

Abstract

A Test of Gary Becker's Economics of Population and Human Resources Theory : Are the Quantity and Quality of Children Substitutable? – A Case Study of Thailand

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The purpose of this research is to test the relationship between family size and quality of children following the analysis of Gary S. Becker, using the national survey statistic on Income and Income Distribution of Households, 1998, provincial level.

Regression analysis is used with the average household sizes of 76 provinces being the dependent variables and the percentages of expenditure on education and medical costs being the two independent variables. The equation for the whole country was estimated as well as the regional equations.

It was found that there exists a significantly statistic negative relationship between family size and quality proxy – the percentages of expenditure on education which confirms Becker's analysis. For regional estimations it was also found that there exists negative relationships between the two variables as well, but the relationships are not statistically significant, due mainly to the smaller samples.

Therefore, it could be concluded that the analysis by using Thailand's cross sectional data did confirm Becker's analysis, that is household size; children quantity and their quality are negatively related. Although the household size tends to be smaller having smaller number of children but the children quality tends to increase as a substitution. For Thailand the substitution is not much. That is the meaning of Garry S. Becker's negative relationship between the quantity and quality of children.