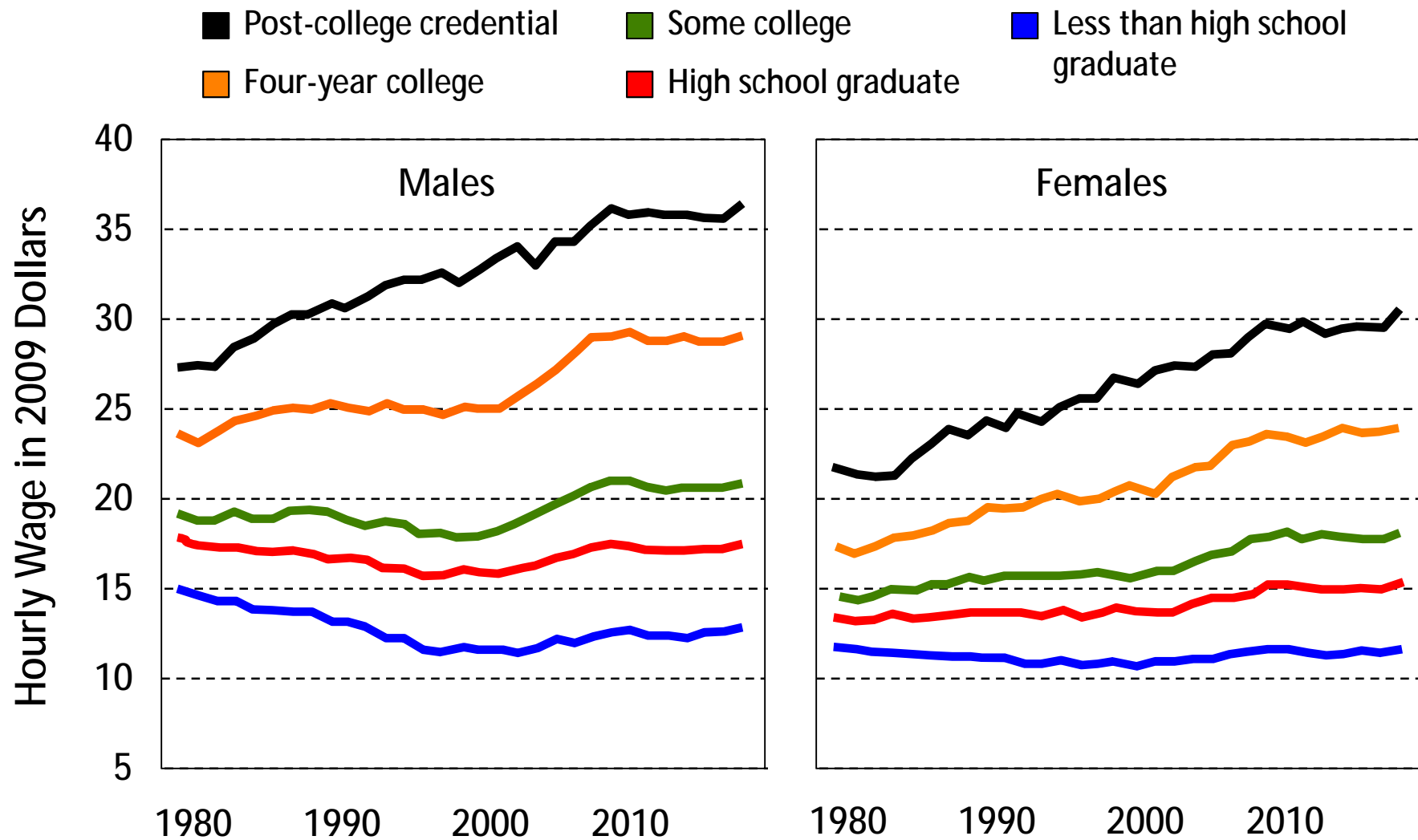# Consequences of Trends in Attainments and Achievement

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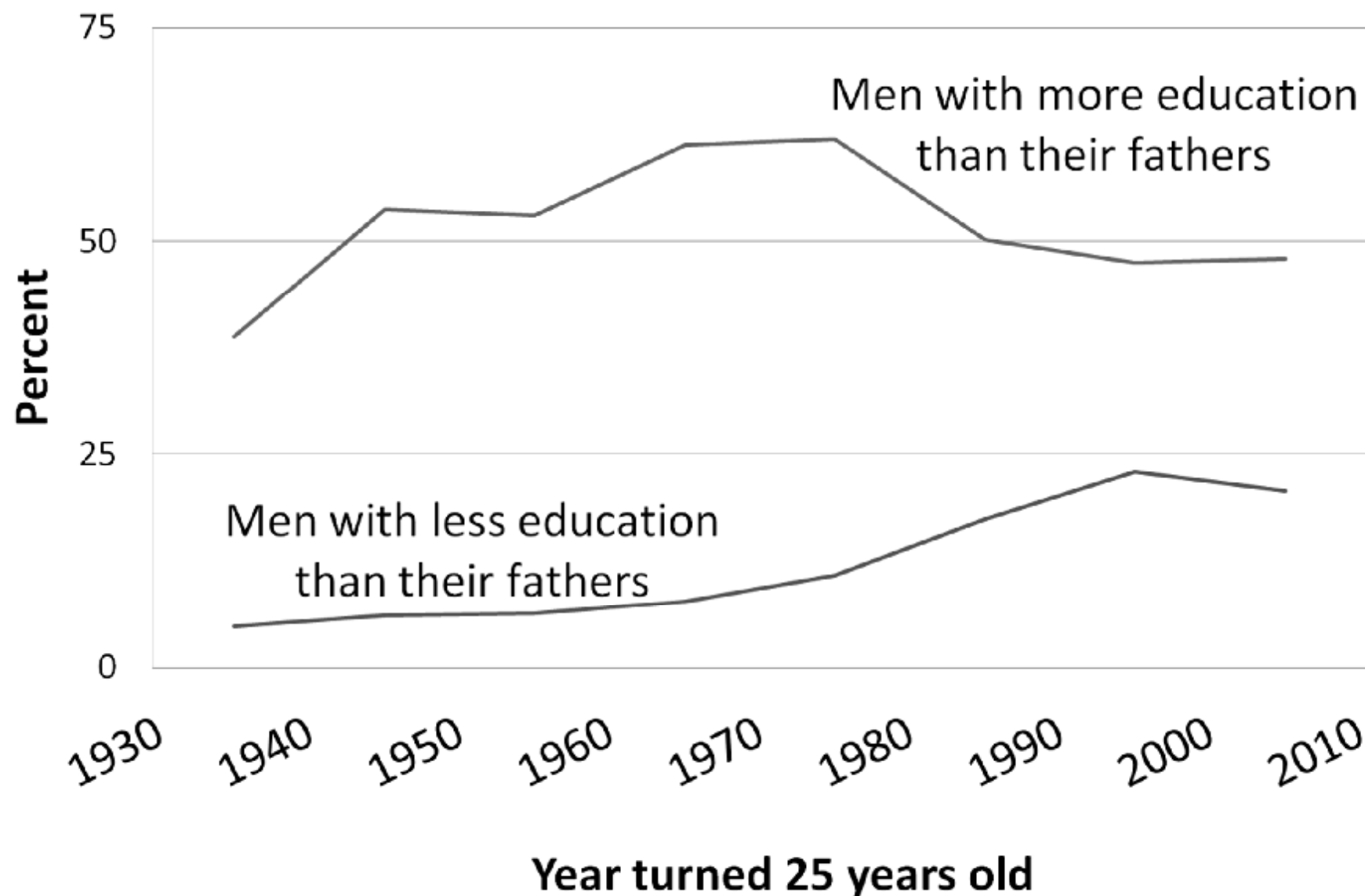
NRC Planning Meeting
October 11, 2013

Trends in Average Hourly Wage
by Gender and Education Level, 1980-2009
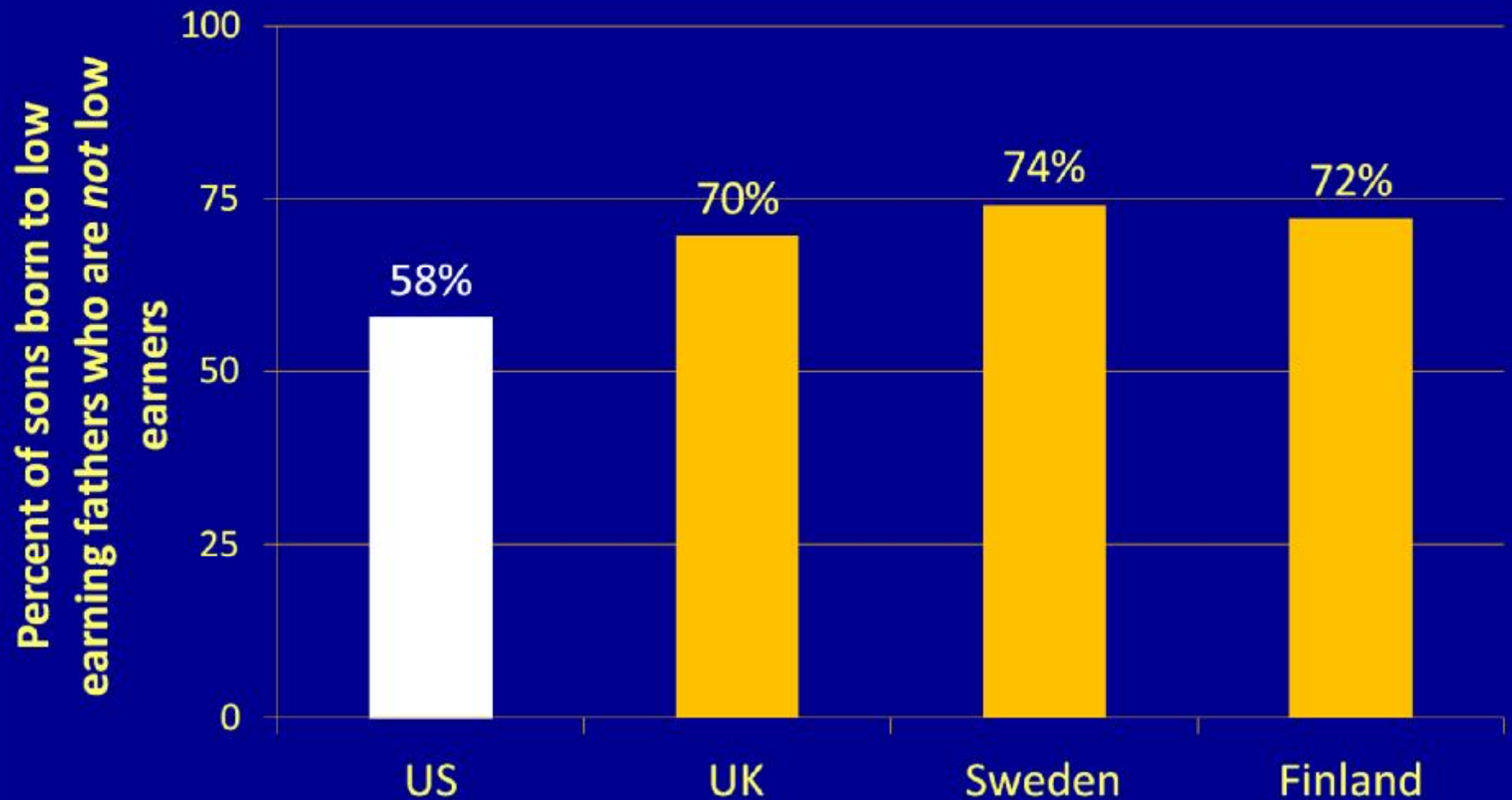
■ Post-college credential ■ Some college ■ Less than high school graduate

■ Four-year college ■ High school graduate

Males

Females

Hourly Wage in 2009 Dollars

Source: Analyses of Current Population Surveys, U.S. Census Bureau

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Figure 2.5: Men's intergenerational mobility

Men with more education than their fathers

Men with less education than their fathers

Percent

75

50

25

0

1930 1940 1950 1960 1970 1980 1990 2000 2010

Year turned 25 years old

Source: Hout and Janus (2011)

Upward mobility in the earnings of sons in the United States and other countries

Source: Jantii et al. (2008)

Causal Evidence?

- All prior slides reflect descriptive correlations, not causal evidence

- The selection problem

- Need source of exogenous assignment of educational attainment levels to individuals to produce credible causal evidence

- Growing number of studies with credible identification strategies

- Need for caution in interpreting the evidence from the causal studies since all most all are LATE estimates.

Causal Evidence on the benefits of additional educational attainments:

1. Improved labor market outcomes (Oreopoulos, 2006, 2007, 2009)

2. Reduced crime (Lochner & Moretti, 2004)

3. Better health (Lleras-Muney, 2005)

4. Healthier children (Currie and Moretti, 2003) and better educated children (Oreopoulos, Page, & Stevens, 2006)

5. Increased civic participation (Dee, 2004; Milligan, Moretti, & Oreopoulos, 2006)

Impact of Attainment and Achievement on Economic Growth

1. The face validity argument

2. Direct evidence requires significant structure on models to deal with two-way causation (Hanushek & Woessman, 2008, 2012a, 2012b)

Challenges in Measuring Educational Outcomes in the U.S.

1. The heterogeneity in the "some college" category

2. Tracking subgroups by income, race/ethnicity, and gender

3. Accountability can contaminate outcome measures

4. Treatment of recent immigrants

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