Rising Inequality and the Challenge for Schools

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Whither Opportunity? Rising Inequality, Schools, and Children’s Life Chances

Edited by Greg J. Duncan and Richard J. Murnane

Russell Sage and Spencer Foundations, 2011
Children’s family income

Note: Chart shows 20th and 80th percentiles of the distribution of family incomes for all children age 5-17. They based on data from the U.S. Bureau of the Census and are adjusted for inflation. Amounts are in 2012$.

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Income-based gaps in reading achievement in SAT-type units

High/low income reading advantage

Reardon (2011)
Race and income-based gaps in reading achievement in SAT-type units

White/Black reading advantage

High/low income reading advantage

Age turned 14

Reardon (2011)
College graduation rates for high and low income children

Bailey and Dynarski (2011)
Restoring Opportunity

• First half:
  how did we get here?

• Second half
  what can we do about it?
Restoring Opportunity

• First half:
  how did we get here?
Falling/stagnant real wages for low skill workers

Ever-present skill-biased technological change favors high-skill workers

Minimum wage, unions & immigration

Loss of manufacturing, automatable & outsourcable jobs

Rising real wages for high skill workers

Rapid rise in compensation for high-end talent (executives, doctors)

Explosive growth in very high incomes

Increasing and then constant 50-10 inequality

Increasing inequality in time and money spent on/with kids

Increasing residential and school segregation

Increasing class-based achievement and attainment gaps

Has public finance evil been wrought by the superrich?

Poor kids exposed to highly mobile peers

Adverse effects of worse-performing peers

Immigration

Teachers' unions?

Considerable public education innovations, but inadequate given the challenges?

Increasing class-based achievement and attainment gaps

Increasing dual earning couples

Increasing political support for smaller government (Prop13, Reagan revolution)

U.S. norms about executive compensation

Increasing single-parent families, assortative mating & incarceration

U.S. social policies

Increasing 90-50 inequality

More maternal stress (and worse parenting?)

Increasing political support for smaller government (Prop13, Reagan revolution)

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Dogs that didn't bark: Increasing class-based residential segregation did not reduce support for public sector

GE feedback to unfavorable macro changes
Skill demands from technological change and globalization

Income inequality

Families

School demands and functioning

Child achievement and attainment

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Family income story
Enrichment expenditures on high and low income children

<table>
<thead>
<tr>
<th></th>
<th>1972-3</th>
<th>2005-6</th>
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<tbody>
<tr>
<td>High income children</td>
<td>$3,700</td>
<td>$9,400</td>
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<tr>
<td>Low income children</td>
<td>$900</td>
<td>$1,400</td>
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</tbody>
</table>

Kaushal, Magnuson and Waldfogel (2011); Kornrich and Furstenberg (2012)

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Do increasing income gaps account for increasing attainment gaps?

Accounting for Increases in the Top/Bottom Quintile Schooling Gap

% of gap accounted

<table>
<thead>
<tr>
<th>Completed schooling</th>
<th>% of gap accounted</th>
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<tbody>
<tr>
<td>log family income</td>
<td>79%</td>
</tr>
<tr>
<td>Parent years of education</td>
<td>-7%</td>
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<tr>
<td>Number of siblings</td>
<td>-19%</td>
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<td>Single parent family</td>
<td>2%</td>
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<td>Age of mother at birth of child</td>
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Accounting for Increases in the Top/Bottom Quintile Schooling Gap

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School story

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School story

- Peer behavior
- Student turnover
- Teacher quality

School functioning

Child Educational Attainment

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Residential isolation of low- and high-income urban households

Authors’ calculations based on data presented in Reardon and Bischoff (2010), Table A1, based on the 10th and 90th percentiles.
Residential isolation => school isolation by income (Altonji and Mansfield, 2011)

Low income peers:

• Achieve less and behave worse
• Change schools frequently
• Discourage high-quality teachers

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All in all, huge challenges to schools serving low-income children

• Consequences of increasing income inequality

• Need to teach more sophisticated skills

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Restoring Opportunity

• First half: how did we get here?

• Second half what can we do about it?

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Improving Life Chances for Low-Income Children

• Criteria for case studies

• Interventions that improve academic Outcomes
  – Boston Pre-K Program
  – University of Chicago charter school campuses
  – New York City Small Schools of Choice

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Common Elements of Successful School-Based Programs

• All take advantage of recent research evidence on:
  – Child and adolescent development
  – Developing children’s literacy skills effectively
  – Effective professional development

• All experience a combination of consistent school supports and sensible accountability.

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Two Brief Videos Describing Effective Interventions

• The Boston Pre-K Program

• NYC Small Schools of Choice

Watch for the combination of school supports and accountability!

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Building Blocks for an American Solution

- Value of the “existence proofs”
- Value of research evidence
- Common Core State Standards
- Well designed accountability
- Supports and support organizations
  - Boston Teachers Residency Program
  - New Visions for Public Schools

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