

Is Education Enough? Education, Skills and Socio-economic Inequalities

Professor Anna Vignoles
16 Nov 2018

A story of 4 papers...

Jack Britton (IFS)

Claire Crawford (Warwick)

Lorraine Dearden (IFS and IOE, UCL)

Francis Green (UCL IOE)

Golo Henseke (UCL IOE)

Sonia Ilie (Cambridge)

Lindsay Macmillan (IOE, UCL)

Neil Shephard (Harvard)

Is education the way to improve skills,
increase social mobility and reduce
inequalities?



And yet....

- Education is not the great leveller that people hoped it would be
- Family background continues to be the key determinant of educational achievement and significant determinant of labour market success

What are we trying to achieve?

- Relative social mobility
 - some move up, some move down
- Absolute social mobility
 - make more room at the top
- Economic inequality
 - does education legitimise inequality

Is Education a race?

Human capital theory

Signalling/screening

Social capital



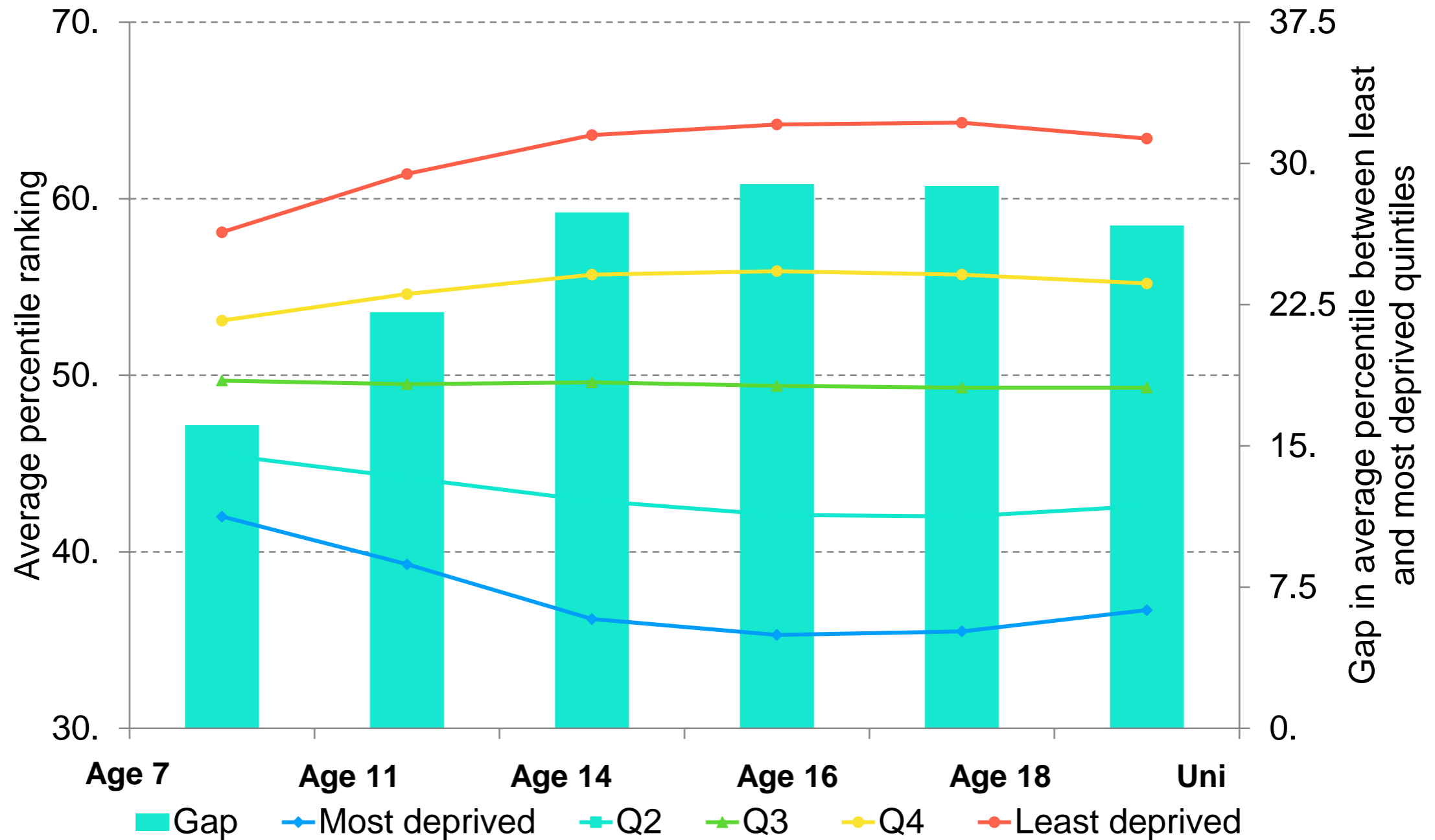
Imperfect measures of social background

- Attended a private school at age 18
- Lived in a low participation neighbourhood on entry into HE
- Free School Meal status

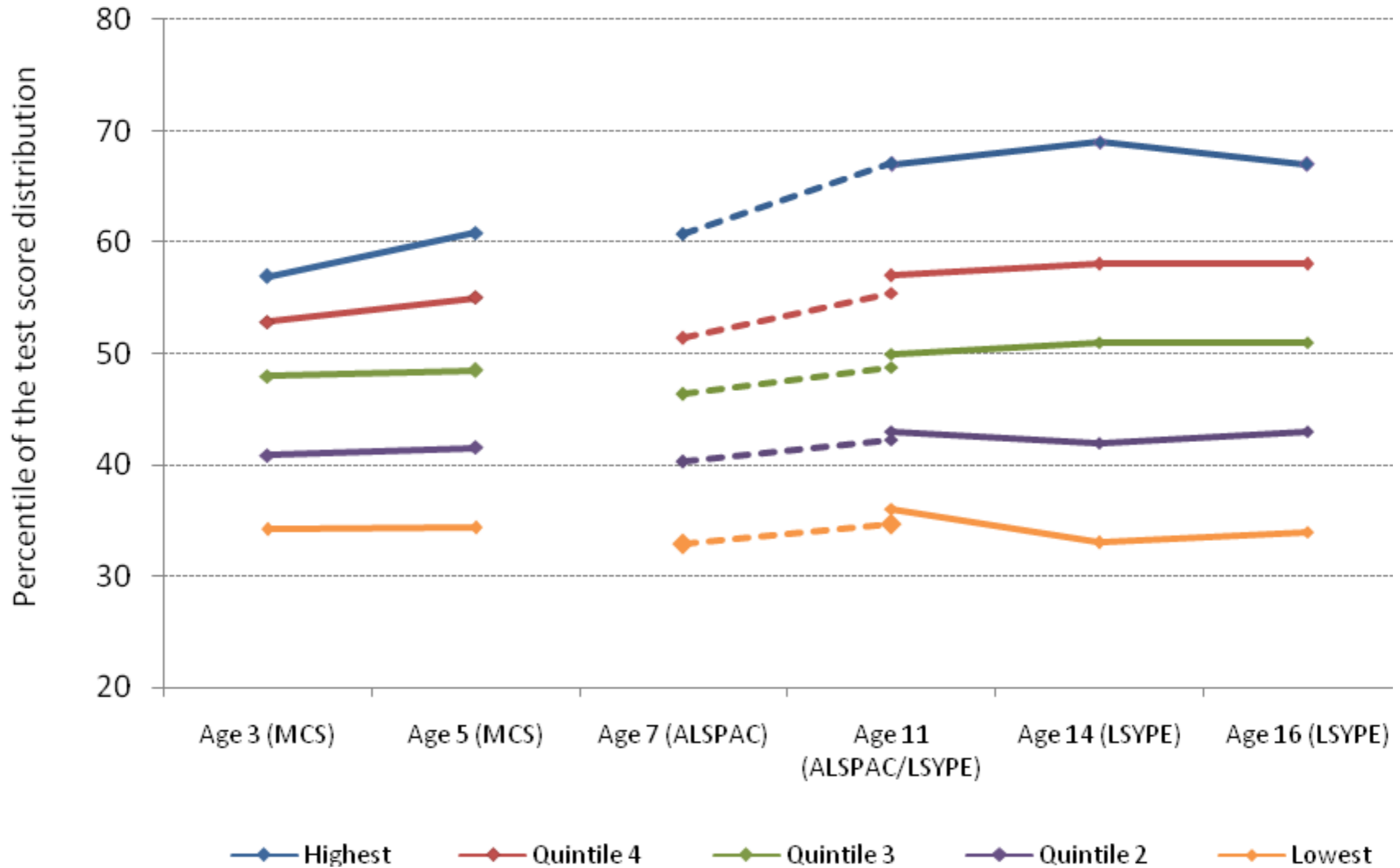
What does the evidence say?

- Large socio-economic gaps in attainment throughout schooling
 - Widen during primary school and on entry to secondary school
- Large socio-economic gaps in HE participation and access to “high status” institutions

Inequalities in education achievement emerge early



In fact very early...



Gregg and Goodman (2010)

What happens after access to uni?

- Those from lower socio-economic backgrounds are:
 - more likely to drop out
 - less likely to complete their degree
 - less likely to get a top grade
- True even comparing students with the same attainment and other characteristics on entry to HE

Access to higher earnings and professions



Linked administrative data

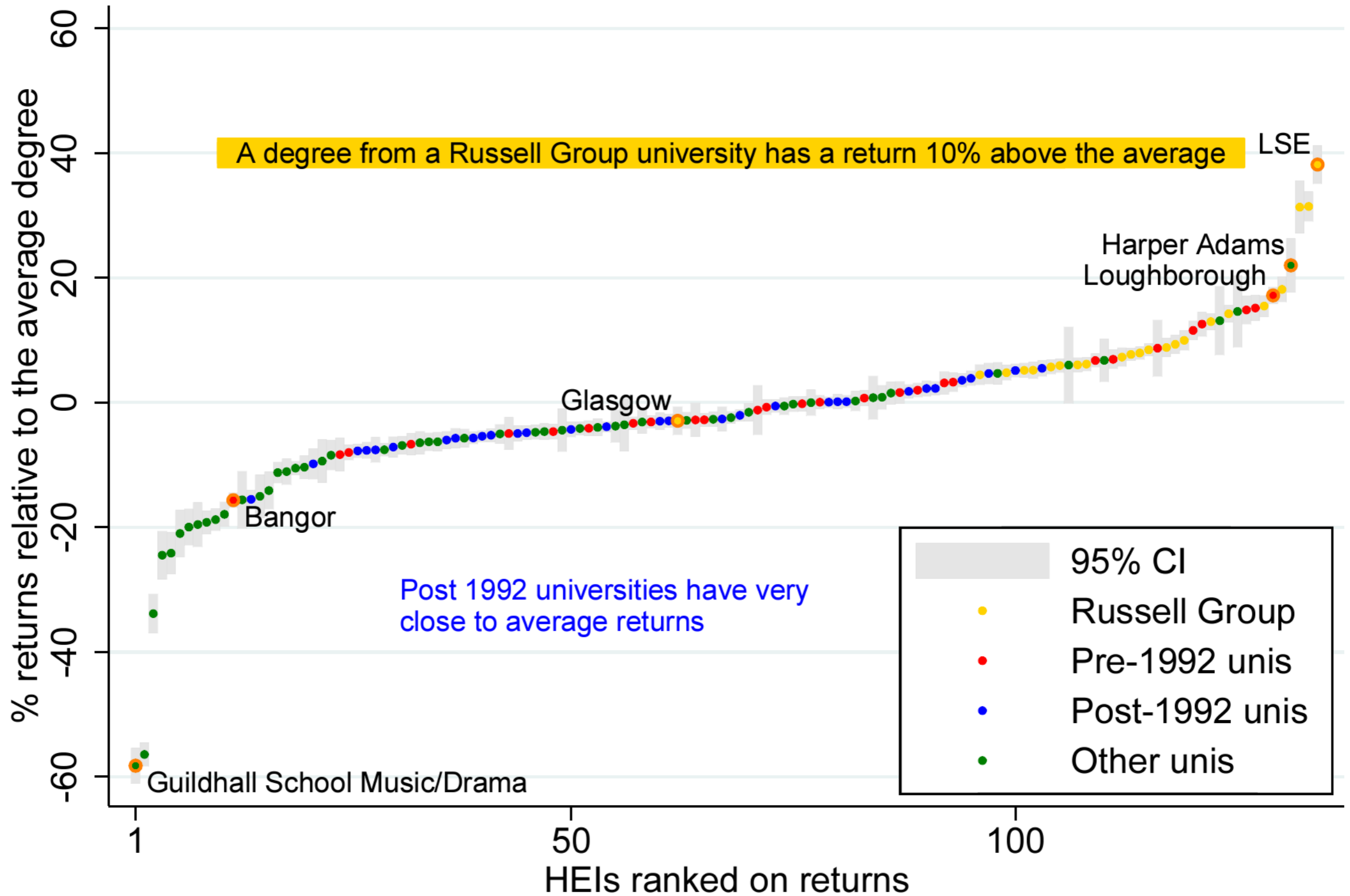
- ▶ Longitudinal Educational Outcomes data
 - National Pupil Database
 - HESA
 - HMRC / DWP Data

- ▶ Belfield, Britton, Buscha, Dearden, Dickson, van der Erve, Sibieta, Vignoles, Walker and Zhu

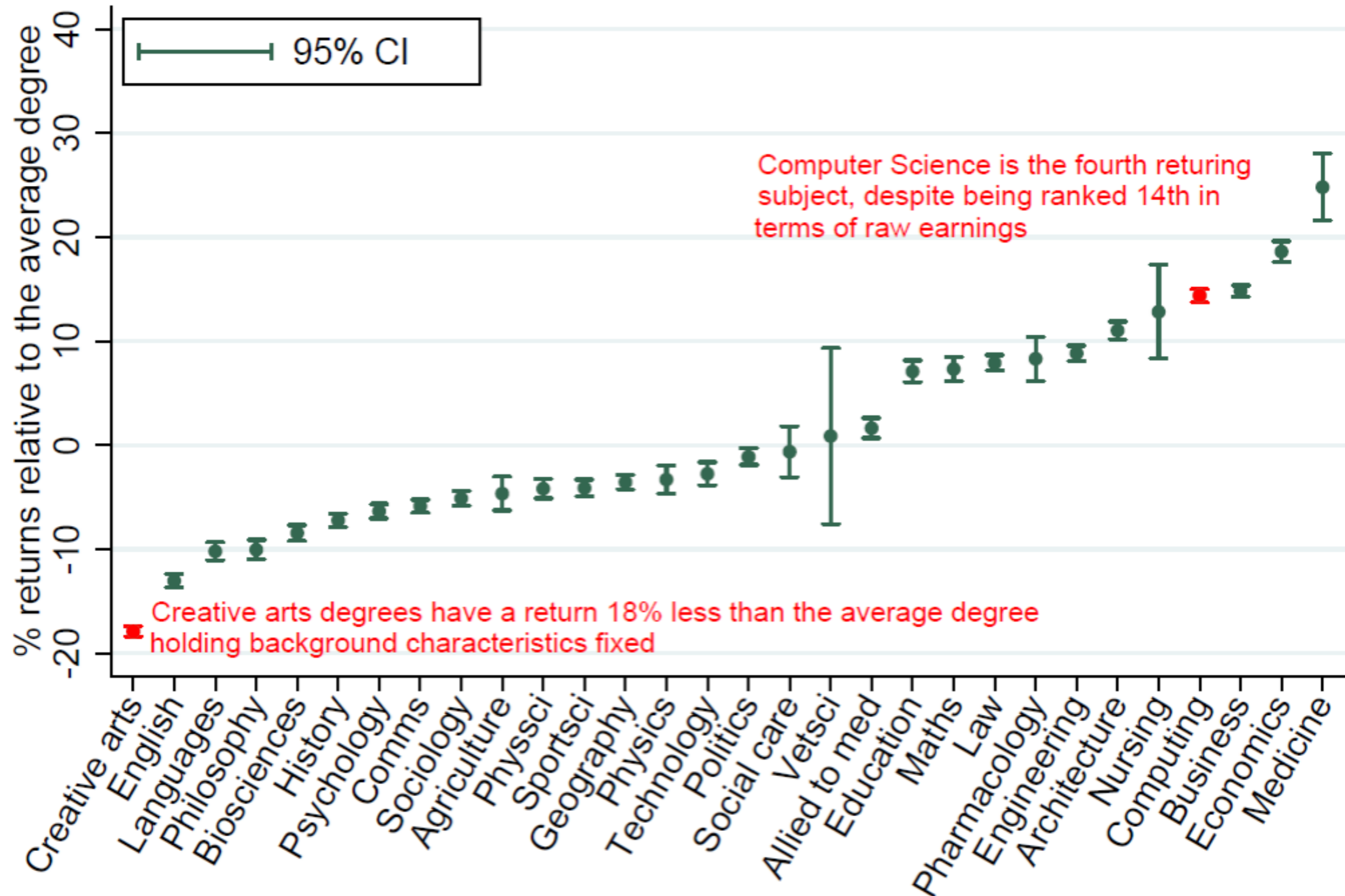
Different degrees lead to different labour market outcomes

- Big differences in earnings according to which university was attended and subject studied
 - Not entirely driven by differences in entry requirements

Institution returns five years after graduation for women



Subject returns five years after graduation for men

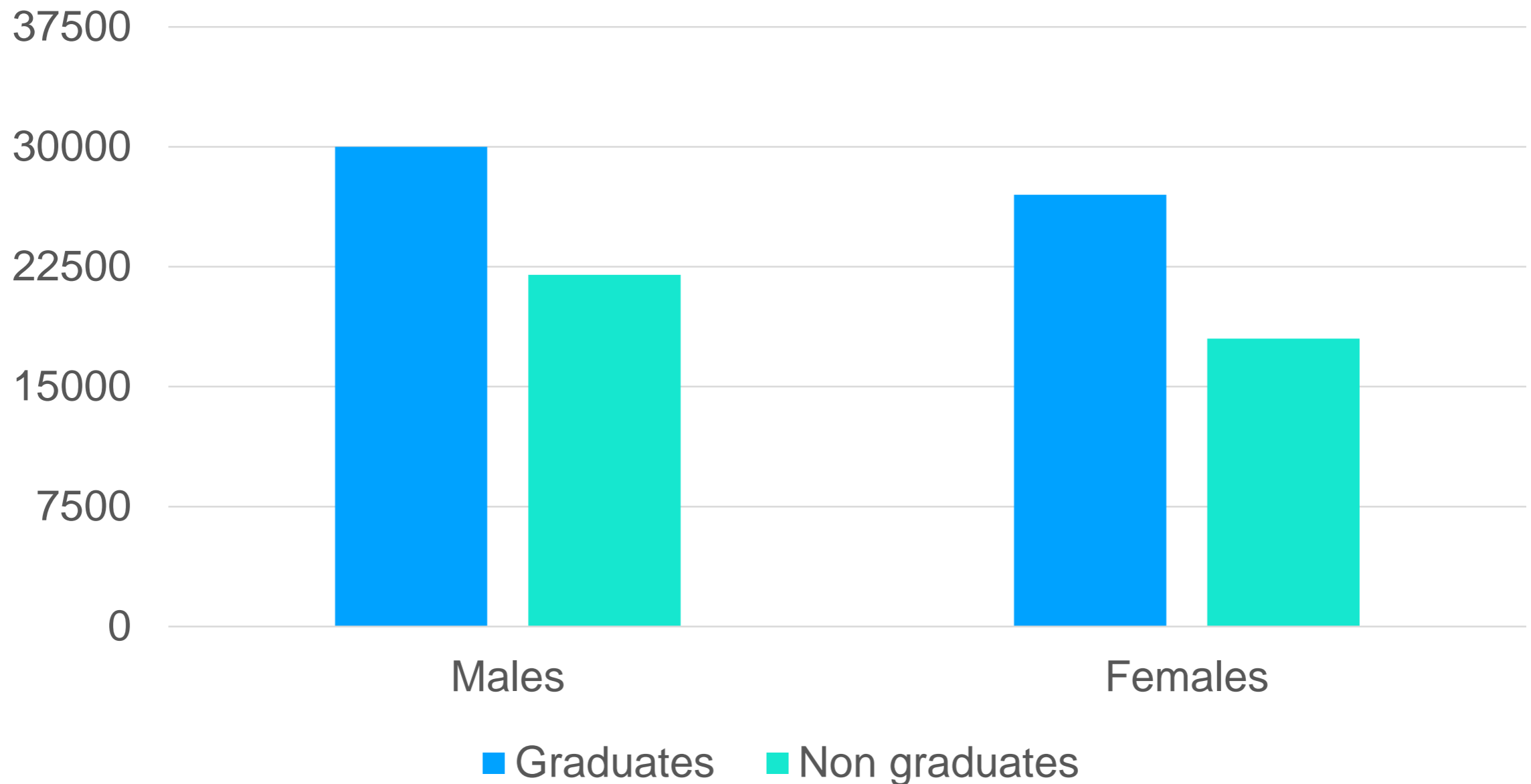


Socio-economic background

- Big socio-economic gap in earnings of graduates
- This is partly because poorer students access different types of higher education
- But taking account of subject and institution the gap in earnings remains at around 10%

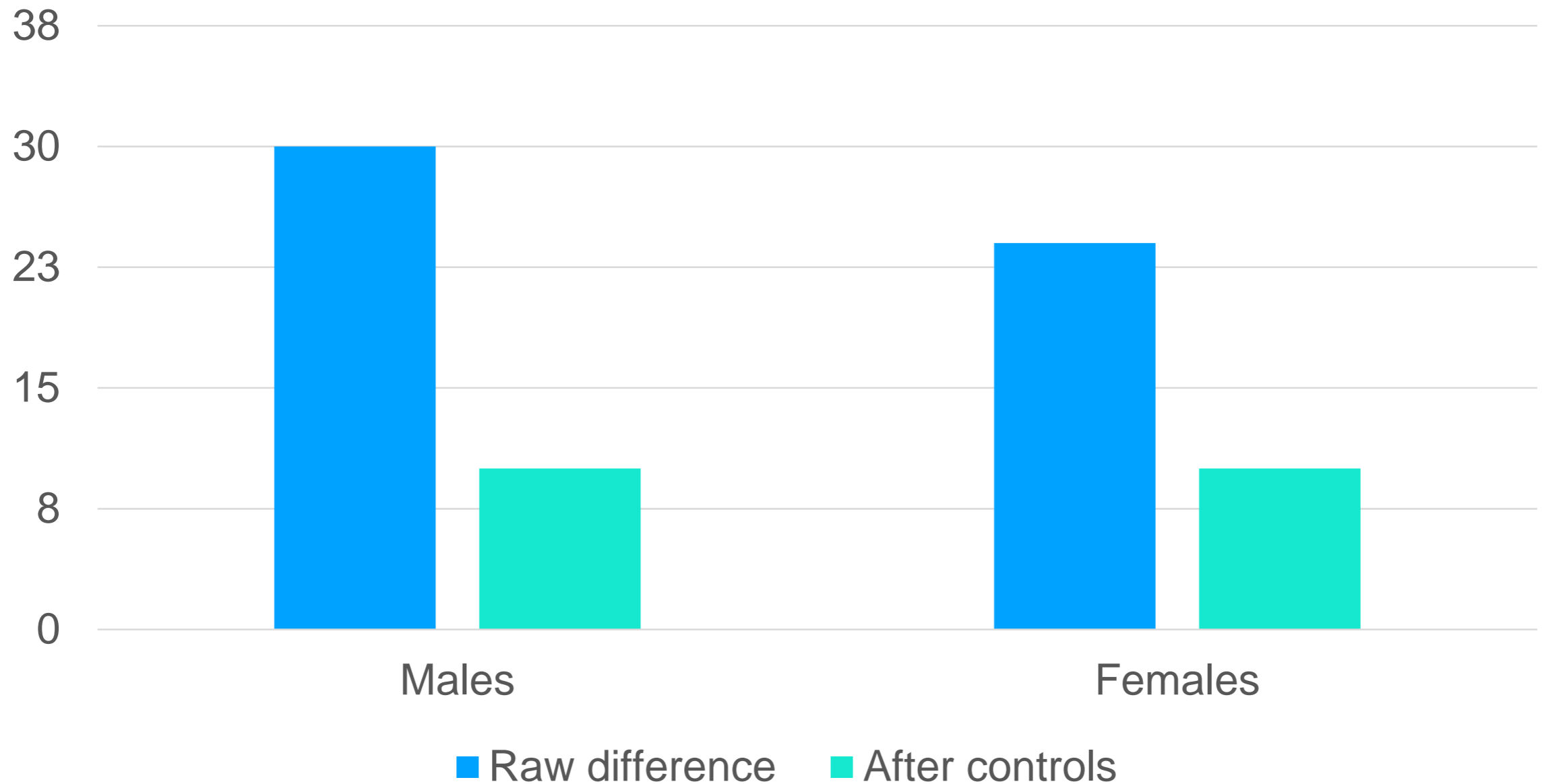
Graduate median earnings

£ per annum



Socio-economic earnings premium

% premium



The private school advantage....

- Those who attend a private school have:
 - higher levels of educational achievement
 - Are more likely to secure a high-status occupation
 - have higher wages

The private school advantage....

- They do jobs that:
 - require significantly greater leadership skills
 - offer greater organisational participation
 - require greater work intensity
 - are in higher paying industries

So what does this evidence imply?

- Education achievement is highly unequal
- Education does not level the playing field
- Education does improve skills
- Education may not improve social mobility and reduce inequalities. It should improve productivity.

So what does this evidence imply?

- Family matters so much partly because of stark economic inequalities in childhood experience
- Reducing economic inequality will narrow the gap.



Make more room at the top...

- Need productive people with good skills who can contribute to economic growth
- Also need to worry about.....
 - low productivity firms
 - low capital investment
 - labour market regulation
 - employer training



Key references

Boliver, V., 2013. How fair is access to more prestigious UK universities?. *The British journal of sociology*, 64(2), pp.344-364.

Britton, J., Dearden, L., Shephard, N. and Vignoles, A., 2016. How English domiciled graduate earnings vary with gender, institution attended, subject and socio-economic background. *London: Institute for Fiscal Studies*.
<https://www.ifs.org.uk/uploads/publications/wps/wp201606.pdf>.

Carrell, S. E., & Sacerdote, B. (2013). *Late Interventions Matter Too: The Case of College Coaching New Hampshire*. National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w19031>

Castleman, B. L., & Page, L. C. (2013b). Summer Nudging: Can Personalized Text Messages and Peer Mentor Outreach Increase College Going Among Low-Income High School Graduates? *Harvard University*. Retrieved from <https://npeac.memberclicks.net/assets/summer%20nudging.pdf>

Crawford, C., Dearden, L., Micklewright, J. and Vignoles, A. (2016) **Family Background and University Success** (2016)
<https://www.ifs.org.uk/publications/8791>

Crawford C, Macmillan L, Vignoles A. When and why do initially high attaining poor children fall behind?, *Oxford Review of Education*
<http://www.tandfonline.com/eprint/NGXV9yD9ZgmNAJcsvZj6/full>

Crawford C, Gregg P, Macmillan L, Vignoles A, Wyness G. Higher education, career opportunities, and intergenerational inequality. *Oxford Review of Economic Policy*. 2016 Dec 21;32(4):553-75.

Goodman, Alissa, and Paul Gregg, eds. *Poorer children's educational attainment: how important are attitudes and behaviour?*. York: Joseph Rowntree Foundation, 2010.

Green, F., Henseke, G. and Vignoles, A., 2017. Private schooling and labour market outcomes. *British Educational Research Journal*, 43(1), pp.7-28.

Murphy, R., Scott-Clayton, J. and Wyness, G., 2017. Lessons from the end of free college in England. *Brookings Evidence Speaks Reports*.