Nov 17th at 9 a.m.</td>
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<tr>
<td>Dec 2</td>
<td>No class. Intense research paper week. Full introduction and detailed outline of research paper due: 11:40 a.m</td>
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<tr>
<td>Dec 4</td>
<td>No class. Intense research paper week.</td>
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<tr>
<td>Dec 6</td>
<td>Full draft of research paper due 5 p.m.</td>
</tr>
<tr>
<td>Dec 9, 11, 12 and 13</td>
<td>Paper presentations in class (including at class time during reading period).</td>
</tr>
<tr>
<td>Dec 21</td>
<td>Research Paper due at 9 a.m.</td>
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COURSE OUTLINE

I. Introduction to the Economic Analysis of the Family
   A. Microeconomic Theory
   B. Empirical Methods

II. Multiperson Households—families as an economic unit
   A. Overview
   B. Family Formation—Why join together?
      1. Gains from Specialization
      2. Economies of Scale
      3. Transactions Cost, Risk Sharing, and Investment
   C. Marriage and Divorce
      1. Trends in Marriage and Divorce
      2. Economic Theory of Marriage
      3. Who Marries Whom
      4. Economic Model of Divorce
   D. Modeling Household Behavior—Joint Utility vs Bargaining Approaches
   E. What Role Does Gender Play in Household Behavior?

III. Fertility
   A. Fertility Levels and Trends
   B. General Theories
   C. Explaining Fertility Trends
   D. Examining Nonmarital Fertility

IV. Family Labor Supply
   A. Labor Force Attachment of Mothers
      1. Trends
      2. Theory: Beyond the Labor/Leisure Tradeoff
      3. Interrelationship between Fertility and Labor Supply
      4. Public Policy Related to the Labor Supply of Single Mothers
   B. The Role of Extended Family in Mother’s Labor Supply

V. Family Issues in Developing Countries
COURSE OUTLINE, ASSIGNMENT DATES AND ANNOTATED READING LIST
ECONOMICS 3531

I. Introduction to the Economic Analysis of the Family

Sept 9  
A. Microeconomic Theory  
The ultimate neoclassical position on economic analysis of the family

Sept 9  
B. Empirical Methods  

II. Multiperson Households--families as an economic unit.

A. Overview  

B. Family Formation--Why join together?

1. Gains from Specialization  
Sept 11 Hoffman and Averett, Chap 3, pp. 46-56.


2. Economies of Scale  
Sept 16 Hoffman and Averett, Chap 3, page 59.


3. Transactions Cost, Risk Sharing, and Investment  
Hoffman and Averett, Chap 3, pp. 56-60.
Sept 18  
*A very thorough review of the transactions cost literature. Note you are not required to read the whole article. Only up to page 594.*

Sept 18  

Sept 18  

C. **Marriage and Divorce**

1. **Trends in Marriage and Divorce**  
Sept 23  

2. **Economic Theory of Marriage**  
Sept 23  
Hoffman and Averett, Chap 3, pages 60-68.  
*A summary of Becker’s Marriage Model*

+Sept 23  

3. **Who Marries Whom**  
Sept 25  
Jacobsen, J. *The Economics of Gender*, Ch 3, 73-76.

Sept 25  

*Sept 25  

*Sept 25  

Sept 30 NO CLASS—ROSH HASHANAH
4. **Economic Model of Divorce**


**D. Modeling Household Behavior--Joint Utility vs Bargaining Approaches**

Oct 7  Hoffman and Averett, pp. 68-71.


*Oct 7  A natural experiment test of the implications of the bargaining approach


Oct 9 NO CLASS—YOM KIPPUR

Oct 14 NO CLASS—FALL BREAK

**E. What Role Does Gender Play in Household Behavior?**


III. Fertility

A. Fertility Levels and Trends


B. General Theories

Oct 21 Hoffman and Averett, Chap 5, 110-118 and Chapter 5 appendix

Summary of Becker’s fertility model.


Summary articles presenting Easterlin’s model of fertility and contrasting it with the Becker model.

C. Explaining Fertility Trends

Oct 23 Hoffman and Averett, Chap 5, 119-126.


D. Examining Nonmarital Fertility

Oct 28 Hoffman and Averett, Chap 6, pp. 129-147

Discussion of issues related to the rise in nonmarital fertility.


If children are an investment in marriage-specific capital, how can we understand nonmarital fertility?


**IV. Family Labor Supply**

**A. Labor Force Attachment of Mothers**

1. **Trends**

   Oct 30  Hoffman and Averett, Chap 7, pp. 157-166.


2. **Theory: Beyond the Labor/Leisure Tradeoff**

   Nov 4  Hoffman and Averett, Chap 7, pp. 166-182.

   Nov 4  Hoffman and Averett, First edition, appendix on household production.

3. **Interrelationship between Fertility and Labor Supply**  
   Nov 6  
   Hoffman and Averett, Chap 7, pp. 182-187.

*Nov 6  

*Nov 6  

*Nov 6  

4. **Public Policy Related to the Labor Supply of Single Mothers**  
   Nov 11  
   Hoffman and Averett, Chap 8, pp. 205-212.

*Nov 11  

*Nov 11  

Nov 13  
   **No Class. TAKE HOME EXAM AVAILABLE 5:00PM Nov 12 DUE 24 HOURS LATER. LAST POSSIBLE START TIME SUNDAY NOVEMBER 17 at 9 AM.**
B. The Role of Extended Family in Mother’s Labor Supply


Nov 20 PAPER PROPOSALS DUE 5:00 PM

V Family Issues in Developing Countries


Dec 2 Full introduction and detailed outline of research paper due: 11:50 am

No class

Dec 4 No class

Dec 6 Full draft of research paper due 5 pm

Dec 9, 11, 12, 13 Paper presentations in class (including two additional sessions during reading period)

Dec 21 Research Paper due at 9am.