

Public Policy and Income-Fertility Relationship in Economic Development

安井 大真

報告要旨

In the pre-industrial era, there was a positive association between income and fertility across households within societies, but in the modern era, a clear association does not seem to exist, neither positive nor negative. Why the income-fertility relationship within societies changed over time is an unsolved puzzle in the history of economic growth, one that has been raised by Gregory Clark (e.g., *A Farewell to Alms*, 2007). This study is intended to offer an explanation for this puzzle based on an overlapping generations model where public and private spending for children coexist and fertility is endogenously determined. Our theory suggests that public policy for children has a key role in solving the puzzle. The interaction between changes in public policy for children and economic development generates changes in the income-fertility relationship across households as well as hump-shaped dynamics of the average fertility rate over time.