DEMAND FOR CHILDREN IN THE PHILIPPINES: DOES IT FOLLOW BECKER'S FERTILITY BEHAVIOR?

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ABSTRACT

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Theory suggests that an increase in real income increases the demand for different commodities. Prior to 19th century, higher-income families normally had more children. This event generally followed Malthus' theory of population. However, Knodel (1974) found in Germany around 1900 that wealthy urban families have a declining fertility. From this, Becker was encouraged to explain what factors might have affected this fertility differentials. Having the same concept of demand for children and other commodities, he argued that an increase in the price of children would decrease the demand for them and increased the demand for other goods, holding income constant. The study used the data from the Family Income and Expenditure Survey 2009 and investigated how variables like income and cost of children affect the likelihood demand for children in the Philippines. Estimation of cost was performed using weighted least square and ordinary least square methods while multinomial logistic regression was used to analyze the likelihood demand for children. Also, the study aimed to emphasize the importance of education not only for children but for parents as well.

The results showed that children from small families across all income levels were better off compared to those children of larger families. This may be because more attention is given on their educational needs and on other things. Moreover, the significance of education was extended up to the fertility behavior of most educated mothers. The outcome illustrated that they were less likely to have more than four children. These analyses were all in accordance with the interaction between the quality and quantity of children in which parents would demand more quality goods for their children and therefore, decreases their demand for children.

Understanding the cost of children was used to assess its significance in family planning programs. Finally, the study gave emphasis on the policy implications of education to women empowerment as well as to raise awareness on the benefits of small family sizes to the welfare and development of both mothers and children. From this, the study advocates that the government should implement adult literacy programs for the benefit of marginalized women in the Philippines.

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