

TABLE 8—LONG-RUN EFFECTS OF PRO-NATAL TRANSFERS AND EDUCATION TAXES

|                                    | Baseline | Pro-natal transfers |               | Education taxes |                |
|------------------------------------|----------|---------------------|---------------|-----------------|----------------|
|                                    |          | $\psi = 0.01$       | $\psi = 0.02$ | $\tau_x = 0.1$  | $\tau_x = 0.2$ |
| Fertility rate $n$                 | 1.92     | 2.00                | 2.08          | 1.97            | 2.01           |
| (Percent change)                   |          | (4.2)               | (8.5)         | (2.9)           | (4.8)          |
| Childlessness rate (percent)       | 3.4      | 3.1                 | 2.9           | 3.3             | 3.3            |
| Avg $x$ per child/income (percent) | 11.0     | 10.4                | 9.9           | 8.9             | 7.4            |
| Income elasticity of $n$           | 0.080    | 0.020               | −0.021        | 0.027           | −0.002         |
| Income elasticity of $x$           | 0.775    | 0.824               | 0.868         | 0.784           | 0.788          |
| Avg labor supply                   | 0.290    | 0.288               | 0.286         | 0.282           | 0.275          |
| Avg human capital                  | 3.29     | 3.24                | 3.20          | 3.18            | 3.11           |
| Output per capita                  | 0.958    | 0.938               | 0.918         | 0.901           | 0.860          |
| Gini income                        | 0.266    | 0.268               | 0.271         | 0.271           | 0.275          |
| IGE                                | 0.327    | 0.326               | 0.324         | 0.309           | 0.293          |
| $T/Y$ (percent)                    |          | 2.1                 | 4.5           | 1.9             | 3.2            |