

ESSAYS ON FERTILITY AND THE ECONOMY IN VENEZUELA

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We have examined this manuscript and verify that it meets the program and University requirements for the degree of Doctor of Philosophy in Economics

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Abstract

The purpose of this dissertation is to explore the relationship between fertility rates and the economy in Venezuela. In particular, it looks at the extreme fluctuations in oil revenues, Venezuela's main source of income, in the 1970s and their impact on fertility. It uses the 1998 National Survey of Population and Family collected in Venezuela by The Central Office of Statistics and Information to estimate a Poisson model of total fertility by union cohort and to empirically investigate changes in childbearing patterns. The results show that compared to the 1967-1968 union cohort, all subsequent union cohorts decline in total fertility in the first 14 years after entering the first union. This finding raises the possibility that the period fertility rate stall and reversal of the 1970s are not associated with rises in total fertility. Further, the simple two period model of fertility timing developed for this study illustrates how females may change their fertility timing by responding to temporary changes in income, either through changes in wages or changes in the amount of transfers. Also, the duration analysis presents differences in childbearing patterns where the boom cohort seems to be at a higher risk of an additional child for lower parities, but at a lower risk for higher parities when compared to the bust cohort. These differences seem to remain even after controlling for individual characteristics or secular changes between the two cohorts. This study is important, because it highlights how sharp and short changes in economic conditions faced by a Venezuelan household induce a change in the timing of birth, thereby creating unexpected moves in the period fertility rates. Understanding the source of these moves can help to plan for them in the future.