Low JPE 2024 Replication

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Model

1. Let there be two types of women: H (high income, low fertility) and L (low income, high fertility). Find the matching equilibriums implied by the model.

Simulations

1. Endogenous education: play around with the distribution of costs of investment in higher education. Does this do a better job at matching changes in fraction of highly educated women (Fig. 8) and predicted spousal income (Fig. A7)?

2. Let men be characterized by their income $y \in [0, Y]$ and time for leisure $t \in [0, 1]$. Set up the household's problem and solve for the total marital surplus function. If the data permits, assume the mass of women's types is exogenously given and run the simulation. Driven by changes in income, fertility, and time for leisure, does the simulation capture the initial non-monotonic pattern between wife's education and husband's income? Does it capture the crossing (and the timing of crossing) of spousal incomes of college-educated and highly-educated women? Allow for endogenous human capital investment and repeat.