

Clase 9: Conceptos Económicos SPP

Haciendo Economía I
Econ 2205

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Simple Human Capital Model

Signaling

Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment

By ESTHER DUFLO*

Between 1973 and 1978, the Indonesian government engaged in one of the largest school construction programs on record. Combining differences across regions in the number of schools constructed with differences across cohorts induced by the timing of the program suggests that each primary school constructed per 1,000 children led to an average increase of 0.12 to 0.19 years of education, as well as a 1.5 to 2.7 percent increase in wages. This implies estimates of economic returns to education ranging from 6.8 to 10.6 percent. (JEL I2, J31, O15, O22)

DOES COMPULSORY SCHOOL ATTENDANCE AFFECT SCHOOLING AND EARNINGS?*

JOSHUA D. ANGRIST AND ALAN B. KRUEGER

We establish that season of birth is related to educational attainment because of school start age policy and compulsory school attendance laws. Individuals born in the beginning of the year start school at an older age, and can therefore drop out after completing less schooling than individuals born near the end of the year. Roughly 25 percent of potential dropouts remain in school because of compulsory schooling laws. We estimate the impact of compulsory schooling on earnings by using quarter of birth as an instrument for education. The instrumental variables estimate of the return to education is close to the ordinary least squares estimate, suggesting that there is little bias in conventional estimates.

Evidencia Empirica: Educación y Habilidad



Estimates of the Economic Return to Schooling from a New Sample of Twins

By ORLEY ASHENFELTER AND ALAN KRUEGER*

This paper uses a new survey to contrast the wages of genetically identical twins with different schooling levels. Multiple measurements of schooling levels were also collected to assess the effect of reporting error on the estimated economic returns to schooling. The data indicate that omitted ability variables do not bias the estimated return to schooling upward, but that measurement error does bias it downward. Adjustment for measurement error indicates that an additional year of schooling increases wages by 12–16 percent, a higher estimate of the economic returns to schooling than has been previously found. (JEL J31)

ESTIMATING THE LABOR MARKET SIGNALING VALUE OF THE GED*

JOHN H. TYLER
RICHARD J. MURNANE
JOHN B. WILLETT

This paper tests the labor market signaling hypothesis for the General Educational Development (GED) equivalency credential. Using a unique data set containing GED test scores and Social Security Administration (SSA) earnings data, we exploit variation in GED status generated by differential state GED passing standards to identify the signaling value of the GED, net of human capital effects. Our results indicate that the GED signal increases the earnings of young white dropouts by 10 to 19 percent. We find no statistically significant effects for minority dropouts.

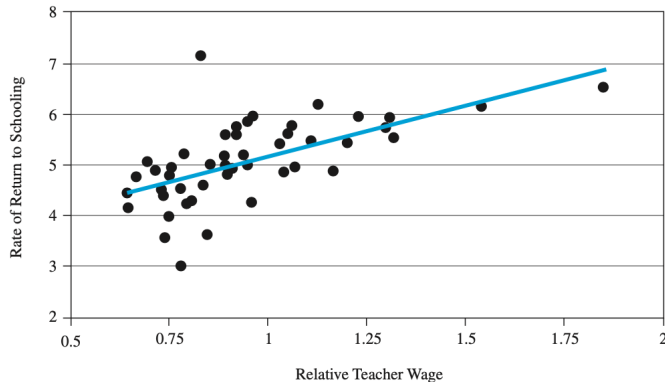
Does School Quality Matter? Returns to Education and the Characteristics of Public Schools in the United States

David Card and Alan B. Krueger

Princeton University

This paper estimates the effects of school quality—measured by the pupil/teacher ratio, average term length, and relative teacher pay—on the rate of return to education for men born between 1920 and 1949. Using earnings data from the 1980 census, we find that men who were educated in states with higher-quality schools have a higher return to additional years of schooling. Rates of return are also higher for individuals from states with better-educated teachers and with a higher fraction of female teachers. Holding constant school quality measures, however, we find no evidence that parental income or education affects average state-level rates of return.

Evidencia Empírica: Educación y Calidad



(b) Impact of Teacher Salaries