

BLACK-WHITE DIFFERENCES IN THE INTERGENERATIONAL TRANSMISSION OF EDUCATION AND THE ROLE OF HETEROGENEOUS MIDDLE CLASS EXPERIENCES

INTRODUCTION

Since at least the middle of the last century, U.S. education policy has aimed to reduce race-ethnic gaps, particularly between blacks and whites. To some extent, policy has been successful in ameliorating these gaps. For example, Bowen and Bok (1998) demonstrate that students of color attending selective colleges and universities under affirmative action policies have better education and labor market outcomes as a result of their college institution. However, the long-term positive effects of these sorts of policies may be limited because their effects do not carry over to the next generation of black students. In this vein, research demonstrates that the intergenerational relationship between the educational attainments of black parents and their children is weaker relative to whites, especially among more highly educated blacks (Long et al. 2011, Maralani 2008).¹ This means that intragenerational policies that aim to address black-white gaps in individuals' educational attainments, like affirmative action policies, are not self-sustaining since they do not initiate a (strong enough) virtuous cycle within black families. Yet, these sorts of virtuous cycles are necessary if blacks are to truly close gaps between their educational attainments and those of whites. The perniciously weak transmission of educational attainments within black families, especially college attainments, is worrisome. But, it is also puzzling in a contemporary setting where blacks are *more* likely to attend or complete college, net of socioeconomic background and prior academic achievements (Bennett and Xie 2003, Bailey and Dynarski 2010) and where some scholars have suggested race-ethnic gaps in educational attainments will decline to negligible levels (Gamoran 2001).

In this paper, we address the lingering puzzle of black-white differences in the intergenerational transmission of education. We hypothesize that racial differences in the economic and social experience of middle class status, a status presumably bestowed by post-secondary educational attainments, help explain the weaker transmission of educational attainments within black families. While the black middle class has grown significantly over time, their middle class status fundamentally differs from that of whites (Patillo-McCoy 1999). The black middle class receives lower labor market returns to education, has lower levels of wealth, lives in less advantaged communities, and has larger and more single-parent households than middle class whites (Neal and Johnson 1995, Oliver and Shapiro 1995, Conley 2009, Patillo-McCoy 1999, and McLanahan and Sandefur 1994). All of these characteristics point to the more precarious economic and social position of middle class blacks despite similar levels of education as middle class whites. This point is evident not only in the weaker transmission of college attainments within black families but the greater downward mobility of middle class blacks: While about 30 percent of middle class black children remain in the middle class as adults, almost 70 percent of white middle class children retain their parents' socioeconomic status (Isaacs 2007:2).

¹ Such differences in the intergenerational transmission of education are long-standing. Blau and Duncan (1967) make an early note of the "perverse equality" of a college education in which the children of highly educated Blacks do not receive the same benefits from their parents' education as white children.

We begin by evaluating black-white differences in the intergenerational transmission of different dimensions of parents' college education, including parents' total years of attained education as well as their college entry and completion. Children's education transitions, including high school completion, college entry, and college completion, and completed years of schooling serve as our dependent variables. To account for unobserved heterogeneity and measurement error in parents' selection into key college attainments, we instrument parents' college attainments using state and cohort variation in the costs of different types of college attendance in a state and the size of the senior high school class as parents reach college-going age. Once we have evaluated parents' transmission of their educational attainments to the next generation and established the causal effects of key dimensions of parents' education in this transmission, we model its specific mechanisms. In doing so, we answer our main research question: Do blacks' different economic and social experiences of their middle class status help explain the weaker parent-child transmission of a college education within black middle class families?

DATA AND METHODS

We estimate binary probit and OLS models of children's educational outcomes using data from the Panel Study for Income Dynamics (PSID). The PSID is particularly suitable for answering our research question. It includes a large number of parents and their adult children—particularly from black families given the study's oversample of this population, and its detailed economic and family measures allow us to assess how different economic and social experiences of middle class status may help explain black-white differences in the intergenerational transmission of education. Other national studies such as the General Social Survey and the National Survey of Youth 1979 do not include such detailed measures for a large enough sample of black parents and their children. The PSID survey was conducted annually from 1968 to 1996 and biennially thereafter. The original sample consisted of approximately 5000 households and now numbers about 8700 households in total. We limit our sample to adult children age 25 years or older and their parents who have complete education information. We further limit our analysis to children born after 1968. This restriction ensures children are at least 15 years of age by the time of the first measure of family wealth in 1984. Using Monte Carlo Markov Chain models, we impute missing data for all observations for all measures before subsequently dropping observations with missing child or parent education information (von Hippel 2007, Horton and Lipsitz 2001).

We begin with a basic model of the effects of different dimensions of each parent's education on their child's education. Since we are interested in the total net effects of parents' educational attainments in this model, we hold gender, race, each parent's birth cohort, the child's birth cohort, and census region constant. The independent variables of primary interest are measures of different dimensions of each parent's education. These measures are taken at the age of first child's birth for each parent. The first parental education measure we consider is parents' years of education, and a separate term is entered for the child's mother and the child's father. Since the effect of parent's years of education may be non-linear and given our specific interest in college attainments associated with middle class status, we include dummy variables in our models indicating whether each parent has attended some kind of post-secondary

schooling and whether each parent has completed a bachelor's degree. In each model we include the main effects of parents' educational attainments as well as interactions between these measures and whether the child is black.

We also consider how indicators of blacks and whites' different economic and social experiences of the middle class status bestowed by their college attainments may drive the weaker intergenerational transmission of education within black families. We consider these measures when children are 15 to 17 years of age. Insofar as economic mechanisms are concerned, we consider how the mediating effects of income quartiles and wealth quartiles in the intergenerational transmission of education may differ between blacks and whites. Sociologists demonstrate that many middle class blacks not only have lower incomes and fewer assets but live in less advantaged neighborhoods (Patillo-McCoy 1999). This means their children may attend disadvantaged primary and secondary schools characterized by lesser student achievements and that their day-to-day interactions in their community with less advantaged individuals may circumscribe positive social multiplier effects derived from their middle class status. Middle class communities have changed over the years, becoming more separate from less advantaged black communities and particularly in certain metro areas such as Atlanta, Georgia (Lacy 2007). It may be that these communities enhance the intergenerational transmission of education within black families. So, we consider how the percent poor, the percent poor black and the percent middle class and the percent black middle class in a census tract may explain the weaker intergenerational transmission of education. Since it is also possible that black-white differences in fertility and family structure may drive black-white differences in the intergenerational transmission of a college education over time, we measure family size as the children's number of siblings at age 15. We top-code this measure at six or more given the small number of children in the sample with more than six siblings. We measure family structure with a single dummy variable indicating whether the child resided with both biological parents through at least age 15.

CONTRIBUTIONS AND CONCLUSIONS

We make several important contributions to the literature in this analysis. We provide a more nuanced evaluation of the transmission by addressing different dimensions of parents' educational attainments. Previous research on this topic typically focuses on parents' years of attained education (e.g. Maralani 2007, Long et al. 2011). However, estimates of the transmission of parents' education that are aggregated across different dimensions of education such as the quantity, quality, and degree may be biased if non-quantitative dimensions of parents' education are important confounders in the intergenerational transmission of parents' years of education (Pearl 2000, Bennett and Xie 2003). We specifically model how different thresholds and degrees of parents' college education may influence children's education above and beyond parents' years of education in our analysis.²

² Quality is another important dimension of education that may be related to black-white differences in the intergenerational transmission of education. Hurwitz (2011) notes the importance of legacy status for admission to a selective college or university, and Andrew (2009) demonstrates the importance of mothers' regular and selective university attendance for their children's attendance at corresponding institutions. We are extending the analysis described here to include institutional quality or selectivity of the bachelor's degree granting institution given newly available data in the PSID. However, whether we are able to estimate black-white differences in the intergenerational transmission of college quality depends on

We also extend the literature by modeling unobserved heterogeneity among parents that may bias estimates of the intergenerational transmission of education and black-white differences in that transmission. We first use descriptive models of the relationship between different dimensions of parents' post-secondary education to determine what dimensions appear most important. We then use size of parent's birth cohort and average returns to college completion by state to instrument parents' post-secondary educational attainments (Bound et al. 2009). By doing so, our models map the general process of the intergenerational transmission of parents' college attainments and establish the causal effects of key dimensions of parents' education on their children's.

The importance of black-white differences in the intergenerational transmission of education is clear. Education is a primary determinant of individuals' subsequent labor market and life course outcomes, but it is also an important determinant of their children's education and subsequent outcomes as well (Blau and Duncan 1967). If black parents are less able to transmit their educational attainments to their children, the positive effects of policies aimed at addressing persistent black-white differences in education will be limited as well. Despite the importance of black-white differences in the intergenerational transmission of education, we know little about whether and why the intergenerational transmission of education is weaker within black families. Nearly all the extant work on this topic is descriptive and focuses on the transmission itself to the exclusion of its mechanisms. Determining the mechanism of black-white differences in the intergenerational transmission of education will provide further insight as to why these differences may exist *and* more robust policy solutions to address them.

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