Mobility Report Cards: The Role of Colleges in Intergenerational Mobility

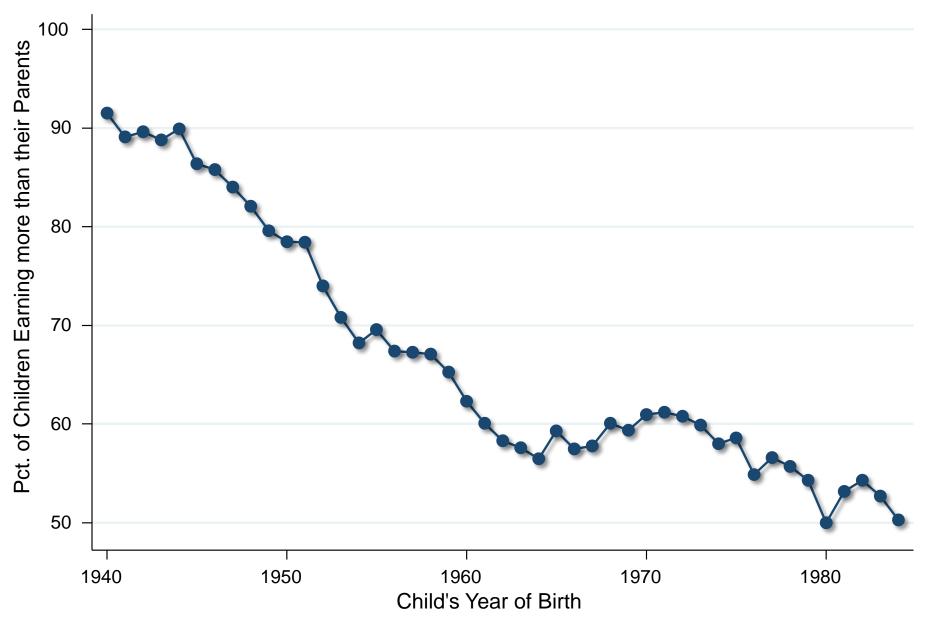
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April 2017

The findings, interpretations, and conclusions expressed in this paper are entirely those of the authors and do not necessarily represent the views of the U.S. Department of Treasury.

The Fading American Dream

Percent of Children Earning More than Their Parents, by Year of Birth



Source: Chetty, Grusky, Hell, Hendren, Manduca, Narang (Science 2017)

College Mobility Report Cards

- Use de-identified tax data and Pell records covering all college students aged 18-22 from 1999-2013 (30 million students)
 - Construct statistics based on college attendance (not completion)

- We show how colleges shape upward mobility by constructing mobility report cards for every college in America
 - Statistics on parents' incomes and students' earnings outcomes at each college (building on the College Scorecard)

College Mobility Report Cards

 Caveat: we do not identify the causal effects ("value added") of colleges

- Instead, our descriptive analysis highlights the colleges that deserve further study as potential engines of mobility
 - Certain colleges (e.g., Cal State LA, City Univ. of New York) have excellent outcomes while providing low-income access

Income Definitions

 Parent Income: mean pre-tax household income during five year period when child is aged 15-19

Child Income: individual labor earnings in 2014 (ages 32-34)

- Focus on percentile ranks, ranking children relative to other children in same birth cohort
 - Rank parents relative to other parents with children in the same cohort

Outline

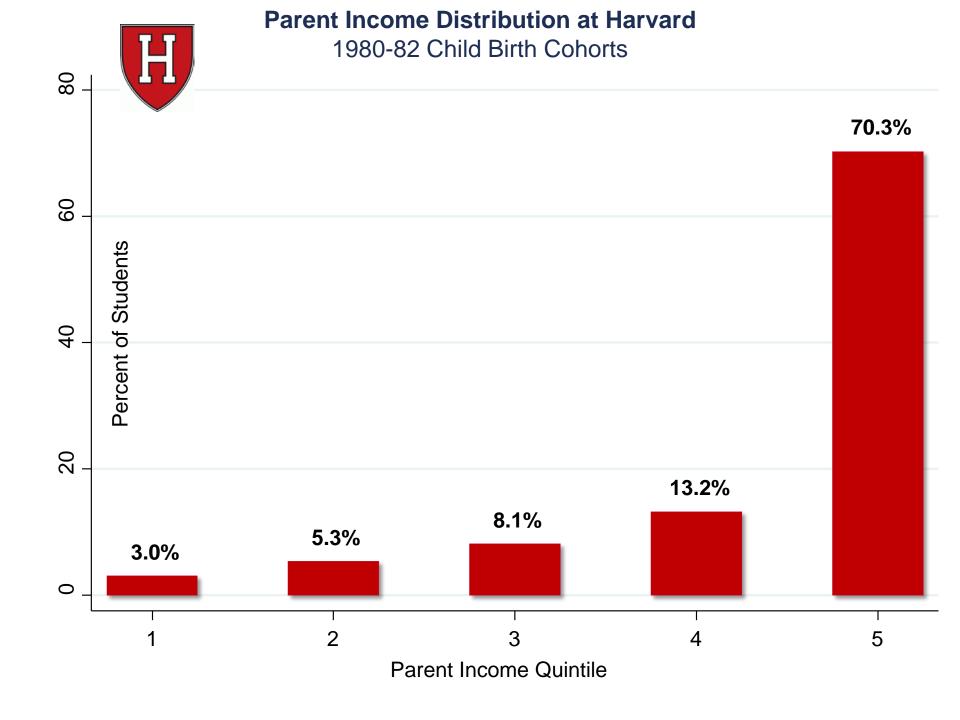
1. Access: Parents' Income Distributions

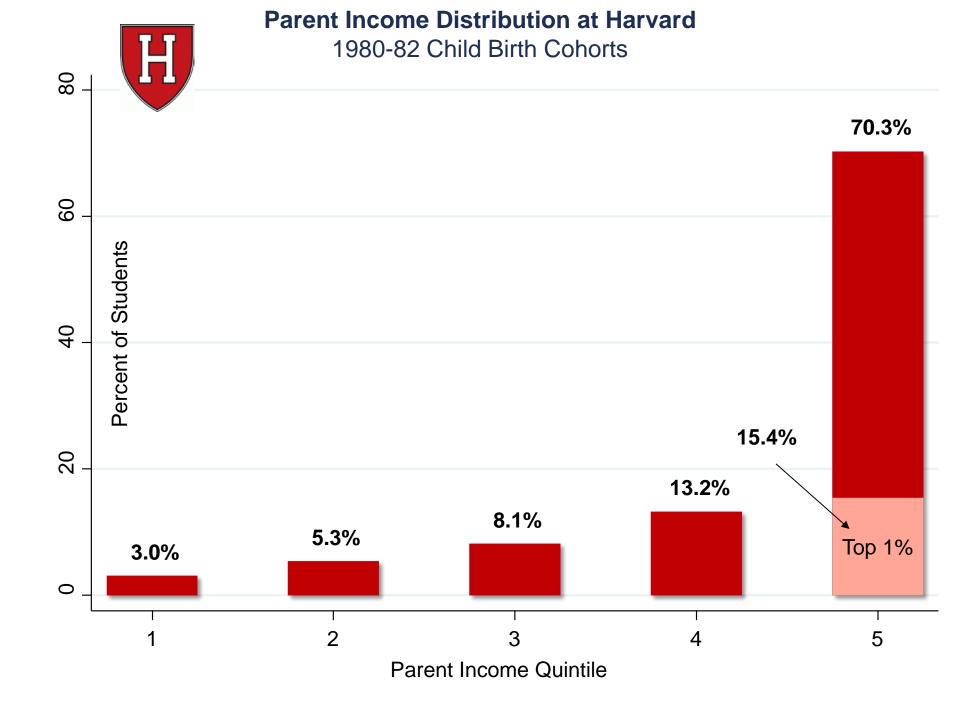
2. Outcomes: Students' Earnings Distributions

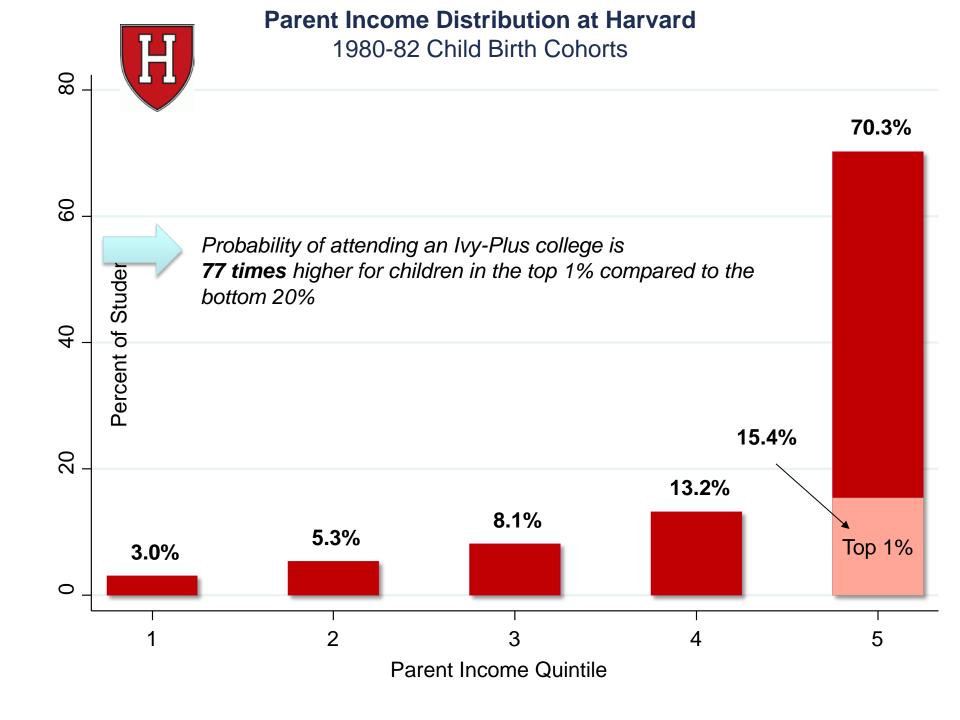
3. Differences in Mobility Rates Across Colleges

4. Trends Since 2000

Access: Parents' Income Distributions

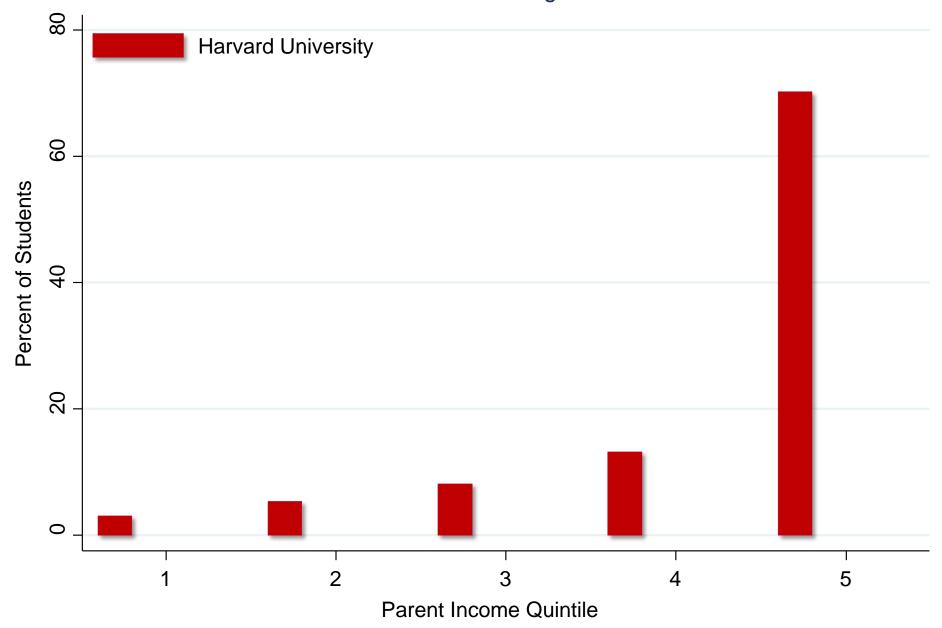




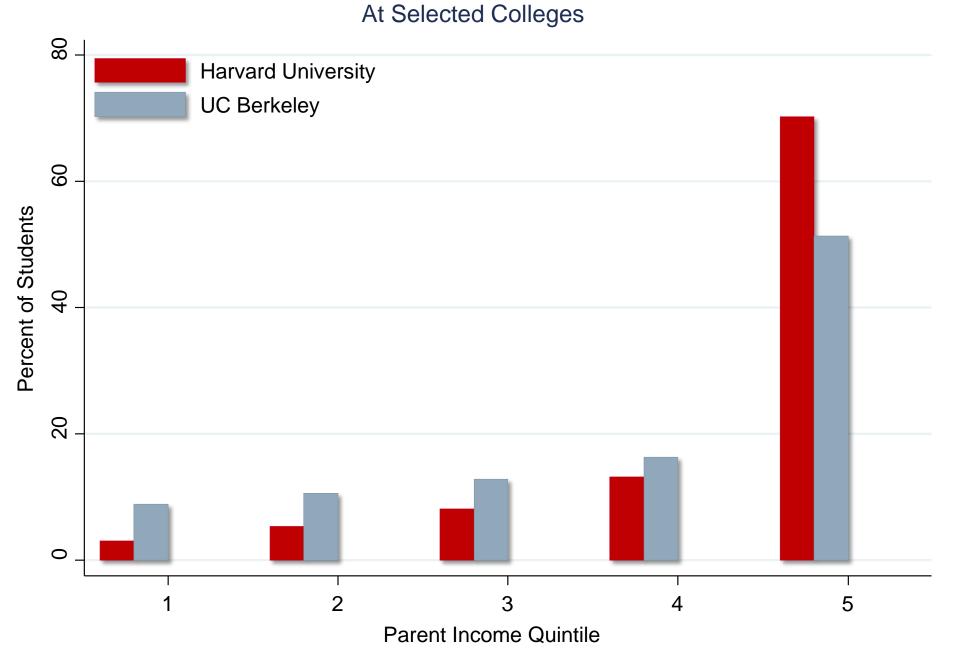


Parent Income Distributions by Quintile for 1980-82 Birth Cohorts

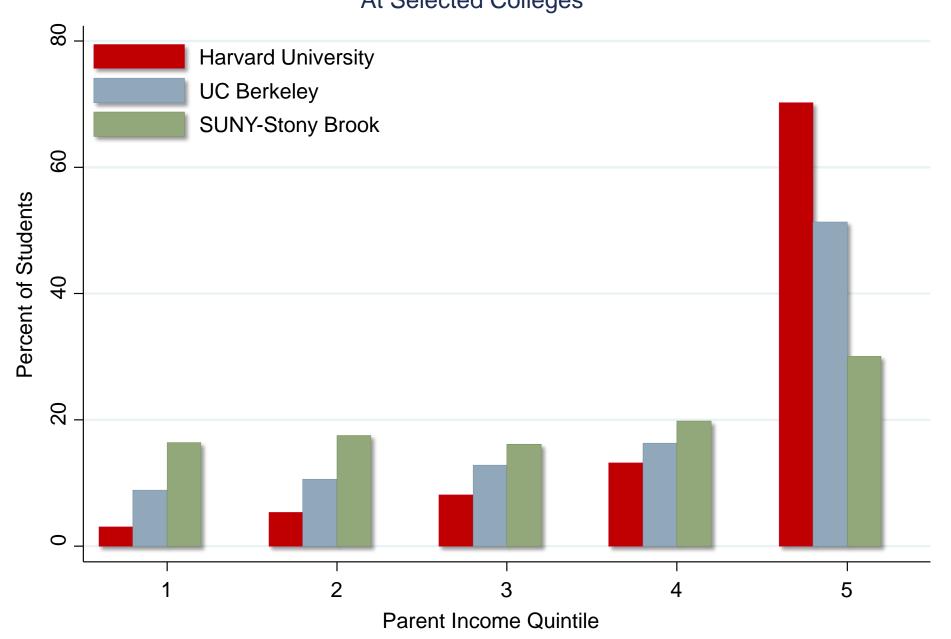
At Selected Colleges



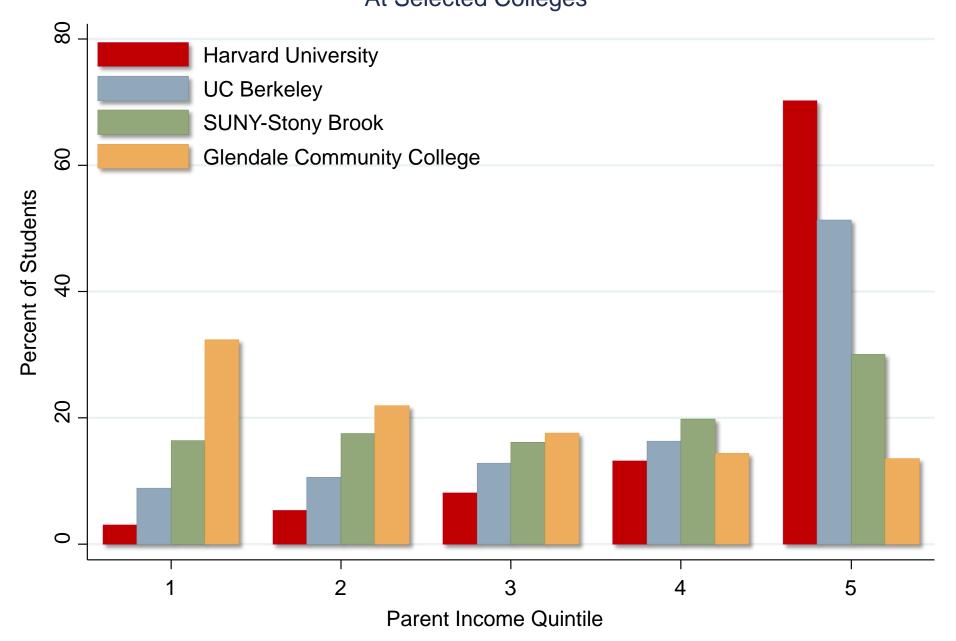
Parent Income Distributions by Quintile for 1980-82 Birth Cohorts



Parent Income Distributions by Quintile for 1980-82 Birth Cohorts At Selected Colleges

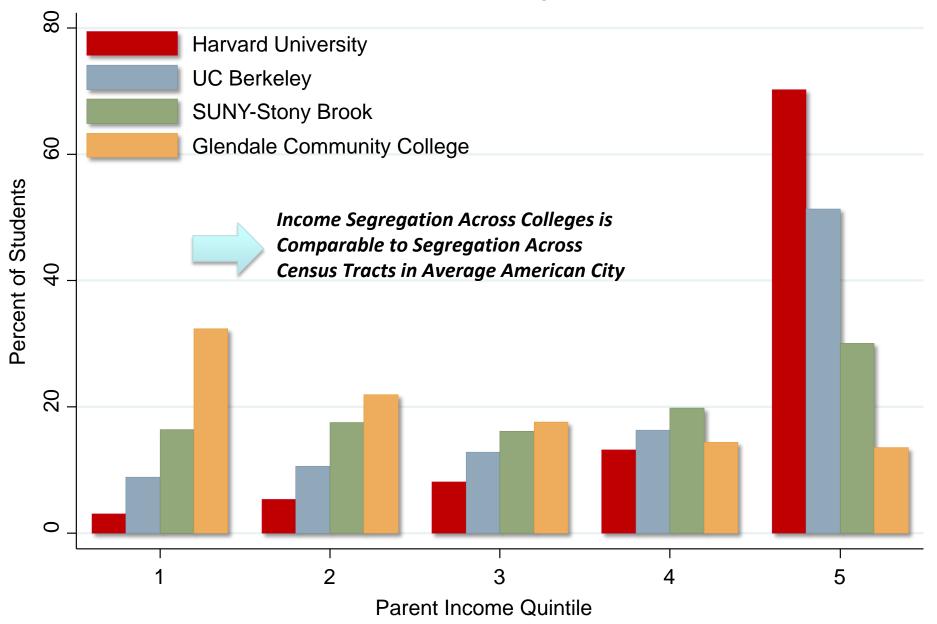


Parent Income Distributions by Quintile for 1980-82 Birth Cohorts At Selected Colleges

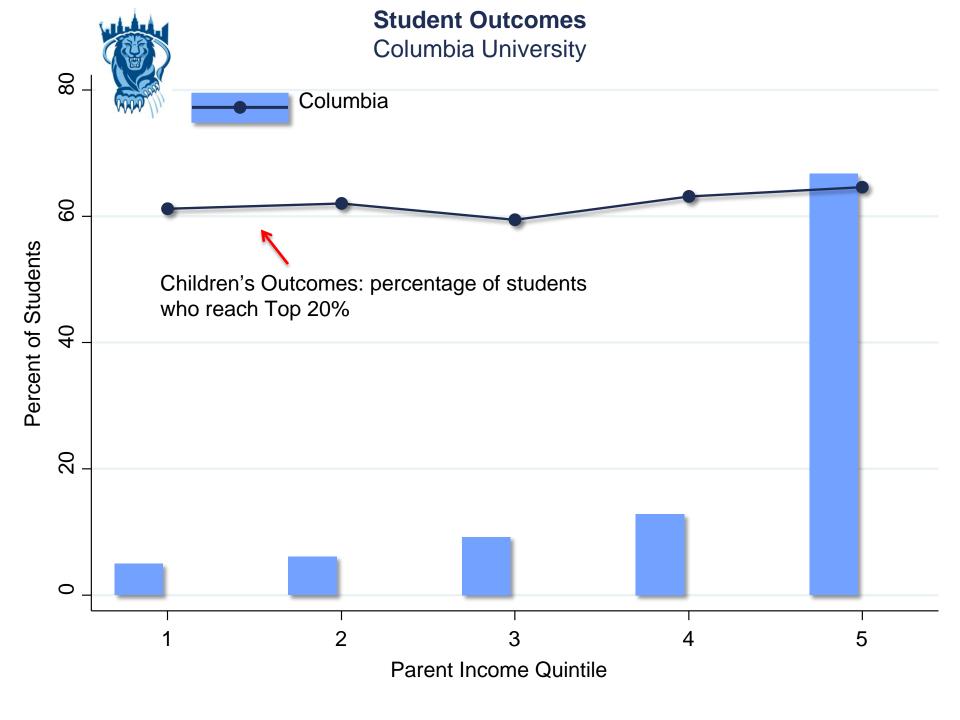


Parent Income Distributions by Quintile for 1980-82 Birth Cohorts

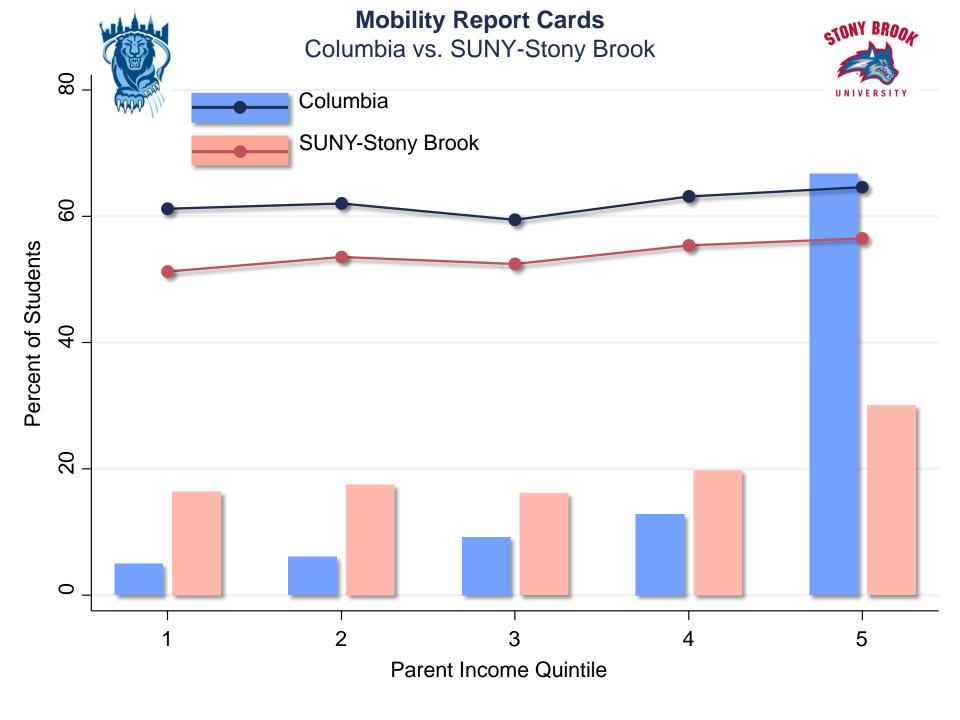
At Selected Colleges

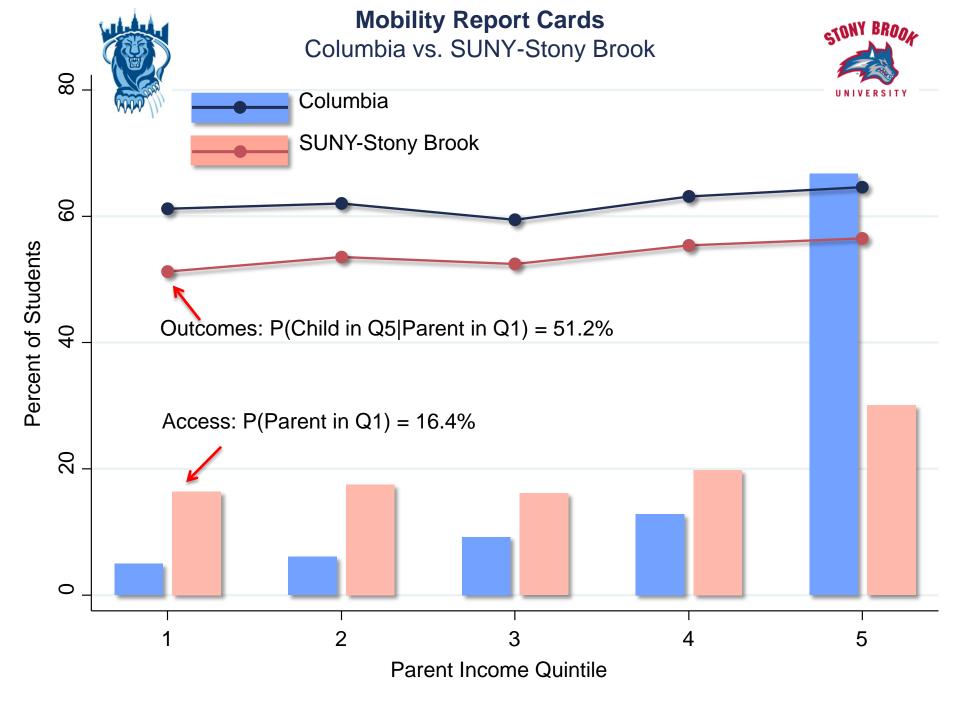












Mobility Rates

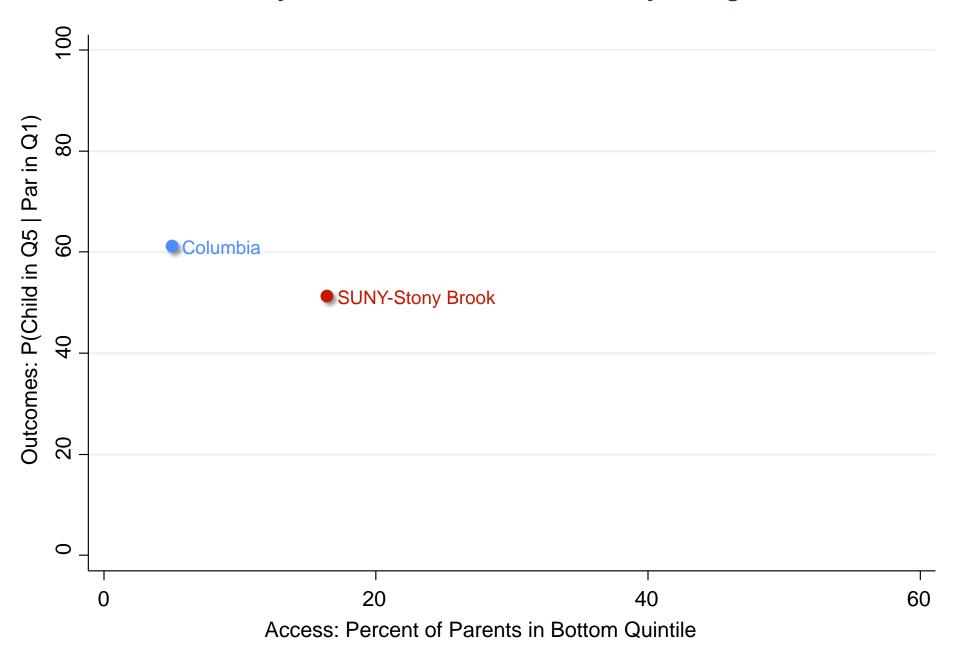
 Define a college's mobility rate (MR) as the fraction of its students who come from bottom quintile and end up in top quintile

Observe that:

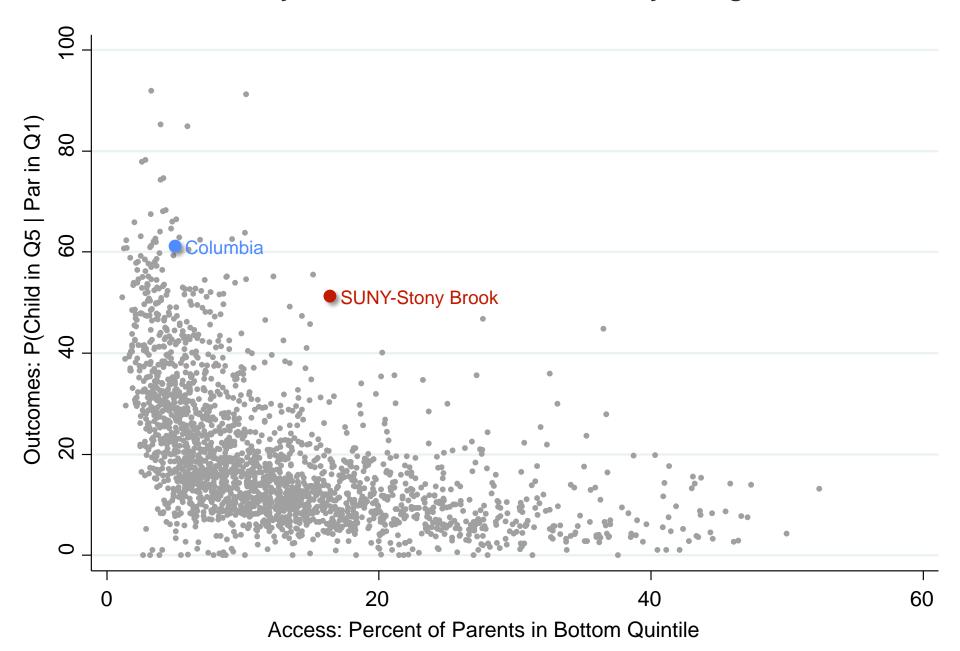
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Mobility Rate = Access x Outcomes

At SUNY: 8.4\% = 51.2\% x 16.4\%
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Mobility Rates: Outcomes vs. Access by College

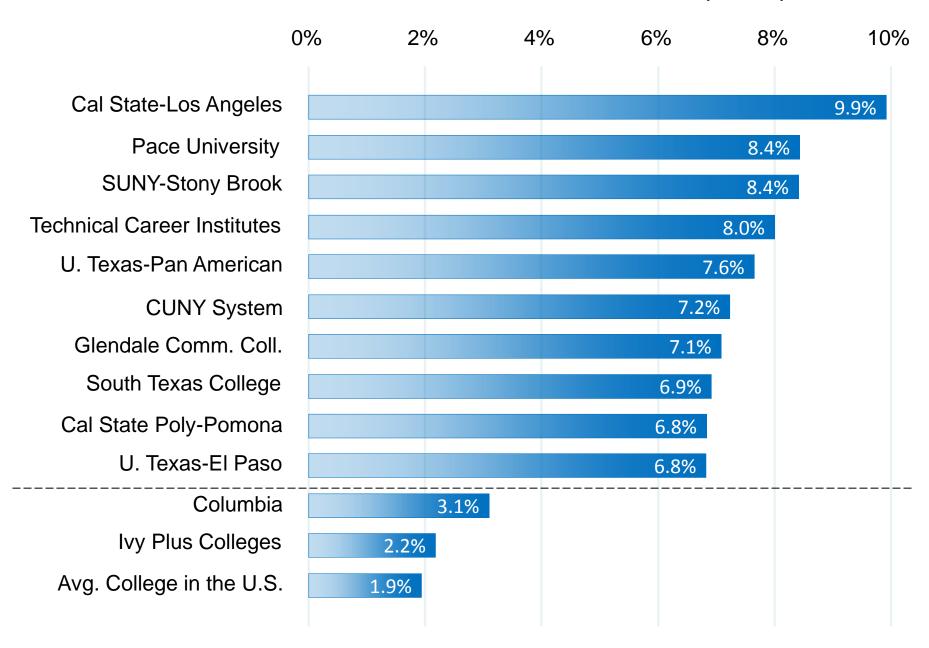


Mobility Rates: Outcomes vs. Access by College

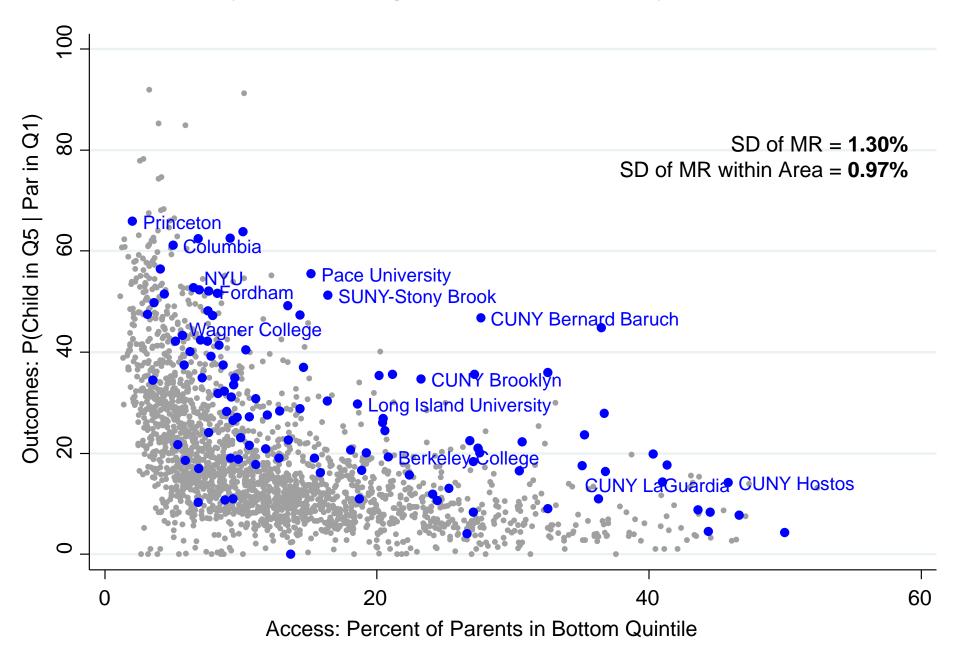


Top 10 Colleges in America By Bottom-to-Top Quintile Mobility Rate

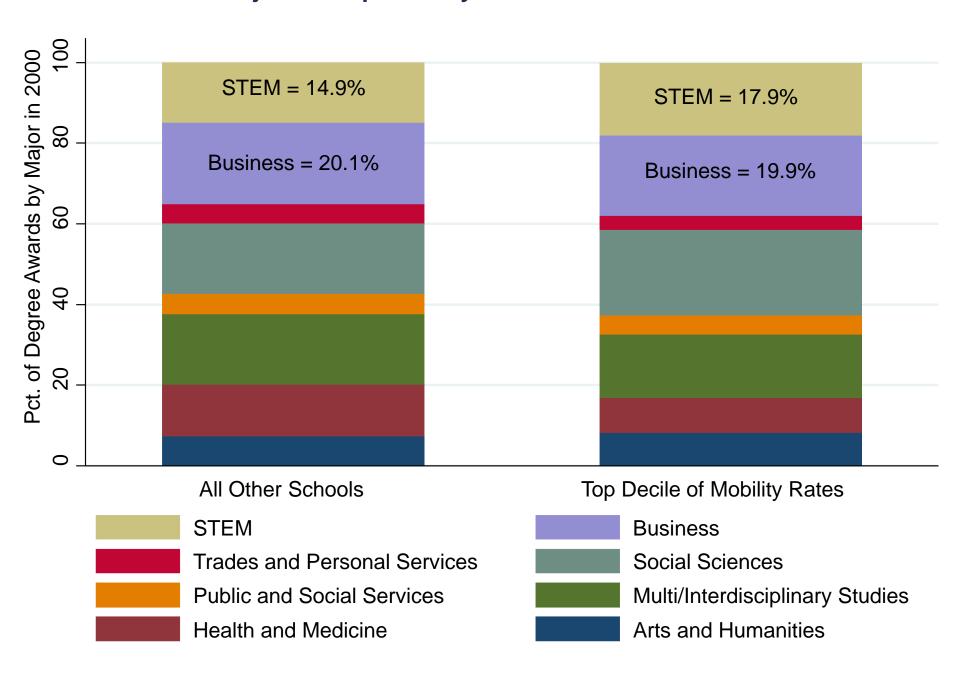
Fraction of Students who come from Bottom Fifth and End up in Top Fifth



Mobility Rates: Colleges in the New York City Metro Area



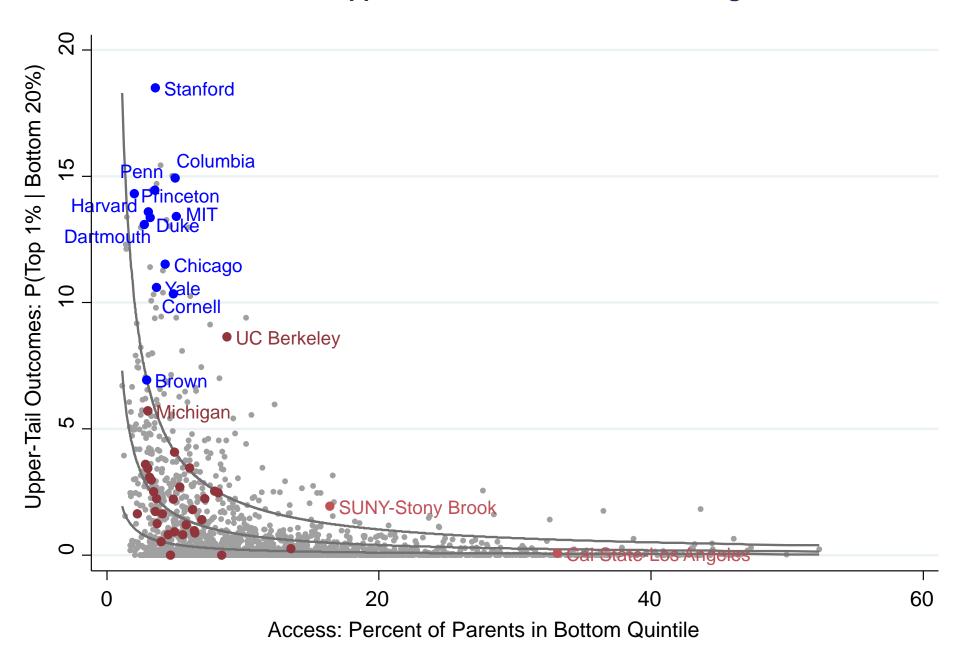
Share of Majors At Top Mobility Rate Schools vs. Other Schools



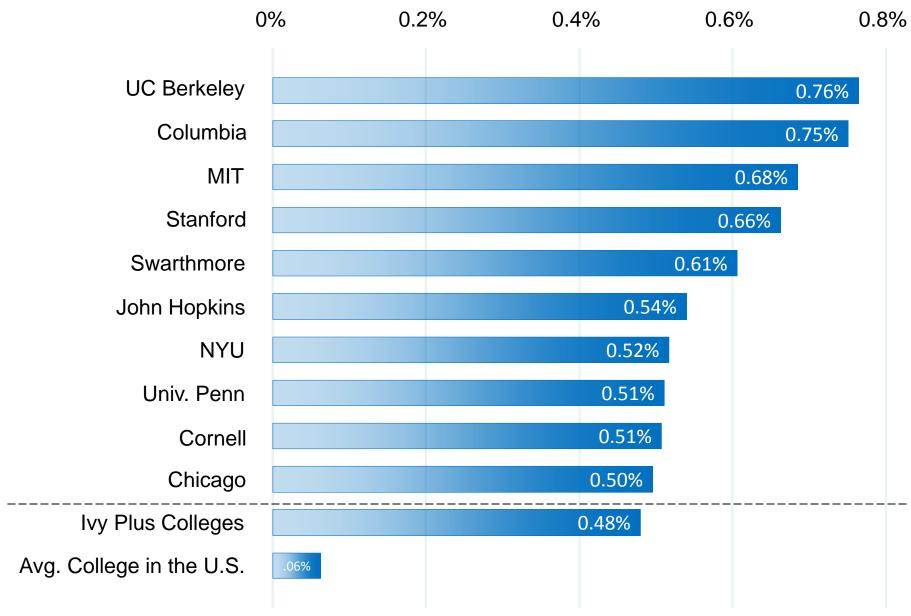
Upper-Tail Outcomes

 Now examine mobility rates for upper-tail incomes: fraction of students who come from bottom quintile and reach top 1%

Access and Upper-Tail Outcomes Across Colleges



Top 10 Colleges in America By <u>Upper-Tail</u> (Top 1%) Mobility Rate



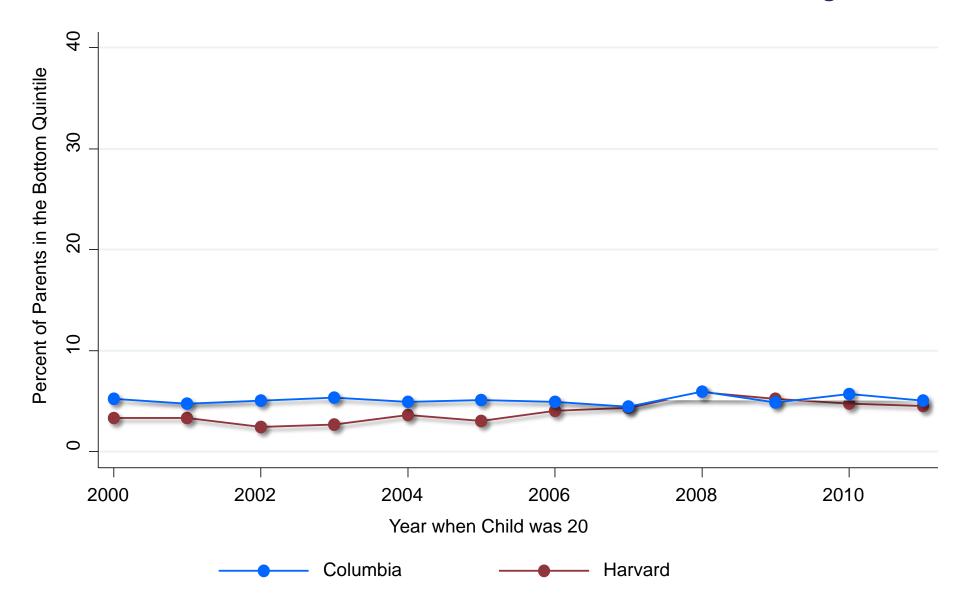
Note: Among colleges with 300 or more students per class

Two Educational Models for Mobility

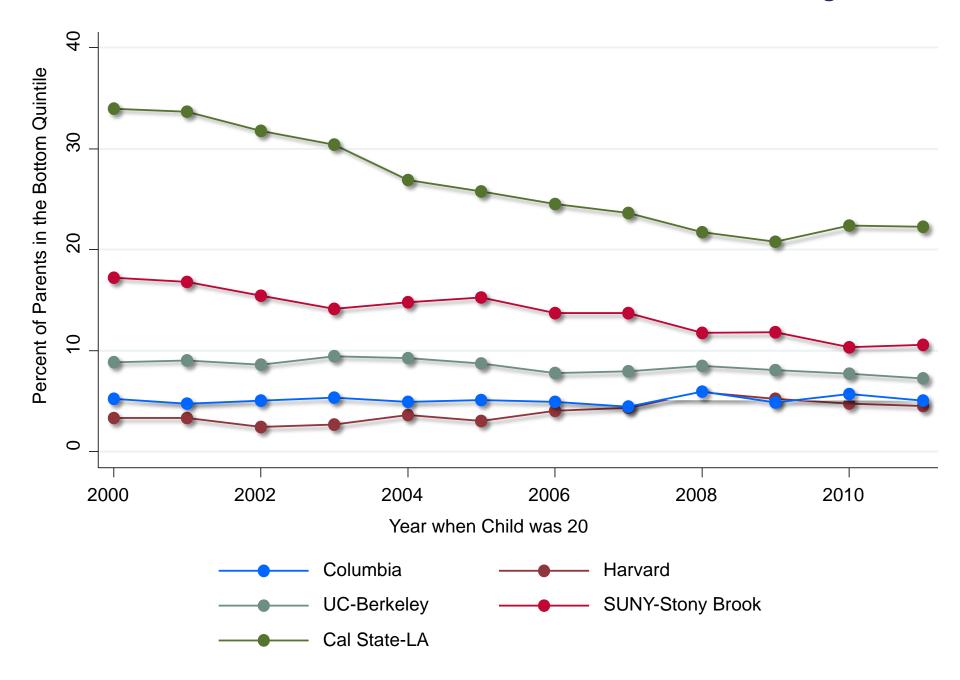
- Two distinct models associated with different types of mobility
 - Top-quintile mobility: some (but not all) mid-tier public schools, such as Cal-State and CUNY
 - Upper-tail mobility: elite private colleges

Trends in Access Since 2000

Trends in Low-Income Access from 2000-2011 at Selected Colleges



Trends in Low-Income Access from 2000-2011 at Selected Colleges



Policy Lessons

- 1. Low-income students admitted to selective colleges do not appear over-placed, based on their earnings outcomes
 - Provides support for policies that seek to bring more such students to selective colleges

Policy Lessons

- 1. Low-income students admitted to selective colleges do not appear over-placed, based on their earnings outcomes
- 2. High-mobility-rate colleges identified here may provide a more scalable model for upward mobility than elite schools
 - Median instructional expenditures: \$87,000 at Ivy-Plus vs. \$6,500 at highest-mobility-rate colleges

Policy Lessons

- 1. Low-income students admitted to selective colleges do not appear over-placed, based on their earnings outcomes
- High-mobility-rate colleges identified here may provide a more scalable model for upward mobility than elite schools
- Recent unfavorable trends in access call for a re-evaluation of policies at the national, state, and college level
 - Ex: changes in admissions criteria, expansions of transfers from the community college system, interventions at earlier ages

Directions for Future Work

 How can we expand access to colleges that may be "engines of upward mobility"?

 How can we increase access to elite colleges to provide more pathways to upper-tail success?

Partnering with institutions will be critical in this research!