

Table 5: Instrumental Variables Estimates of the Return to Education  
Based on Interaction of Parental Education and Proximity to  
College

	Reduced Form Models:		Structural Models	
	Education	Earnings	of Earnings	
	(1)	(2)	(3)	(4)
1. Live Near College in 1966	0.154 (0.135)	0.029 (0.024)	0.015 (0.029)	0.013 (0.024)
2. Live Near College * Low Parental Education <sup>a</sup>	0.462 (0.186)	0.043 (0.032)	--	--
3. Education <sup>b</sup>	--	--	0.093 (0.065)	0.097 (0.048)
4. Family Background Variables <sup>c</sup>	yes	yes	yes	yes