Rural exodus and fertility at the time of industrialization

Thomas Baudin*¹ and Robert Stelter²

¹Lille - Economie et Management (LEM) – CNRS : UMR8179, Université Lille I - Sciences et technologies, Fédération Universitaire et Polytechnique de Lille – France
²Max Planck Institute for Demographic Research (MPIDR) – Konrad-Zuse-Straße 1 18057 Rostock, Germany, Germany

Abstract

We propose a unified model of economic growth where people decide not only about fertility and education but also whether or not to migrate to the city or alternatively to the countryside. Using the simulated method of moments and an original set of Danish data, we calibrate our model to evaluate the relative contributions of the rural exodus and mortality reductions to economic growth and the fertility transition. We find, in line with Galor (2005), that the reduction of infant mortality has not been a major driver of the Danish economic take-off while the rural exodus, complementing technological progress, has been a workhorse of the economic and demographic revolution of Denmark.

Keywords: Both

*Speaker