

(LIS)²ER workshop: “The Distributional Effects of Higher-Education Expansion”

Over the past decades, education has been rapidly expanding around the globe. In high-income countries, tertiary attainment figures have been continuously increasing since the second half of the 20th century. This raises questions about the distributional consequences of educational expansion. This workshop aims to expand and deepen understanding of the role of education in fighting rising inequality by gathering insights from different fields in the social sciences dealing with the societal, economic and political causes and consequences of higher education expansion, and how it affects social mobility and socio-economic inequality.

This is the first international workshop in the realm of the *(LIS)²ER* initiative, an institutional collaboration between two actors in Luxembourg’s research landscape, facilitated by the Luxembourg Ministry of Higher Education and Research.

Organising committee: Daniele Checchi (LIS), Petra Sauer (LIS and LISER), Philippe Van Kerm (LISER and University of Luxembourg)

Program

12th November 2020

4:00 pm – 4:15 pm Daniele Checchi, Petra Sauer & Philippe Van Kerm (LISER, LIS):
Welcome & Introduction

4:15 pm – 5 pm Petra Sauer (LISER, LIS): Educational Expansion and Cross-
national Differences in Inequality: Lessons from the
Luxembourg Income Study

BREAK

5:15 pm – 6:15 pm Jo Blanden (University of Surrey): Educational Inequality,
Educational Expansion and Intergenerational Mobility

6:15 pm – 7:15 pm Florencia Torche (University of Stanford): Educational
Expansion, Changing Returns to Schooling, and Inequality

13th November 2020

9:30 am – 10:15 am Louis Chauvel & Emily Murphy (University of Luxembourg): The
Global Value of an Education: Are Income Returns to Education
Declining Worldwide?

10:15 am – 11:00 am Golo Henseke (UCL): Unpacking Rising Degree Requirements in
the British Labour Market

BREAK

11:15 am – noon Irina Gewinner (University of Luxembourg): Educational
Expansion and International Mobility of Students: The Case of
Luxembourg

noon – 12:45 pm Krzysztof Czarnecki (Poznan University of Economics): The
Impact of Partisan Politics on Student Social Rights

Jo Blanden: Educational Inequality, Educational Expansion and Intergenerational Mobility

Abstract: The distribution of education by social background and the mobility prospects of society are intimately connected. To begin to predict future trends in mobility in the UK we bring together evidence on educational inequality by family background for cohorts from 1958 to 2000 for a range of educational outcomes. There is evidence that educational inequalities have narrowed among recent cohorts as the overall level of educational achievement has increased. This could be promising for mobility provided the labour market returns to these qualifications are maintained. However, stubborn inequalities by background at higher attainment levels imply that narrowing inequalities and expanding equality of opportunity throughout the educational distribution is a difficult task.

Louis Chauvel & Emily Murphy: The Global Value of an Education: Are Income Returns to Education Declining Worldwide?

Abstract: The global valuation of education appears to manifest similarly at macro and micro levels. Between countries, those with more educated populations are richer countries, and within each country, those individuals with the highest levels of education have greater incomes than the rest of the population. In the present paper, we explore the value of an education as it serves richer and poorer economies, and more and less educated individuals to be a means to better ends: that of comfortable income returns.

Our aim is to evaluate the generalizability and stability of any such global relation between education and monetary gains, probing the general rule for exceptions. Analyses cover 44 countries in the Luxembourg Income Study (LIS) database from years ranging between 2000 and 2018. At the macro level, we confirm the strength of the within and between relation, the two extreme countries being Ivory Coast and the US. Important exceptions are found: Russia and Georgia, more educated populations but poorer than expected. Conversely, Luxembourg proffers income comfort for its population which exceeds its educational investment. At the micro level, we uncover a paradox: in richer countries, the slope of growth for the tertiary educated declines at the same time that secondary education diploma holders decline even faster, so those with degrees benefit from larger gaps in income returns.

Thereby, a general rule of educational means to monetary ends finds empirical support: the more educated the society or individual, the richer they are likely to be. Yet, while the long-run relation which structures the world is strong, it is dynamic and subject to non-linearities for some individuals and countries over time.

Krzstof Czarnecki: The Impact of Partisan Politics on Student Social Rights

Abstract: The article adapts key social policy concepts of decommodification, individualization, and redistribution to the context of student funding, in order to identify their ideological and political underpinnings. Using the cumulative measures of party families' cabinet share and the unique Student Support and Fees Dataset, it shows that the diversity of student social rights provision in 32 affluent countries in 2015 can be linked to past partisan politics. First, there is a positive association between decommodification of studying, understood as making it unconditional on student household's labour market participation, and the welfarist parties' long-term rule. Opposite holds for a strong presence of conservative parties in the past governments. The impact of these party families on decommodification can be partly explained by the institutionalization of tuition fees in the student funding system. Second, individualization, that is the state support for student transition to independent adulthood, is negatively associated with the strong presence of left parties in the past governments. Yet, this relationship is conditional on the wide distribution of entitlements and low means-targeting of benefits, as well as on gross national income.

Irina Gewinner: Educational expansion and international mobility of students: The case of Luxembourg

Abstract: Internationalization of higher education has proliferated in the last decades of research and practice of higher education (Yemini & Sagie, 2016). Since educational expansion starting in the 1980s, opening of higher education institutions for very diverse groups became not only a mechanism of marketing and generating income for universities, but also competing for future leaders and profiling institution and country interests. In the meantime, educational expansion resulted in an increased mobility of students and diversification of student body. Prior research has rarely addressed the question as to which social, economic and psychological factors contribute to students' decision to study abroad (e.g., Pang & Appleton, 2004). Therefore, we know little about motives of people who leave their familiar environment and often make temporal and financial investments before they enroll in an education system abroad (King & Raghuram, 2013). Identifying motives of international students would help elaborate future models of attracting students and creating conditions for their subsequent knowledge utilization, which is much in line with several UN sustainable development goals.

To design models of internationalization and provide research-based recommendations for higher education institutions, we, firstly, seek to understand the drivers of educational migration of young people, thus focusing on the micro level perspective, and explore the case of Luxembourg. Secondly, we aim at elaborating on how socioeconomic conditions, students' motivations and their family's cultural and economic resources interrelate in shaping their migrant pathways. Based on that, we ask, what are the drivers of incoming students to enroll into higher education abroad and how students' background relate to their motives.

We utilize the international survey 'Eurostudent' for Luxembourg 2019 that aims to identify trends in study and living conditions of higher education students in more than 30 European countries. To identify different patterns of motive to pursue higher education in Luxembourg, we used latent class analyses, to which we added covariates to further describe the different types of students. As a result, we identify four distinct cluster profiles of higher education students in Luxembourg, based on seven indicator variables. The student body in Luxembourg is very international, but not equally distributed across all higher education stages. At the master and PhD level, we find not only more international students, but it also seems that the student body becomes more diversified in terms of geographical and cultural distance to Luxembourg, whereas the short-cycle programs seems like an option for local students only. Additionally, we observe the effects of socio-economic background and gender on international student mobility.

There is reason to believe that similar trends exist in other countries, and this should be taken into account in designing internationalization policies at national level and at single institutions. This pertains especially to creation of welcome culture, quality assurance in teaching and support services to facilitate study success.

Golo Henseke: Unpacking Rising Degree Requirements in the British Labour Market

Abstract: The proportion of jobs requiring degree-level qualifications in Britain almost doubled between 1997 and 2017. While some scholars argue that the increasing demand for university degrees represents job upskilling, others suggest that degree requirements ratchet up without economic or technological justification. Using worker-reported job task data from the British Skills and Employment Survey 1997-2017, this paper presents new evidence on the importance of job upskilling for the rising degree requirements in the British labour market. We find that changes in job tasks can fully explain the rise in degree requirements until 2006, but after that point, the expansion of jobs that required degree-level qualifications became decoupled from changes in the task content of jobs. The demand for postgraduate qualifications has also grown; trebling from 2001. However, only 25 per cent

of the change is task-warranted. Our explanation for these trends is that employers partly recruit graduates to reduce learning time for otherwise unchanged jobs.

Petra Sauer: Education and Cross-national Differences in Inequality: Lessons from the Luxembourg Income Study

Abstract: Worldwide, tertiary education has been continuously expanding since the beginning of the 1990s. The growth rate of world student enrollment accelerated and was about 3 times larger than world population growth in 2012. Even if *high-participation systems of higher education* (Marginson, 2016) can now be found around the globe, they particularly prevail in high-income countries. Pronounced dynamics in the educational structure raise questions about the implications of educational expansion for inequality. This is particularly relevant as, simultaneously with higher education expansion, income inequality increased in many, but particularly in high-income countries. In this paper, we aim to disentangle the relation between higher education expansion and income inequality in high-income countries. Using data from the Luxembourg Income Study (LIS) for a sample of 25 OECD countries enables us not to treat tertiary education as one single category, but to differentiate between Bachelor, Master and PhD degrees. Moreover, we are interested in gender as horizontal dimension of inequality. Finally, applying RIF regressions in a comparative analysis enables us to reveal differences across countries which can be traced back to historical and institutional variations which mediate the relationship.

Florencia Torche: Educational expansion, changing returns to schooling, and inequality

Abstract: This analysis examines the connections between higher education expansion, change in the earnings returns of higher education, and consequences for overall inequality, exploiting variation across countries and over time with a focus on the United States. The analysis shows substantial variation across countries and highlights the relevance of institutional contexts.