

## **Dads, Your Time Matters: An Economic Analysis of the Importance of Father Involvement**

This paper proposes an economic model whereby paternal involvement affects both fathers' and children's human capital using a Dynastic Utility framework. The main focus is the time evolution of paternal involvement in two cases: i.) fathers are not aware that time devoted to childrearing has positive effects on their own productivity, and ii.) fathers are aware and optimize time allocation accordingly. I impose an exogenous minimum paternal time cost of childrearing which triggers the decision whether to have children or not based on the maximization of the dynastic utility function. Because of this, if the evolution of the optimal value of paternal involvement throughout generations decreases to the minimum level, then the dynasty would cease to exist. As a corollary, when the minimum paternal time cost increases (e.g. due to increased female labor force participation and less maternal involvement), the probability that the dynasty would eventually end would be greater. Finally, the paper also provides a survey on current research done on the importance of father involvement on both child and father development.