

2016

Employment Research, Vol. 23, No. 3, July 2016

Citation

W.E. Upjohn Institute. 2016. Employment Research. 23(3). [https://doi.org/10.17848/1075-8445.23\(3\)](https://doi.org/10.17848/1075-8445.23(3))

This title is brought to you by the Upjohn Institute. For more information, please contact ir@upjohn.org.

UPJOHN INSTITUTE

Employment Research

JULY 2016

In this issue . . .

Timothy J. Bartik and Brad Hershbein
Degrees of Poverty: Family
Income Background and the
College Earnings Premium



Jean Kimmel
Is Microfinance Poverty's
"Magic Bullet"?



Randall W. Eberts
Can States Help Us
Understand the National
Employment Picture?

Vol. 23, No. 3

Employment Research is published quarterly by the W.E. Upjohn Institute for Employment Research. Issues appear in January, April, July, and October.

The Institute is a nonprofit, independent research organization devoted to finding and promoting solutions to employment-related problems at the international, national, state, and local levels. The Institute is an activity of the W.E. Upjohn Unemployment Trustee Corporation, which was established in 1932 to administer a fund set aside by Dr. W.E. Upjohn, founder of the Upjohn Company, to conduct research on the causes and effects of unemployment and seek measures for the alleviation of the hardships suffered by the unemployed.

W.E. Upjohn Institute
for Employment Research
300 S. Westnedge Avenue
Kalamazoo, MI 49007-4686
(269) 343-5541
www.upjohn.org

Randall W. Eberts
President

Timothy J. Bartik and Brad Hershbein

Degrees of Poverty Family Income Background and the College Earnings Premium

How can we help equalize economic opportunity? An oft-proposed policy solution is to expand access to higher education. A college education, it is hoped, will help the children of the poor and working class gain a larger share of the economic pie.

But how much does college really pay off for lower-income Americans? Perhaps surprisingly, there has been little research on how family income background influences the career earnings boost from a college education. In new research, we reach a startling finding: the percentage boost to career earnings from a college education is much lower for individuals who grew up in lower-income families, compared to their peers who grew up in higher-income families. It is not surprising that a low-income background handicaps future career earnings. But one would have hoped that going to college would help close the gap. It does not, at least overall, and for some major groups.

Career Earnings by Education and Family Income Background

In our ongoing research (Bartik and Hershbein 2016), we use the Panel Study of Income Dynamics, a unique survey that has tracked the same individuals and their descendants since 1968, to estimate career earnings profiles by education and family income background. We match individuals growing up in the

1950s through the 1980s to their parents' incomes at those times to identify who was raised in a low-income family, which we define as having an income below 185 percent of the federal poverty line, a threshold that determines eligibility for the federal school lunch program. We determine the highest level of education earned by age 25, and we compare the earnings of bachelor's graduates and high school graduates from the ages of 25–62.

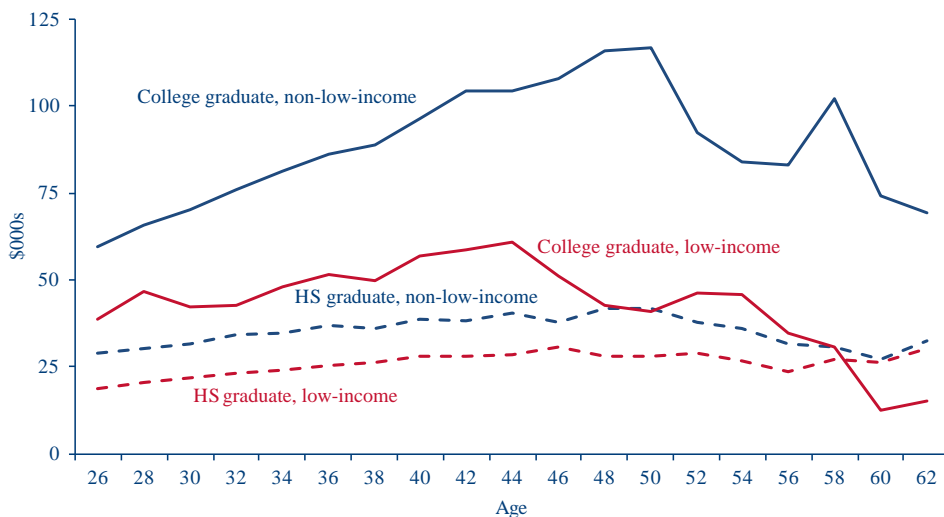
Our key finding is that the proportional increase in career earnings from obtaining a bachelor's degree, relative to a high

The percentage boost to career earnings from a college education is much lower for individuals who grew up in lower-income families.

school diploma, is much smaller for individuals from lower-income families compared to those from higher-income families. The career earnings premium from a bachelor's degree is 71 percent for individuals who grew up in families below 185 percent of the poverty line, but for individuals from families above that income threshold, the career earnings premium for a bachelor's degree is almost twice as large, at 136 percent.¹

Figure 1 shows how career earnings paths vary by income background group. For high school graduates, the earnings slopes are quite similar across

Figure 1 Estimated Career Earnings Profiles by Education and Family Income Background (annual earnings, thousands of 2014 \$)



NOTE: Mean earnings by age are in year 2014 dollars, adjusted with the PCE deflator from the Bureau of Economic Analysis, and are calculated including zeros but dropping imputations. SOURCE: Bartik and Hershbein (2016), using data from the Panel Study of Income Dynamics.

income backgrounds, with roughly \$700 increases every two years of age, although those with higher-income backgrounds earn about \$10,000 more at each age up to about age 50. In contrast, for college graduates, both slopes and levels diverge considerably across different income background groups. From the mid-twenties through the mid-forties, low-income-background

graduate from a low-income family earns as much at career peak as the average college graduate from a higher-income family at career beginning.

Our findings are also summarized in Table 1. For individuals from low-income families who obtain only a high school diploma, career earnings are \$475,000, while for those who receive at least a bachelor’s degree, earnings

are \$810,000—a 70.6 percent increase. For individuals from higher-income families, high school graduates earn \$661,000 over the career (about 39 percent more than high school grads from poorer families). However, average career earnings for bachelor’s graduates from the more well-to-do families reach \$1.56 million. Not only is this amount nearly twice what low-income bachelor’s graduates earn, it is 136 percent more than what higher-income-background high school graduates earn. If low-income-background college graduates received the same proportional boost to career earnings as their peers from more fortunate backgrounds, their present discounted career earnings would be \$1.12 million, or \$312,000 (38.5 percent) more than what they are observed to earn. If low-income-background college graduates received the same dollar return to college graduation as their peers from higher-income backgrounds, their present discounted career earnings would be \$1.38 million, or \$566,000 (69.9 percent) more than their observed earnings.

Possible Reasons for the College Returns Gap

What is causing this gap across income groups in the earnings returns to college? Some clues are provided by seeing how the gap changes when we focus on different subgroups.

If low-income-background college graduates received the same proportional boost to career earnings as their more fortunate peers, their career earnings would be \$312,000 greater.

college graduates on average increase their earnings by about \$2,300 every two years, while higher-income-background college graduates have average increases more than twice as large, at roughly \$5,200 every two years. Earnings peak in the mid-forties for the low-income background group but continue rising until age 50 for the higher-income-background group. The average college

Table 1 Present Discounted Value of Career Earnings, by Education and Family Income Background

	Earnings (2014 \$)	College – high school	College/ high school	Difference-in-differences	Difference in ratios
Low-income					
High school grad	474,500 (31,600)	335,100 (77,200)	1.706 (0.187)		
College grad	809,600 (70,500)			565,800*** (154,900)	0.657** (0.289)
Non-low-income					
High school grad	661,000 (25,700)	900,900 (134,300)	2.363 (0.220)		
College grad	1,561,900 (131,800)				

NOTE: Cumulative earnings (rounded to nearest \$100) from ages 25–62, taken from the PSID sample, are discounted at an annual rate of 3 percent from the perspective of an 18-year-old. Standard errors robust to heteroskedasticity and intrapersonal correlation and calculated via the delta method are in parentheses. * p < 0.10, ** p < 0.05, *** p < 0.01.

Table 2 Career College Premium Earnings Ratios under Different Sample Restrictions

	College/high school: Non-low-income	College/high school: Low-income	Difference in ratios
Baseline	2.363	1.706	0.657**
Include age 20+ earnings	2.176	1.602	0.574**
Drop zero earnings	2.230	1.466	0.764***
Drop graduate degrees	1.873	1.862	0.011
Drop 99th percentile	1.825	1.698	0.127
Median	1.938	2.231	-0.293
75th percentile	1.848	1.551	0.297*
90th percentile	2.026	1.472	0.554*
Men	2.699	1.404	1.295***
Women	1.999	1.987	0.012
Whites	2.311	1.120	1.191***
Blacks	2.788	2.731	0.057

NOTE: Asterisks indicate that the difference in ratios is statistically significant, with * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

SOURCE: Bartik and Hershbein (2016, Tables 6, 8, and 9).

Table 2 shows how the ratio of college to high school career earnings changes for different family income background groups as we impose restrictions. The second row uses earnings ages 20–62, not the 25–62 baseline. This reduces the gap only slightly. The third row counts only positive earnings, dropping individuals in a given year if they don't work. This restriction widens the gap, showing that the original gap is not due to employment differences.

The gap shrinks or even disappears with other restrictions. Calculating earnings only for individuals whose highest ever degree is a bachelor's, thus dropping graduate-degree holders, eliminates the ratio gap. Likewise, profiles that omit very high earners—those above the 99th percentile in any given year—show a vastly reduced ratio gap.² These two restrictions suggest that the college premium gap by family income background is driven by the highest earners. This hypothesis is supported if we focus not on mean earnings but at various percentiles of the earnings distribution. For the individual with median earnings the gap is negative, but the positive gap returns as we rise higher in the earnings distribution to the 75th percentile and the 90th percentile. Individuals from low-income backgrounds, even with a college education, are less likely to access the

highest parts of America's earnings distribution.

We also show ratios separately for men, women, whites, and blacks. The overall gap is driven by men and whites, with minimal gaps for women and blacks. The gaps for men and whites result both from higher college premiums for individuals from higher-income families and from low college premiums for those from low-income families. Blacks

The college returns handicap for individuals from lower-income backgrounds is driven by lack of access to the highest earning opportunities.

experience high college premiums regardless of income background, with women's college premiums of moderate size regardless of income background. These patterns are also consistent with the highest earners driving the gap in the college premium, as men and whites have greater access to lucrative careers.

Conclusion

Individuals from low-income family backgrounds gain in career earnings from college, but these college earnings gains may not be enough to equalize economic

opportunity. This handicap for individuals from lower-income backgrounds is driven largely by differential access to the upper tail of the earnings distribution. The relative lack of access to the highest earnings for low-income college graduates is of extra concern because the top of the earnings distribution has seen the fastest recent growth. Individuals from poorer backgrounds may be encountering a glass ceiling that even a bachelor's degree does not break.

Notes

1. These and other earnings figures we report are based on present discounted value from the perspective of an 18-year-old, using a 3 percent real discount rate, which is commonly used by economists. That is, the underlying earnings represent the amount of money that an 18-year-old could invest at a 3-percent inflation-adjusted rate of return and end up with the same total career earnings.

2. Although the ratio gap is eliminated under these restrictions, the absolute dollar difference is not, with individuals from higher-income families experiencing a career college earnings boost \$200,000 greater than those from low-income families.

Reference

Bartik, Timothy J., and Brad Hershbein. 2016. "Degrees of Poverty: Family Income Background and the College Earnings Premium." Upjohn Institute mimeo. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research.

Timothy J. Bartik is a senior economist and Brad Hershbein is an economist, both at the Upjohn Institute.

Jean Kimmel

Is Microfinance Poverty's "Magic Bullet"?

This article summarizes Chapter 2 from Award-Winning Economists Speak on Contemporary Economic Issues, edited by Jean Kimmel, forthcoming in 2016 from the Upjohn Institute.

In the academic year 2013–14, the Department of Economics at Western Michigan University commemorated the 50th anniversary of the Werner Sichel Lecture Series. This annual series, sponsored jointly by the economics department and the W.E. Upjohn Institute for Employment Research, is named for Dr. Sichel, a longtime Western Michigan University economics professor and department chair who retired in 2004. The success and longevity of this series is a testament to his vision and guidance.

The title of the anniversary series was "Award-Winning Economists Speak on Contemporary Economic Issues." See the box below for a list of the six renowned economists. While each speaker discussed a specific subject, they all adhered to the series theme of highlighting the various ways that economics can inform policymakers to facilitate the development and evaluation of public policy, including the construction of public institutions. The topics were wide ranging: immigration policy reform, human resource economics, human capital, microfinance, societal institutions, and efficient and effective regulation. The presentations will be published this year in a forthcoming edited volume by the Upjohn Institute.

The focus of this article is the work presented by Erica Field, a professor of economics and global health at Duke University. The American Economic Association's Committee on the Status of Women in the Economics Profession awarded her with the Elaine Bennett Research Prize, which is given annually to the most successful and promising young female U.S. economist. She presented her research, joint with

Abraham Holland and Rohini Pande, both of Harvard University, in a talk titled "Microfinance: Points of Promise."

The book chapter of the same name, written by Field and her co-researchers, describes microfinance, a popular antipoverty tool in developing nations that relies on small-group social pressure in lieu of the requirement of collateral to guarantee small personal loans. The authors discuss the early implementation of microfinance and the ways that it has evolved over time, much of which, at least in recent years, has been in response to rigorous economic analysis. Most interesting, they present a thoughtful discussion of what is meant, generally, by policy success or policy failure, and how economists ought to evaluate policy, followed by an application of this evaluation process to microfinance.

Measuring Policy Success

Policymakers must understand the goals of policies, as well as determine how they will ascertain the degree to which a policy has been successful;

accomplishing the latter requires a careful understanding of what is meant by success. For purely illustrative purposes, Field, Holland, and Pande draw from perhaps the most shining example in medicine: the discovery of penicillin, widely known as a "magic bullet" that seemed to have appeared out of nowhere to become one of the most important developments in modern medicine. "Our experience with penicillin and antibiotics provides three critical lessons about 'magic bullets.' First, the development of such products is far from miraculous, but rather reflects years of research and development. Second, the application of a miracle cure may be remarkably constrained—antibiotic 'miracle drugs' are only effective when their use is well-defined, targeted, and consistently applied. Third, maintaining the miracle is a dynamic process—continuous innovation is required to prolong the effectiveness of these magic bullets" (Field, Holland, and Pande, forthcoming, pp. 2–3)

Field and her coauthors explain the depth of poverty in developing nations and describe the origin of the theory that it can be treated by improving access to credit. Traditionally, banks loan funds to individuals who can offer up some sort of collateral to secure the loan and who can document a continuing stream of income to facilitate repayment. Poor individuals in developing economies typically lack

Award-Winning Economists Speaking at the 2013–14 Werner Sichel Lecture Series

Erica Field, Professor of Economics and Global Health at Duke University (winner of the Elaine Bennett Research Prize)

Nancy Folbre, Emerita Professor of Economics at the University of Massachusetts-Amherst (winner of a MacArthur Foundation Fellowship; formerly known as the MacArthur Genius Grant)

Avner Greif, Professor of Economics and Bowman Family Endowed Professor in Humanities and Sciences at Stanford University (also a winner of a MacArthur Foundation Fellowship)

David Kreps, Adams Distinguished Professor of Management in the Graduate School of Business at Stanford University (winner of the John Bates Clark medal, awarded by the American Economic Association to the most prominent young U.S. economist)

Michael J. Piore, David W. Skinner Professor of Political Economy, Emeritus, at the Massachusetts Institute of Technology (also a winner of a MacArthur Foundation Fellowship)

David Card, Class of 1950 Professor of Economics at the University of California, Berkeley; (also a winner of the John Bates Clark medal, awarded by the American Economic Association to the most prominent young U.S. economist)

both. Additionally, due to their income vulnerability, they are unlikely to be able to save for “rainy days,” and even less able to save for self-employment business ventures, despite the fact that self-employment is the most common source of earned income for families in many developing nations.

When microfinance is viewed from afar, much like penicillin, it is often considered a glowing success. If one sees the problem it is designed to solve as access to credit (and assume that a substantive cause of poverty in developing nations is lack of access to credit), then microfinance is indeed accomplishing its goal. Framing the policy discussion this way, microfinance appears extraordinarily successful, both in its reach and with its low default rates. However, when Field, Holland, and Pande recognize that the original motivation for the development of microfinance was frightfully high poverty rates in developing nations, the determination of the policy’s success or failure becomes more nuanced. As the authors explain in their chapter, to evaluate a policy tool that has been evolving for several decades, researchers must take a step back to consider the problem that motivated the first microloans. Then, it becomes more straightforward to gauge the effectiveness of the program. Fine-tuning the “product” supplied by the microfinance program requires considering the effectiveness of these loans in improving the well-being of poor households.

How Microloans Work to Reduce Poverty

The chapter provides a thorough review of the history of microloans with a focus on the loan structure. From the earliest days of microfinance, microloans were provided to individuals in social groups, with the requirement of collateral from the individual borrower replaced with small group pressure to assure loan term compliance. The loans typically were very small, with weekly repayment set to begin shortly after the date of loan origination.

A critical factor in whether microloans are an effective poverty-reduction tool

is whether the loans actually are used for investment because an implicit goal of microfinance is to encourage secure self-employment ventures. Somewhat disappointingly, some research has shown that only about one-half of the value of microloans is used for investment, with the remaining funds used in other ways. According to the authors, “A review of seven recent experimental studies reveals no evidence of microcredit leading to sustained increases in income or consumption” (p. 9). Additionally, there is very little evidence of a positive impact on business creation.

While microfinance has enjoyed explosive growth, there is limited evidence of “success” when focusing on outcomes that still result in households being extremely poor. Concentrating on the fundamentals of the policy details, Field, Holland, and Pande identify specific policy components that show the greatest promise. To enhance the impact of microcredit, they present evidence that microfinance contracts need more flexibility, particularly in the grace period.

The authors themselves have been involved in the design and implementation of policy experiments that manipulate various loan details incrementally to determine the impact of specific changes. In one study, Field et al. (2013) show that extending the grace period has a substantial positive impact on small business formation as well as an impressive accompanying increase in household income. Another experiment (Field et al. 2012) focuses on varying the frequency of repayment; the results were impressive, with substantial increases in household income and business profits along with no increase in default rates.

Field, Holland, and Pande (forthcoming) say that it is important for lenders to have the ability to vary interest rates if they are to offer a wider variety of loan options. Additionally, they explain that success rates are improved when lenders provide more investment information and guidance to borrowers and when the loan delivery model encourages social interaction amongst peers.

Most interesting, the authors discuss the benefits of targeting females with

microloans. Theoretically, if such targeting improves female empowerment, this would also improve the bargaining power of women in households. They explain that there is indeed some evidence of this, with one study showing increases in female labor force participation and the marriage age of daughters, along with reductions in fertility. “In the long run, the social and economic benefits of reductions in unwanted births may contribute to significant improvements in the lives of the poor” (p. 19).

Conclusion

By examining the evolution of microfinance with a focus on the experimental evidence, Field, Holland, and Pande explain that “we have experienced the same roller coaster of invention, failure, and reinvention,” as was seen with the development and eventual success of penicillin (p. 17). If this process continues, with regulation in the sector “both smart and light-handed,” the authors are convinced that microfinance will improve its ability to ameliorate poverty. It is also likely that if policymakers in other realms apply the analytical approach to evaluating policy as outlined in this chapter, many more policy successes will follow.

References

Field, Erica, Abraham Holland, and Rohini Pande. Forthcoming. “Microfinance: Points of Promise.” In *Award-Winning Economists Speak on Contemporary Economic Issues*, Jean Kimmel, ed. Kalamazoo, MI: W.E. Upjohn Institute for Employment Research, pp. 1–22.

Field, Erica, Rohini Pande, John Papp, and Y. Jeanette Park. 2012. “Repayment Flexibility Can Reduce Financial Stress: A Randomized Control Trial with Microfinance Clients in India.” *PLoS ONE* 7(9): e45679.

Field, Erica, Rohini Pande, John Papp, and Natalia Rigol. 2013. “Does the Classic Microfinance Model Discourage Entrepreneurship among the Poor? Experimental Evidence from India.” *American Economic Review* 103(6): 2196–2226.

Jean Kimmel is a professor of economics at Western Michigan University.

Randall W. Eberts

Can States Help Us Understand the National Employment Picture?

Employment gains for May 2016 were disappointing. Only 38,000 additional jobs were added to U.S. payrolls that month, compared to a monthly average of 222,000 during the past 12 months. Although a rebound in June could occur, analysts are concerned about the slow decline in monthly job gains during 2016—233,000 in February, 186,000 in March, 123,000 in April, and 38,000 in May.

One explanation for the slow May employment gains is the strike by 37,000 Verizon employees, which undoubtedly affected the overall employment number for the month (the month-long strike ended June 1), another is the weakness in a few key industries, such as construction, utilities, and wholesale trade.

Instead of focusing on specific events or industries and viewing them in isolation, this brief article looks at regional differences in employment growth, specifically across states. Clearly, sectors within regional economies are closely related. What happens in manufacturing or energy extraction within a local economy, for example, spills over to retail and personal services as workers from export-based sectors purchase goods and services from other local sectors. Consequently, we may be able to detect some trends when we look at what’s happening at the state level.

Figure 1 shows the number of states with job gains superimposed against national employment gains. We consider year-over-year changes in order to eliminate the volatility inherent in monthly data (even when seasonally adjusted). In January 2008, when total nonfarm employment peaked, 45 states experienced employment growth—they accounted for 118 million of the 138 million payroll jobs in the 50 states and generated 1.2 million jobs (year over year) at the time. The five states that experienced employment losses at that time accounted for 19 million jobs and had lost 204,000 since the year before. From that time on, the employment picture

quickly deteriorated. Within 12 months, all but one state (Alabama) experienced year-over-year employment losses, and the nation was well within the grips of the Great Recession. However, it was another year before national employment levels hit bottom.

The number of states experiencing year-over-year employment declines tracks year-over-year national employment changes quite well. The correlation is 96 percent. The same strong relationship is found when monthly employment changes are used to define states with job losses and to account for national employment changes.

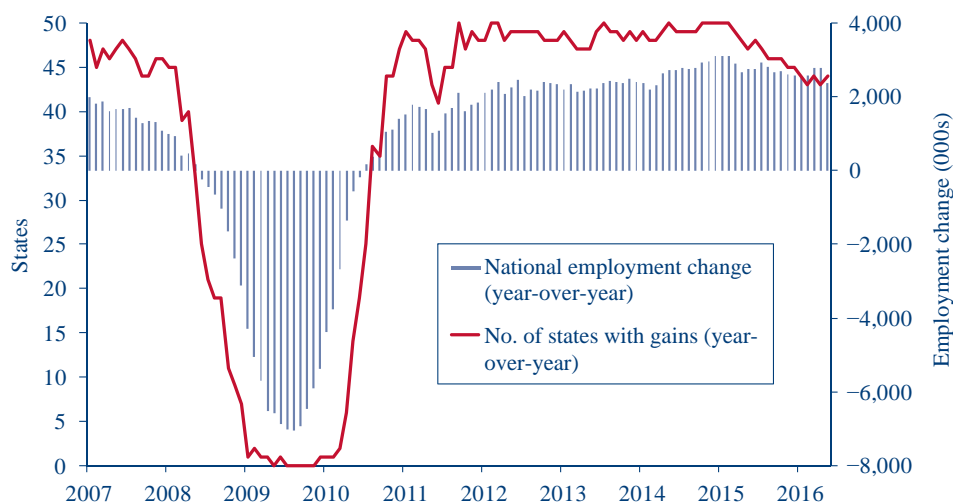
Does this regional view of the national economy lend any insights into future trends? As Figure 1 shows, the number of states with employment gains has declined since early 2015. For five consecutive months prior to March 2015, all 50 states enjoyed employment gains, but then one state began to experience job losses followed by a few others. By May 2016, six states were experiencing employment losses, all of which are heavily reliant on energy extraction. It is tempting to look

at the sheer numbers and note that when the nation was standing on the precipice of the Great Recession, five states were already shedding jobs. Returning to Figure 1, there is a noticeable increase in recent months in the number of states losing jobs. However, the seven states in employment decline account for only 5 percent of employment in the 50 states, whereas the five states that led the nation into the Great Recession accounted for 14 percent. And so far, employment change on a year-over-year basis is still above the 2 million level, and it hasn’t trended down in any serious way, except for May. Unless states with larger populations, such as Texas and California or even some of the industrial-belt states, begin to slide into negative territory, the current trend may be only a blip.

Clearly, the cumulative fate of state economies colors the national employment picture. The dramatic fall in oil prices and other commodity prices has taken a toll on local economies that depend heavily on these sectors, which is evident from looking at state data. Yet, other shocks continue to bombard the economy, most recently the United Kingdom vote to leave the European Union. It remains to be seen how much these events may affect employment.

Randall W. Eberts is the president of the W.E. Upjohn Institute for Employment Research.

Figure 1 Employment Change and States with Job Gains



SOURCE: Bureau of Labor Statistics, Current Employment Survey, monthly through May 2016.

Best-Selling Books from Upjohn Press

What Does the Minimum Wage Do?

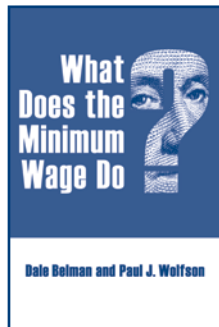
Dale Belman and Paul J. Wolfson

★ Winner of the William G. Bowen Award from Princeton University's Industrial Relations Section

This book from the Upjohn Press helps settle the issue of what are the impacts of raising the minimum wage. Based on a rigorous meta-analysis of more than 200 scholarly publications published since 1991 (most after 2000) that address the various impacts of raising the minimum wage, *What Does the Minimum Wage Do?* presents the most comprehensive, analytical, and unbiased assessment of the effects of minimum wage increases that has ever been produced. Authors Dale Belman and Paul J. Wolfson look at several outcomes influenced by increases in the minimum wage, how long it takes those outcomes to respond, the magnitude of effects, why increases in the minimum wage have the results they do, and the workers most likely to be impacted.

Their painstaking analysis focuses mainly on studies using data from the United States, but also includes studies that focus on Canada, Australia, New Zealand, the UK, and other western European nations. This breadth and depth of investigation on the impacts of hikes in the minimum wage clarifies the issues surrounding, among other things, employment, wages, poverty and inequality, and effect by gender.

471 pp. 2014
\$55 cloth 978-0-88099-457-6
\$35 paper 978-0-88099-456-9

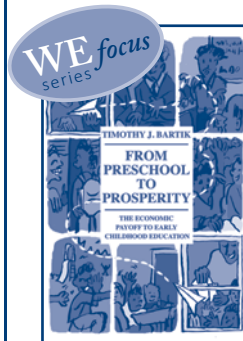


From Preschool to Prosperity

The Economic Payoff to Early Childhood Education

Timothy J. Bartik

Bartik shows that investment in high-quality early childhood education has several long-term benefits, including higher adult earnings for program participants.



“The economic benefits of investing in high-quality early childhood

education are clear and backed by an impressive amount of research, as laid out in Tim Bartik’s book.” —Arthur J. Rolnick, former Senior Vice President and Director of Research, Federal Reserve Bank of Minneapolis

“This new book makes a comprehensive and compelling case for a strong public commitment to early childhood education.” —Nancy Folbre, Professor of Economics Emerita, University of Massachusetts Amherst

“Tim Bartik explains how early learning investment can strengthen the national economy and address economic inequality by increasing economic opportunity. Are there today any two economic topics more crucial than these?” —Robert Dugger, Managing Partner, Hanover Provident Capital

113 pp. 2015
\$14.99 paper 978-0-88099-482-8

PDF is free at research.upjohn.org/up_press/228/

Student Loans and the Dynamics of Debt

Brad Hershbein and Kevin Hollenbeck, eds.

Student loans are instrumental in broadening access to postsecondary educational opportunities. For many individuals, loans serve as an important

supplement to governmental or institutional grants in making educational investments affordable and increasing the educational attainment of the population. The availability of student loans thus has great value for individual students and the country as a whole.

However, the burgeoning volume of debt and repayment difficulties that many people now experience have created a vigorous debate on whether public policy should further intervene in student loan transactions.

This volume presents the most current research and knowledge available about student loans and repayment. It serves as a valuable reference for researchers and policymakers who seek a deeper understanding of how, why, and which students borrow for their postsecondary education; how this borrowing may affect later decisions; and what measures can help borrowers repay their loans successfully.

“Academic administrators and researchers will gain insights into trends and problems involved in student loans and their repayment; policymakers will find the conclusions in the text particularly interesting. Summing Up: Recommended.”—Choice

473 pp. 2015
\$45 cloth 978-0-88099-485-9
\$25 paper 978-0-88099-484-2



W.E. UPJOHN INSTITUTE
 for Employment Research
 300 S. Westnedge Avenue
 Kalamazoo, MI 49007-4686

Nonprofit Org.
 U.S. POSTAGE
 PAID
 Kalamazoo MI
 Permit No. 756

ORDER FORM

Book/Author	Qty Cloth	Qty Paper	Total Price
What Does the Minimum Wage Do? Belman and Wolfson	___ @ \$55	___ @ \$35	_____
From Preschool to Prosperity Bartik		___ @ \$14.99	_____
Student Loans and the Dynamics of Debt Hershbein and Hollenbeck	___ @ \$45	___ @ \$25	_____
		Subtotal \$	_____
Shipping/Handling U.S.A. and Canada: \$5.00 first book, \$2.00 each additional book. Elsewhere: \$7.00 first book, \$2.00 each additional book.		Plus Shipping \$	_____
		TOTAL \$	_____

SHIP TO:

 Name Organization

 Address City State Zip

BILL TO: (Must attach purchase order)

 Name Organization

 Address City State Zip

To order a publication or request a catalog, mail phone, fax or e-mail:

W.E. UPJOHN INSTITUTE
 300 S. Westnedge Avenue
 Kalamazoo, MI 49007-4686
 Toll-free (888) 227-8569
 Phone (269) 343-4330
 Fax (269) 343-7310
 E-mail: publications@upjohn.org

PAYMENT: All orders must include check, credit card information, or purchase order. Checks must be payable to the W.E. Upjohn Institute in U.S. funds drawn on a U.S. bank. All prices are subject to change without notice.

___ check enclosed
 ___ VISA
 ___ Mastercard
 ___ P. O. # _____

 signature

 credit card #

 expiration date

 phone

date