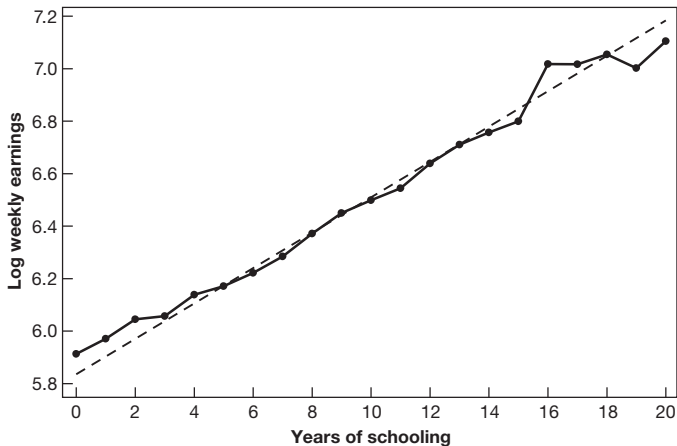


FIGURE 2.1  
The CEF and the regression line



*Notes:* This figure shows the conditional expectation function (CEF) of log weekly wages given years of education, and the line generated by regressing log weekly wages on years of education (plotted as a broken line).