

Context for Understanding the Risk in the Pursuit of Post-Secondary Education

William E. Spriggs

Chief Economist to the AFL-CIO and,
Professor, Department of Economics

Howard University

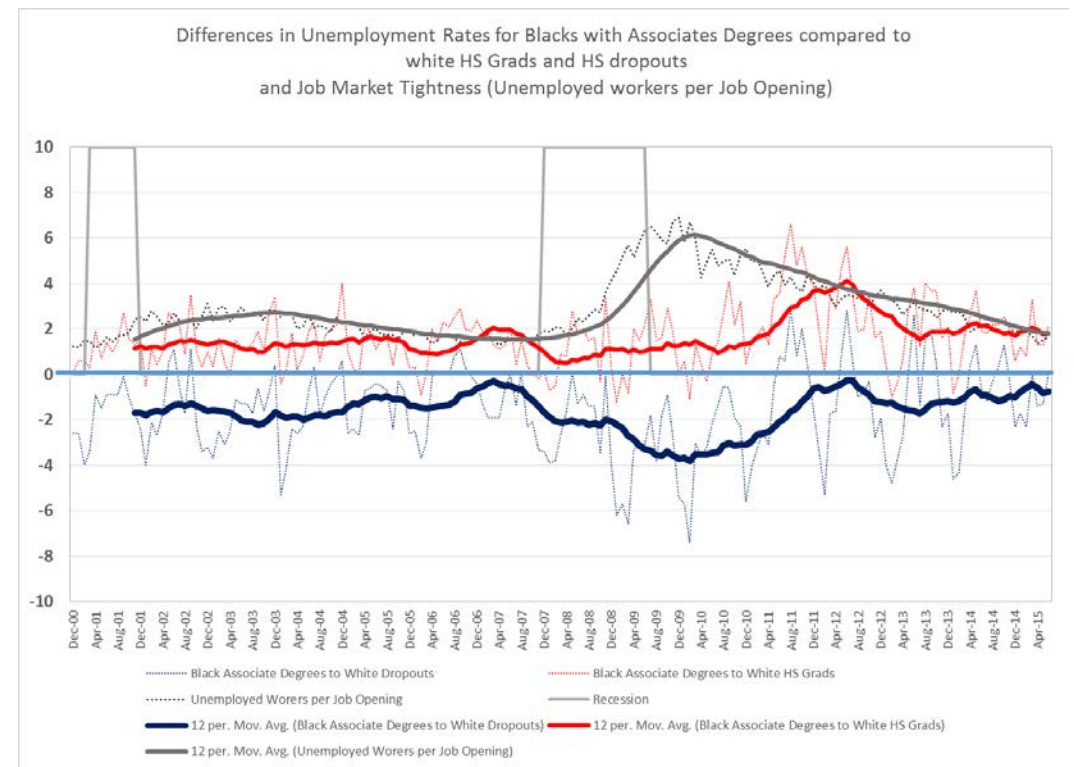
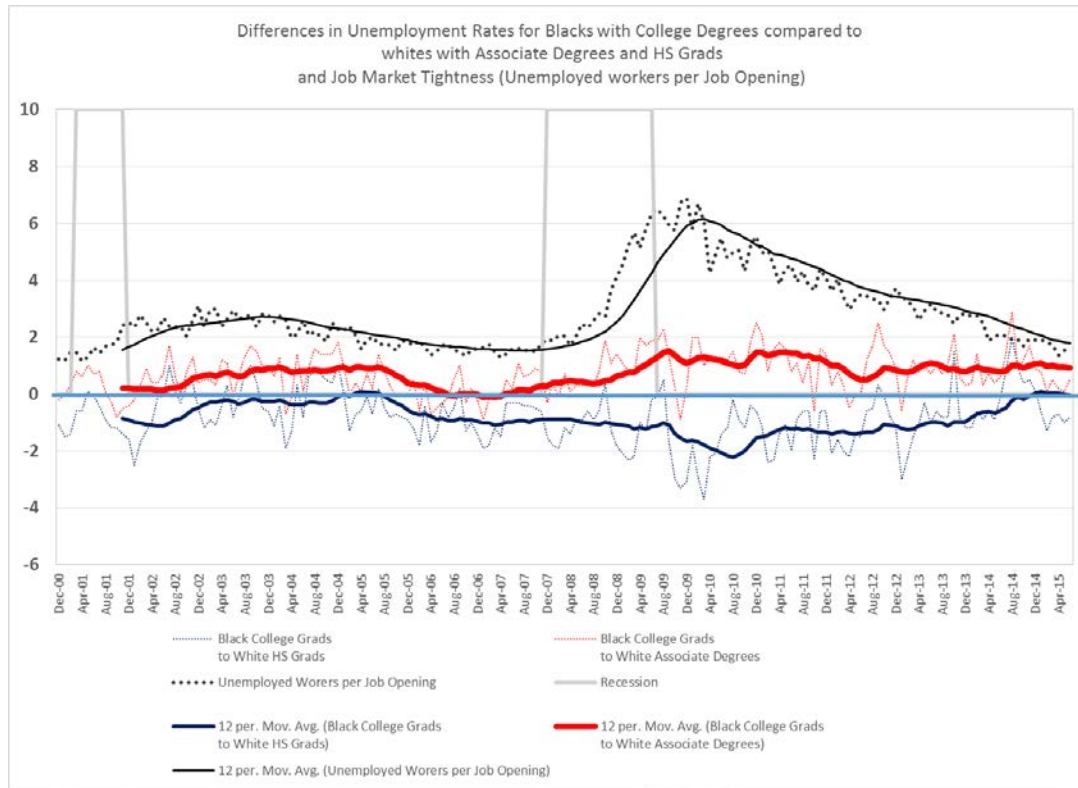
No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY



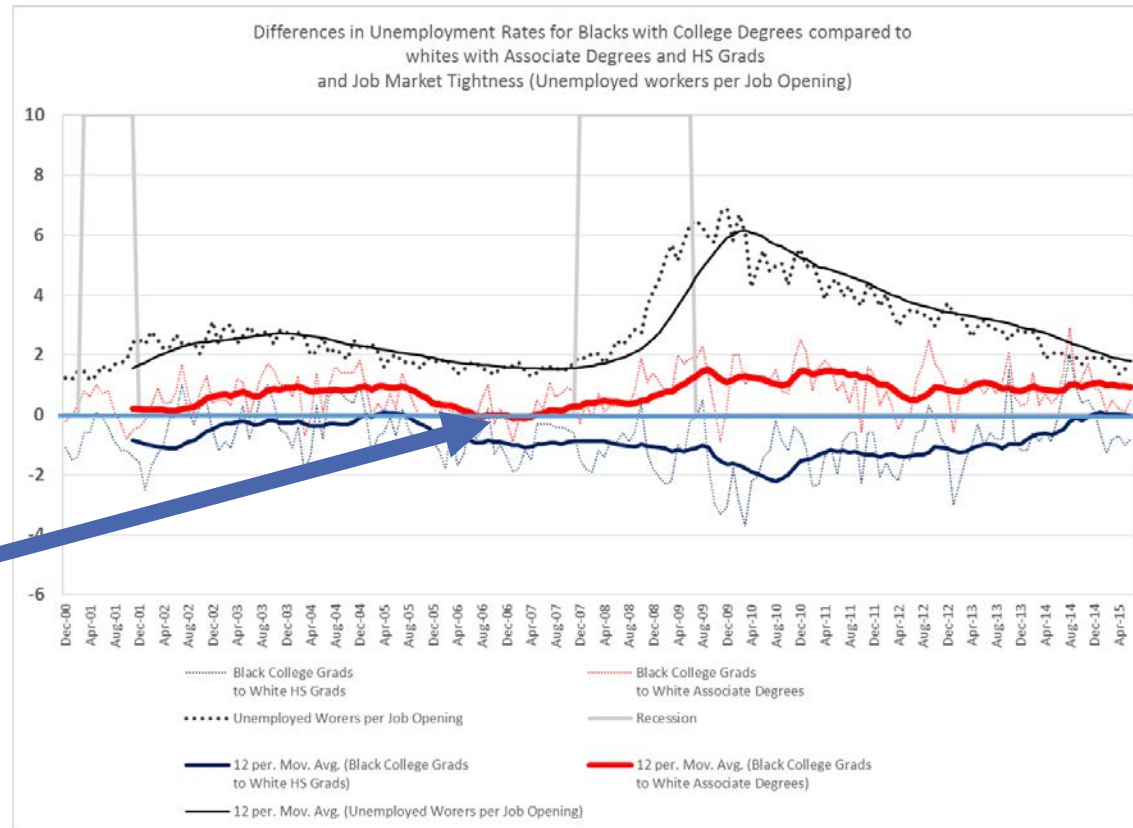
Blacks with more education suffer unemployment rates comparable to whites with less education



No Board endorsement of any person or entity

After prolonged improvement in labor tightness, Black college graduates can sustain unemployment rates of whites with associates degrees

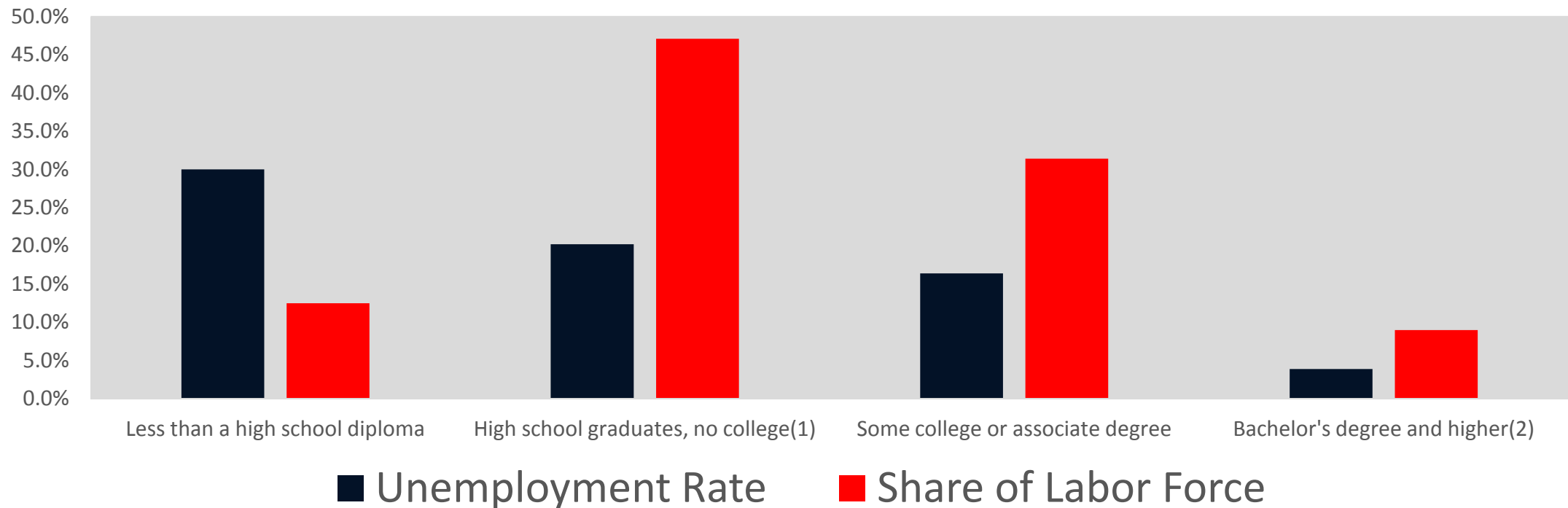
At last labor market peak in 2007, the Black college unemployment rate and the white associates degree rate were equal



No Board endorsement of any person or entity

Higher Education leads to lower unemployment rates

Black Unemployment Rates and Labor Force Shares by Education



No Board endorsement of any person or entity

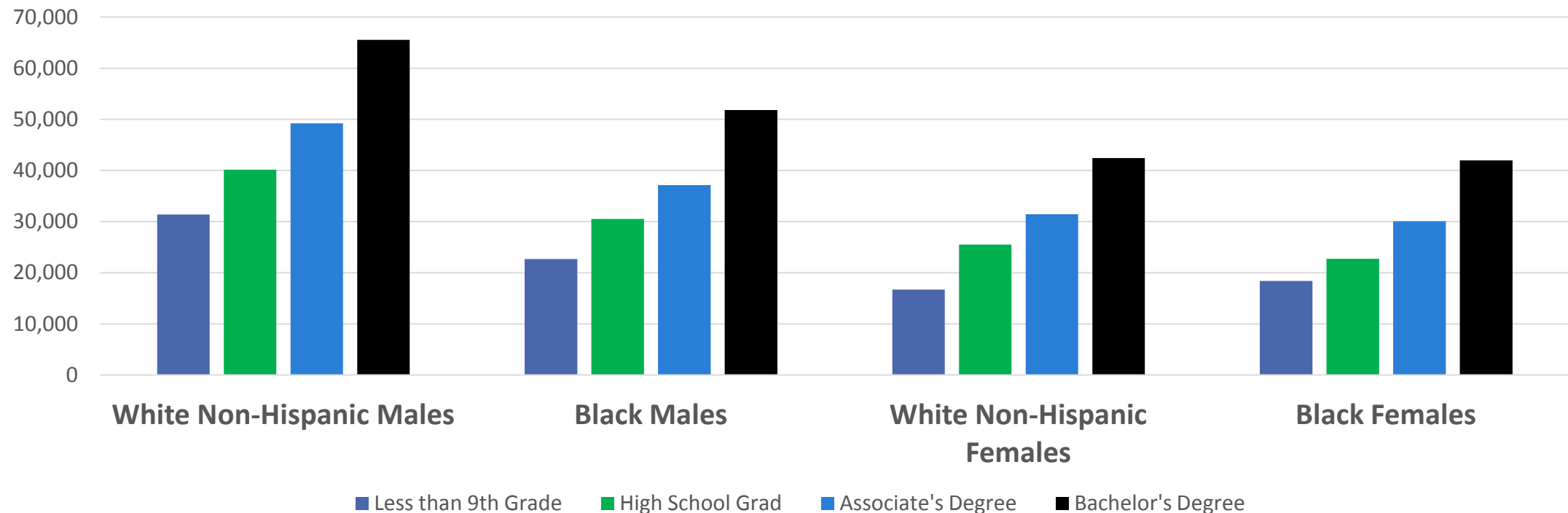
Department of Economics

HOWARD
UNIVERSITY



Earnings gaps are large by race and gender

Median Earnings by Educational Attainment, 25 Years and Older



Source: http://www.census.gov/hhes/www/cpstables/032015/perinc/pinc03_000.htm

No Board endorsement of any person or entity

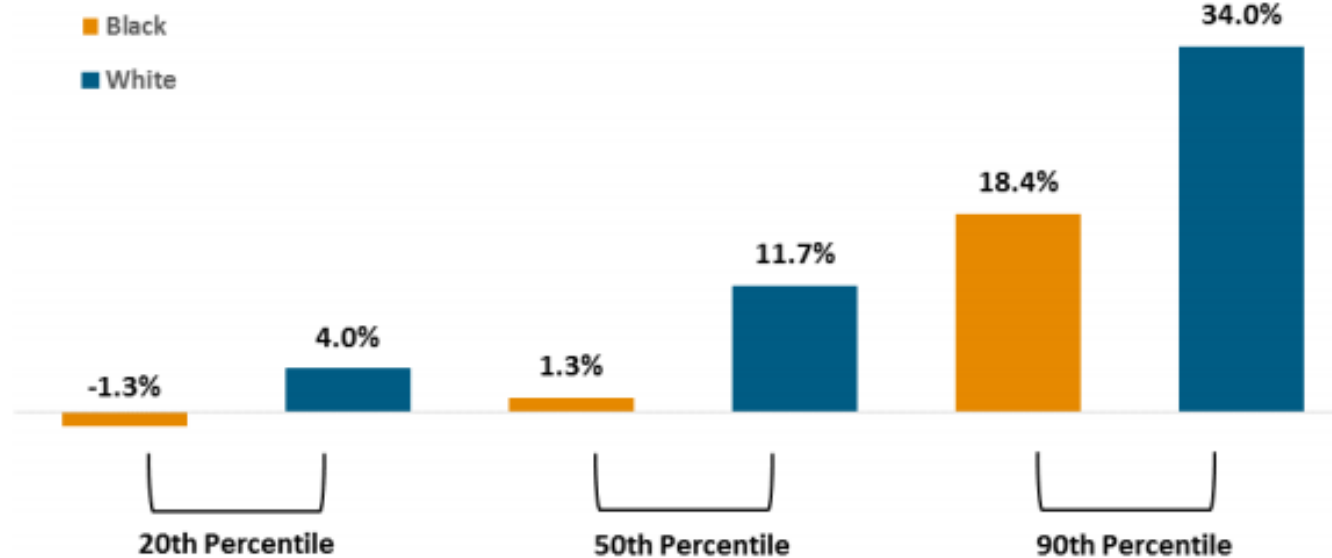
Department of Economics

HOWARD
UNIVERSITY

And, the income gap is growing at every level

Wage Gaps for Whites and Blacks Widen for Higher Earners

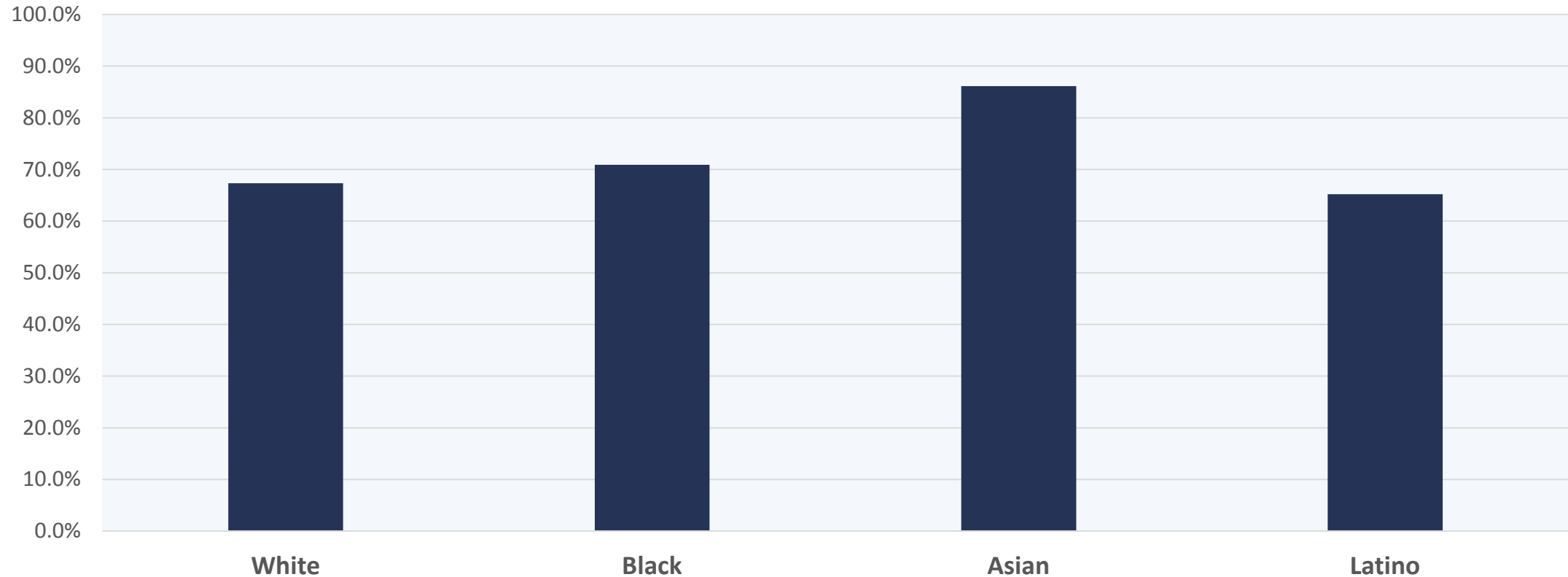
Percent of change in US median household incomes from 1979-2014, by income groups (adjusted for inflation)



Economic Policy Institute analysis of Current Population Survey data

No Board endorsement of any person or entity

Percent of 2014 High School Grads Enrolled In college in October 2014



Source: <http://www.bls.gov/news.release/pdf/hsgec.pdf>

No Board endorsement of any person or entity.

Department of Economics

HOWARD
UNIVERSITY



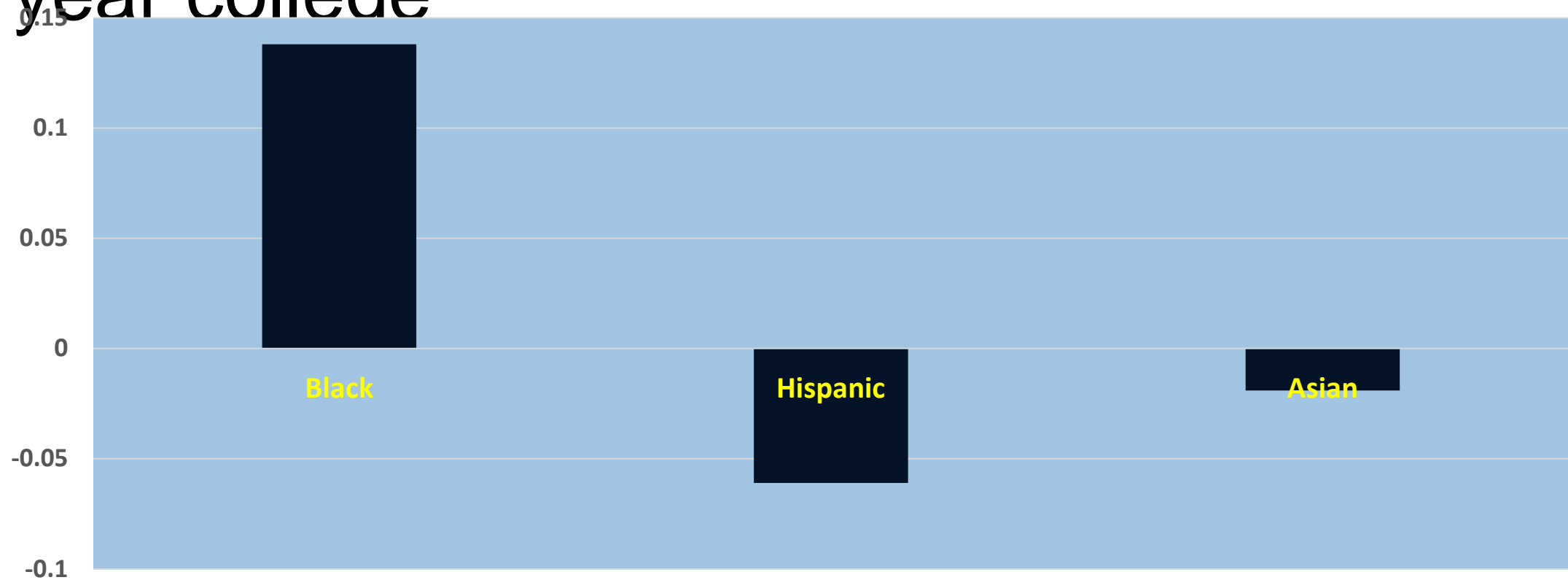
Black students got the memo

Table 4: Ordinary Least Squares Regression Results for Applying to College

	Panel A: Any 4-Year University				Panel B: Flagship University or Better			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<i>Race and ethnicity:</i>								
Black	0.023* (0.008)	0.127* (0.006)	0.135* (0.005)	0.138* (0.004)	-0.074* (0.004)	-0.016* (0.003)	-0.010* (0.002)	-0.008* (0.002)
Hispanic	-0.077* (0.009)	-0.002 (0.007)	-0.062* (0.003)	-0.061* (0.003)	-0.060* (0.004)	-0.025* (0.002)	-0.022* (0.002)	-0.021* (0.002)
Asian	0.177* (0.009)	0.018* (0.009)	-0.005 (0.007)	-0.019* (0.006)	0.185* (0.011)	0.048* (0.008)	0.040* (0.007)	0.026* (0.005)
<i>Other demographics:</i>								
Free/reduced lunch eligible	-0.114* (0.006)	-0.047* (0.005)	-0.053* (0.002)	-0.054* (0.002)	-0.070* (0.003)	-0.030* (0.002)	-0.020* (0.001)	-0.020* (0.001)
Limited English proficient	-0.204* (0.006)	-0.096* (0.006)	-0.098* (0.006)	-0.097* (0.005)	-0.060* (0.003)	0.009* (0.002)	0.009* (0.002)	0.011* (0.002)
<i>High school coursework (college readiness):</i>								
No. of AP and IB semesters		0.014* (0.001)	0.011* (0.001)	0.013* (0.001)		0.017* (0.001)	0.016* (0.001)	0.018* (0.001)
Took AP English language arts		0.132* (0.007)	0.129* (0.005)	0.138* (0.004)		0.013* (0.005)	0.017* (0.005)	0.019* (0.004)
Took AP mathematics		0.121* (0.005)	0.121* (0.004)	0.116* (0.004)		0.151* (0.006)	0.147* (0.005)	0.140* (0.004)
Took AP science		0.051* (0.006)	0.048* (0.005)	0.048* (0.004)		0.058* (0.005)	0.057* (0.005)	0.056* (0.004)
Total semesters failed		-0.020* (0.001)	-0.018* (0.000)	-0.020* (0.000)		-0.003* (0.000)	-0.003* (0.000)	-0.003* (0.000)
High school exit exam (z-score) ^a		0.079* (0.002)	0.071* (0.001)	0.067* (0.001)		0.038* (0.001)	0.035* (0.001)	0.031* (0.001)
<i>Geographic proximity:^b</i>								
Distance to nearest university (100 miles)			-0.051 (0.031)				-0.059* (0.005)	
Distance squared			0.016 (0.029)				0.008* (0.001)	
No. of observations	427,300	427,300	427,300	427,300	427,300	427,300	427,300	427,300
<i>Other controls:</i>								
High school characteristics ^c								
No Board endorsement of any person or entity ^e								

Source: Black, Cortes and Lincove, *Apply Yourself: Racial and Ethnic Differences in College Application* NBER Working Paper 21368 (July 2015)

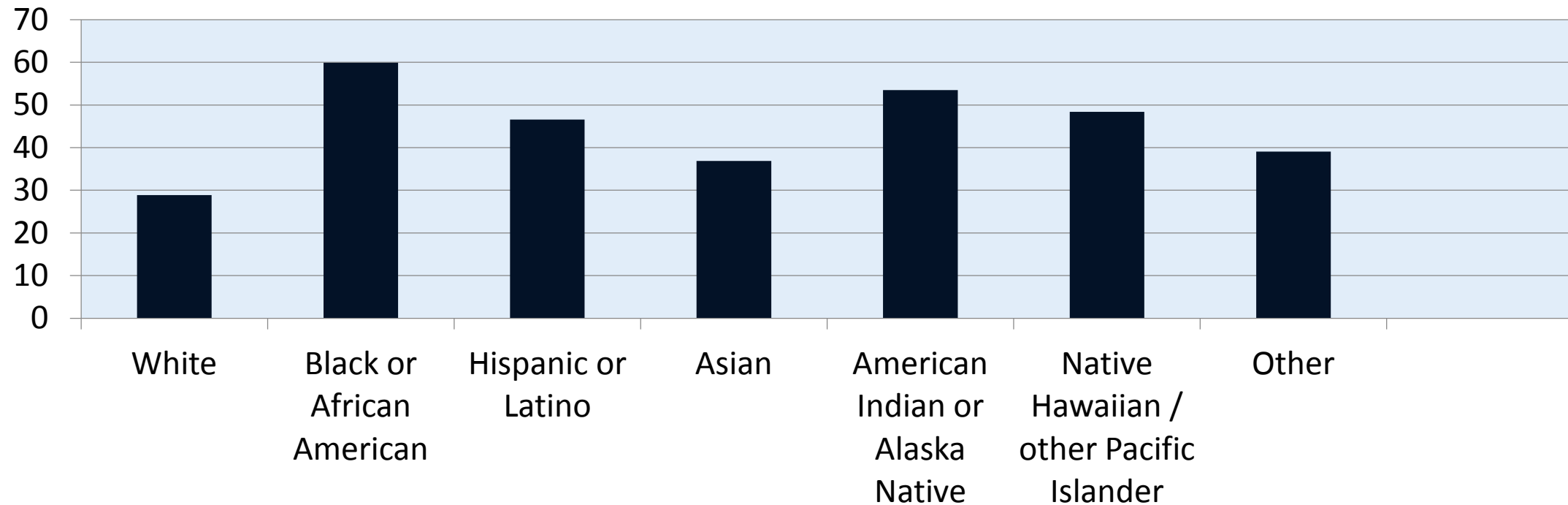
Relative to white students, with similar high school backgrounds, Black students in Texas are almost 14% more likely to apply to a four year college



No Board endorsement of any person or entity

Almost 60% of Black College students have zero expected family contribution aid levels

Zero Expected Family Contribution



Source: U.S. Department of Education, National Center for Education Statistics, 2011-12 National Postsecondary Student Aid Study (NPSAS:12).

No Board endorsement of any person or entity

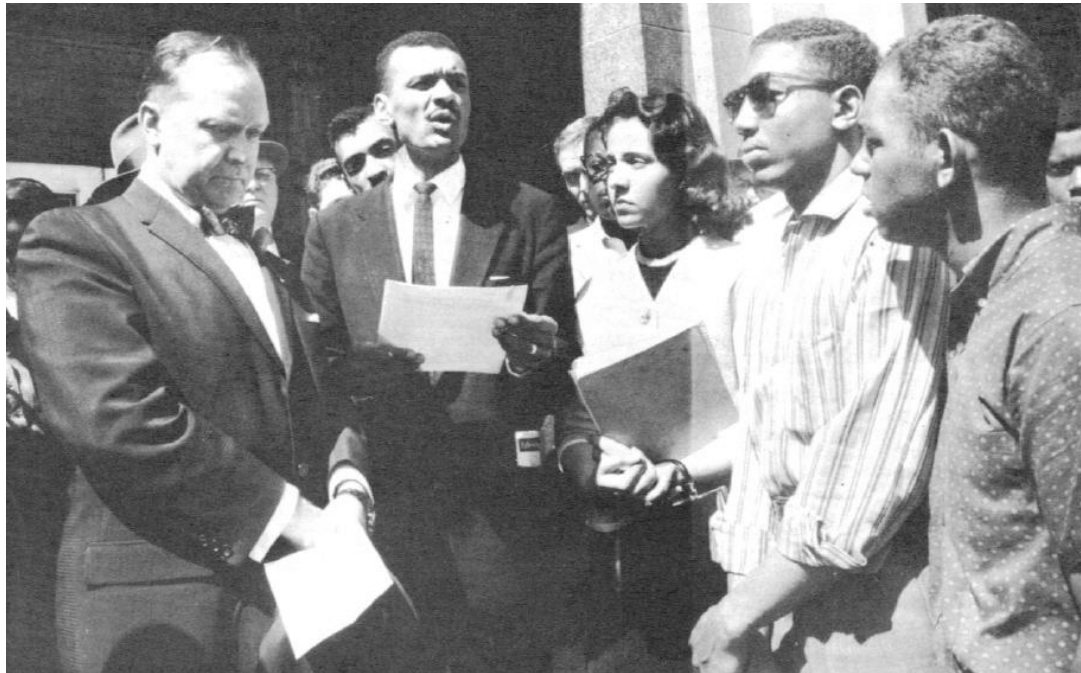
Department of Economics

HOWARD
UNIVERSITY



Howard University—"Non Completers"

Diane Nash leader of Nashville Sit-ins and Organizer of Freedom Rides

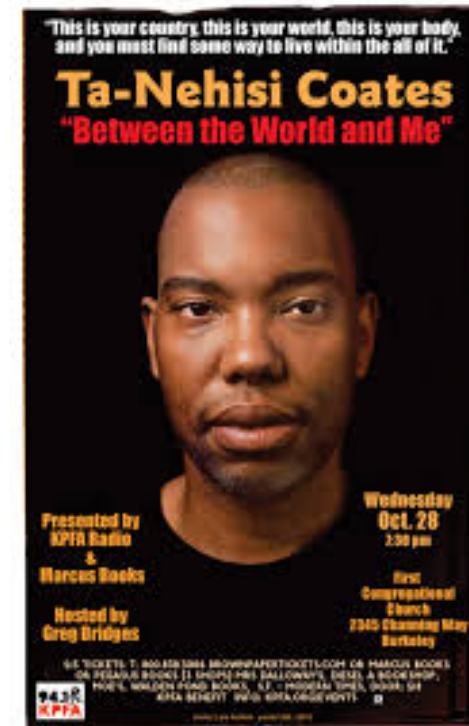


No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY

Ta-Nehisi Coates—MacArthur Award Recipient winner National Book Award



No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY



Ossie Davis—Award winning actor and playwright



No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY

Sean Combs—Record Mogul and Brand manager



No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY

Michael Twitty—Noted Food Historian



AFRICAN ANCESTRY RADIO
The African Influence On African American Food
Carla Hall's Paternal Ancestry Revealed LIVE



Carla Hall, Owl Michael Twitty, Culinary Historian

Saturday, October 1st @ 2PM EST
SiriusXM Urban View Channel 126

A promotional graphic for a radio broadcast. It features a purple background with white and yellow text. At the top, it says "AFRICAN ANCESTRY RADIO" in large white letters. Below that, in smaller white text, is "The African Influence On African American Food" and "Carla Hall's Paternal Ancestry Revealed LIVE". In the center, there are two portrait photos: on the left, Carla Hall, a woman with curly hair and glasses, wearing a red and blue jacket; on the right, Michael Twitty, a man with a beard, wearing a dark hoodie. Below the photos, their names are listed: "Carla Hall, Owl" and "Michael Twitty, Culinary Historian". At the bottom, in white text, it says "Saturday, October 1st @ 2PM EST" and "SiriusXM Urban View Channel 126".

No Board endorsement of any person or entity

Department of Economics

HOWARD
UNIVERSITY