



ACERH

AUSTRALIAN CENTRE FOR ECONOMIC RESEARCH ON HEALTH

SEMINAR SERIES

Thursday, 22 March 2007, 2:00 – 3:00pm

Gordon Ada Video Conference Room (Rm 3.030)
Building 54c (new JCSMR Building)
Garran Road
The Australian National University

Public policies on high fertility rates in developing countries: birth control, birth taxes or education subsidies?

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THE SPEAKER

Prior to her postgraduate studies, Dr Shi was a researcher in a research institute in China, where she undertook research on issues related to population policy such as fertility choices, reproductive health and the well-being of women in reproductive age. Her more recent research papers have focussed on the relationships between fertility choices, education, economic growth and their public policy implications. She has also paid special attention to the ageing problem in China: the trends and features of ageing, and the welfare of the aged. Dr Shi's main research interests include health and family economics; ageing, healthy ageing and pension reforms; and income redistribution and inequality.

ABSTRACT

Developing countries typically have too many children and too little education. In this paper we consider two types of population policies: one through birth control as in China and the other through birth taxes. We find that both achieve the same equilibrium solution if tax revenue finances lump-sum transfers. By reducing fertility and promoting growth, these policies may achieve higher welfare than conventional education subsidies financed by income taxes. A birth tax for education subsidies can achieve the first-best solution. The welfare gain of the first-best policy may be equivalent to a massive 10-50% rise in income, depending on the degree of human capital externalities.

PARKING AND BUILDING ACCESS

A campus map for ANU can viewed on the University's web site at <http://campusmap.anu.edu.au/>. Visitors to the campus are advised to take a taxi to the venue if possible. The closest Pay Parking is at University House (pay at the meter in the quadrangle).

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