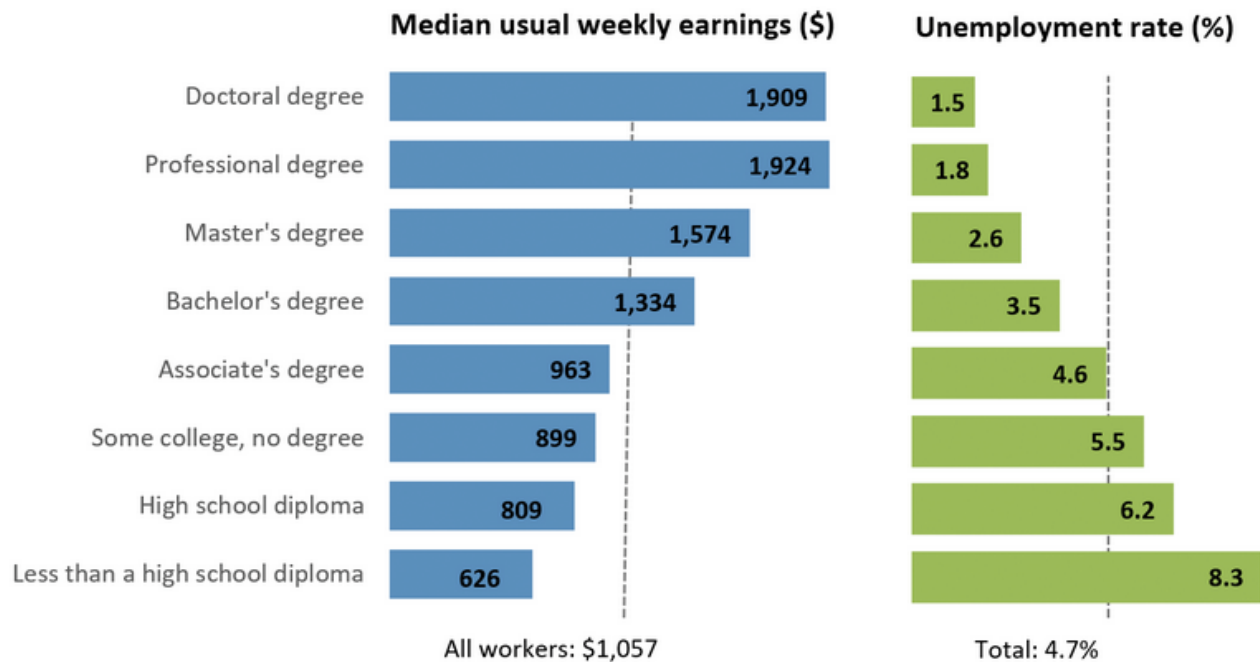


Value of education

- Earnings / unemployment as a function of education

Earnings and unemployment rates by educational attainment, 2021



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.
Source: U.S. Bureau of Labor Statistics, Current Population Survey.

<https://www.bls.gov/emp/chart-unemployment-earnings-education.htm> (access: aug 2023)

- Possible explanation of the relationship between earnings / unemployment and educational attainment?
 - Human Capital theory; e.g. medical school education provides medical knowledge / skills

“Human capital theory emphasizes how education increases the productivity and efficiency of workers by increasing the level of cognitive stock of economically productive human capability, which is a product of innate abilities and investment in human beings.”
<https://www.open.uwi.edu/sites/default/files/bnccde/belize/conference/papers2010/almendarez.html> (accessed March 2023)
 - Signaling theory; e.g. education is a “signal” of student qualities; e.g. discipline.

“. . . why do employers so heavily reward educational success? . . . According to the signaling model, employers reward educational success because of what it shows (“signals”) about the student. Good students tend to be smart, hard-working, and conformist – three crucial traits for almost any job. When a student excels in school, then, employers correctly infer that he’s likely to be a good worker.”
https://www.econlib.org/archives/2011/11/the_magic_of_ed.html (accessed March 2023)
 - both human capital theory and signaling theory

“Purpose” of education ? ; e .g. --- pick one and support or refute below concept; justify your opinion [2 points]

1. “Education means emancipation. It means light and liberty. It means the uplifting of the soul of man into the glorious light of truth, the light by which men can only be made free.” [Frederick Douglass](#)
2. “Never underestimate the impact that education can have on your life. It opens doors and provides opportunities for growth and success.” [Cesar Chavez](#)
3. “The signaling function of college degrees . . . Many jobs that previously required no more than a high school diploma are now only accepting applicants with bachelor’s degrees. . . . made the 4-year degree the unofficial minimum standard for educational requirements.”

<https://fee.org/articles/why-college-degrees-are-losing-their-value/>

4. “The purpose of schooling in the 17th century was largely to create loyal subjects to the newly formed nation-states . . . It focused on assimilation, homogenization, and building national identities through standardized language and bringing together strangers to create a unified national identity for fostering social control and political legitimacy”

<https://www.brookings.edu/articles/why-understanding-the-historical-purposes-of-modern-schooling-matters-today/>

5. “Factory owners required a docile, agreeable workers who would show up on time and do what their managers told them. Sitting in a classroom all day with a teacher was good training for that. Early industrialists were instrumental, then, in creating and promoting universal education. . . . originated in early 19th-century Prussia”

<https://qz.com/1314814/universal-education-was-first-promoted-by-industrialists-who-wanted-docile-factory-workers>

College graduation stats

College graduation [rate](#) at specific colleges --- rationalize the reason(s) for this observation [2 points]

[Why](#) are Graduation Rates so Low Across the Country?

“. . . academic preparation. For many students, the jump from high school classes to college classes is a bit larger than they originally thought. . . if the high school did not challenge a student enough, or if a student is unable or unwilling to rise to the challenge of a college curriculum, then there is a higher chance of that student not finishing an undergraduate study.”