Intergenerational persistence of skills and socioeconomic status

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HOW DOES SOCIOECONOMIC STATUS OF PARENTS RELATE TO THE FORMATION AND DEVELOPMENT OF SKILLS IN THEIR ADOLESCENT KIDS?

WHAT TYPE OF SKILLS ARE RELATED TO HIGH SOCIOECONOMIC STATUS?

DATA: EMOVI-2015 (SOCIAL MOBILITY SURVEY IN MEXICO)

- SURVEY REPRESENTATIVE OF MEXICAN URBAN POPULATION (+100,000) DESIGNED TO INVESTIGATE SOCIAL MOBILITY
- 2,616 COMPLETE INTERVIEWS TO TEENAGERS BETWEEN 12 AND 18 YEARS OLD (TEENAGER SAMPLE)
- 2,616 COMPLETE INTERVIEWS FOR ONE OF THEIR PARENTS (ADULT SAMPLE)
- PARENTS AND CHILDREN WERE INTERVIEWED SEPARATELY. DURATION OF INTERVIEW APPROX. 1 HOUR

SKILLS AND PREFERENCES

BOTH TEENAGER AND ADULT SAMPLES INCLUDE A WIDE ARRAY OF SKILL AND PREFERENCE MEASURES:

COGNITIVE SKILLS

-FLUID INTELLIGENCE:
RAVEN MATRIX TEST (10 ITEMS, WAIS IV, 2008)

-CRYSTALIZED INTELLIGENCE:
ANIMAL NAMING TASK (30 SECONDS, SOEP, 2006)

-WORKING MEMORY:
DIGIT SPAN TEST (5 ITEMS, WAIS IV, 2008)

-GENERAL INTELLIGENCE:
FIRST COMPONENT OF THE LAST THREE MEASURES

NON-COGNITIVE SKILLS

-LOCUS OF CONTROL:
ROTTER CONTROL SCALE (10 ITEMS, SOEP 2006)

-GRIT:
SHORT GRIT SCALE (8 ITEMS, DUCKWORTH & QUINN, 2009)
PERSEVERANCE TO FULFILL LONG-TERM GOALS

-SELF-CONTROL:
SHORT SELF-CONTROL SCALE (5 ITEMS, TANGNEY ET AL., 2004)

PREFERENCE MEASURES

-RISK PREFERENCES:
- SELF-REPORTED RISK AVERSION (1 ITEM, 1-10 SCALE)
- RISK AVERSION SCALE (EXPERIMENT, FALK ET AL, 2015)

-TIME PREFERENCES:
- PATIENCE SCALE (EXPERIMENT, FALK ET AL, 2015)

-ALTRUISM:
- SELF-REPORTED ALTRUISM (2 ITEMS)
- EXPERIMENT (HYPOTHETICAL DONATION, FALK ET AL., 2015)

-TRUST:
- SELF-REPORTED SCALE (2 ITEMS)

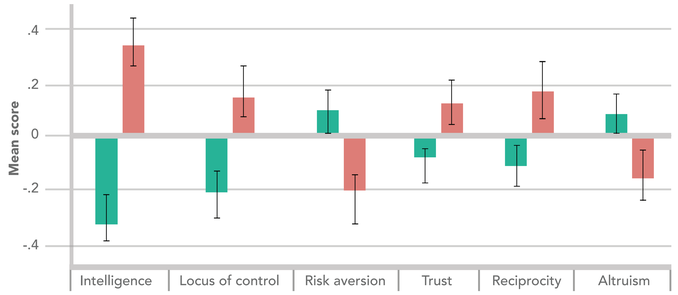
-RECIPROCITY:
- SELF-REPORTED POSITIVE RECIPROCITY (2 ITEMS)
- SELF-REPORTED NEGATIVE RECIPROCITY (2 ITEMS)

I DEFINE SOCIOECONOMIC STATUS USING PRINCIPAL COMPONENT ANALYSIS OF HOUSEHOLD ASSETS (CARS, COMPUTERS, WASHING MACHINE, # ROOMS, LIGHT BULBS, ETC).

RESULTS

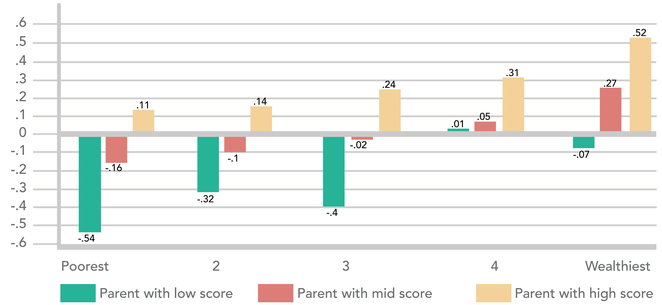
1 HIGHER SES IS ASSOCIATED WITH SKILLS THAT PROMOTE AND FOSTER THE CONTINUATION OF HIGHER SOCIOECONOMIC STATUS IN THE FUTURE.

TEENAGER'S SKILL SCORES BY WEALTH QUINTILE



Note: Figure shows the mean scores of the skills measures for the first (the poorest) and fifth (the wealthiest) wealth quintile for the teenager sample. Figure shows 95% confidence intervals. All measures are standardized with mean 0 and standard deviation 1.

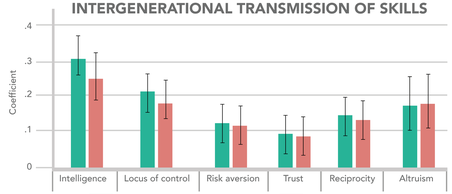
TEENAGER'S GENERAL INTELLIGENCE SCORE BY *SES* AND PARENTAL INTELLIGENCE SCORE



Note: Figure shows the teenagers' average general intelligence score by socioeconomic status in quintiles and their parents' general intelligence score. Parent's with scores in the lower third are characterized as parents with low skills. Parents in the last third are characterized as parents with high skills. Teenagers' scores are standardized with mean 0 and standard deviation of 1.

2 THE SKILLS OF ADOLESCENTS ARE CONSISTENTLY RELATED TO PARENTAL SKILLS, ESPECIALLY FOR COGNITIVE SKILLS.

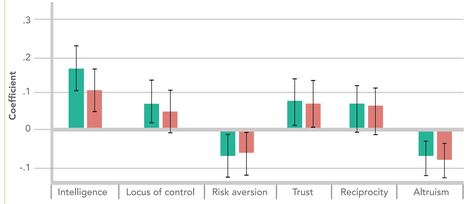
INTERGENERATIONAL TRANSMISSION OF SKILLS



Note: Figure shows the coefficients of the parent skill of a regression of the teenager's skills scores, control variables include age and gender of both teenager and parent, as well as two variables of socioeconomic status: SES wealth index and parental years of schooling. Figure shows 95% confidence intervals. The skill measures are standardized with mean 0 and standard deviation 1.

EFFECT OF *SES* ON TEENAGER SKILL

(A) WEALTH INDEX



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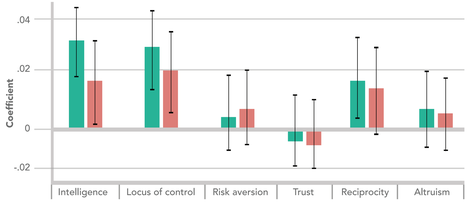
(B) PARENT'S YEARS OF SCHOOLING



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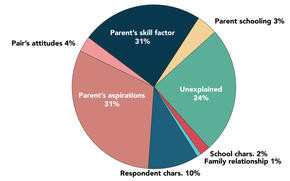
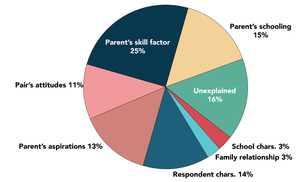
3 THE SKILLS GAP BETWEEN THE FIRST AND FIFTH QUINTILE IN THE SES DISTRIBUTION RELATES MAINLY TO SOCIOECONOMIC CHARACTERISTICS. IT IS POSSIBILE TO REINFORCE NON-COGNITIVE SKILLS IN SCHOOLS.

WHAT VARIABLES EXPLAIN THE SKILL DIFFERENCE BETWEEN 1st AND 5th QUINTILE OF SES?

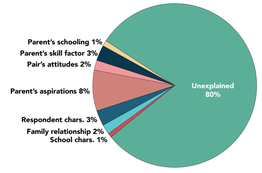
(A) GENERAL INTELLIGENCE



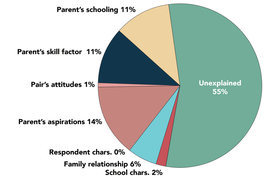
(B) LOCUS OF CONTROL



(C) ALTRUISM



(D) TRUST



Note: Socioeconomic gap is decomposed following the methodology of Goodman, Greg & Washbrook (2011): Use omitted variable formula -- calculate the impact of the mediating factor holding constant SES X difference in mediating factor by SES