

References

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Economic Utility and Demand for Children - Reply

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Professor K.S. Srikantan has four major observations about my paper (this Journal, 1988): (i) the theoretical framework used is not accepted in the literature, (ii) the theoretical model is weak in the Indian context, (iii) in the empirical analysis certain variables are misinterpreted, and (iv) the conclusion of the paper is unacceptable. I will start with the importance of the theoretical framework.

The emergence of the 'new home economics' in the early 1970s as an economic explanation of the fertility behaviour of couples and the subsequent development as the 'economics of family' has resolved many of the puzzles of the demographic phenomenon, which were hitherto unexplained by either demographers or sociologists. The increasing acceptability of the economic framework to family behaviour has been clearly demonstrated in recent years that not only the micro economic framework yielded fruitful results in developing countries, but also economists are unable to put forward a totally logical alternative theory. Even the approach suggested by Easterlin (1975) has a number of common elements, as Sanderson (1976) points out, with the Beckerians. Further, many reputed academic journals devoted special issues on the micro economics of family behaviour: *Journal of Political Economy* (1973, 1974, 1976), *Philippine Economic Journal* (1978), *Journal of Labor Economics* (1985), *International Economic Review* (1986) and *Journal of Policy Modelling* (1988). The policy oriented studies of the World Bank and the National Academy of Sciences increasingly use the economic framework for demographic problems.

Nevertheless, Srikantan claims that the 'treatment of children as consumer durable has not found acceptance in economic and sociological literature', with the help of some of the early comments on the economic theory of fertility. He further states 'the author is hopelessly out of date and does not display any awareness of these considerations'.