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The Effect of Childhood Siblings on Adult Income

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WHY DOES IT MATTER?

The U.S. fertility rate has declined. Recent trends have shown that Millennials are delaying marriage and having children later in life.

Also, because productivity has increased, the opportunity cost of having children has increased.

Given the current threat of overpopulation, the progression towards smaller family sizes may have unknown benefits. My research analyzes a potential relationship between how many siblings an individual grows up with and adult income.

THE EFFECT of Childhood Siblings ON ADULT INCOME

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DATA

- National Longitudinal Survey of Youth 1979
- Sample Size of 6108
- 37 Independent Variables
- OLS Regression

MODEL

Dependent variable: LN(Income)

- Sibling Size
- Age & Age Squared
- Sex
- Years of Schooling
- Marital Status
- Race
- Religion
- Citizen
- Mother's and Father's Years of Schooling
- Poverty 1979
- Family Size 1979 and 2012
- Region
- Hours Worked
- 10 Occupation Dummy Variables

RESULTS

- Sibling size not significant
- Increasing years of school by 1 year increases income by 16%
- Growing up in poverty decreases income by 21%
- Married people
 outearn those who are
 never married,
 separated or divorced
- People who currently live in an urban location earn 26% more than those living in rural communities

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