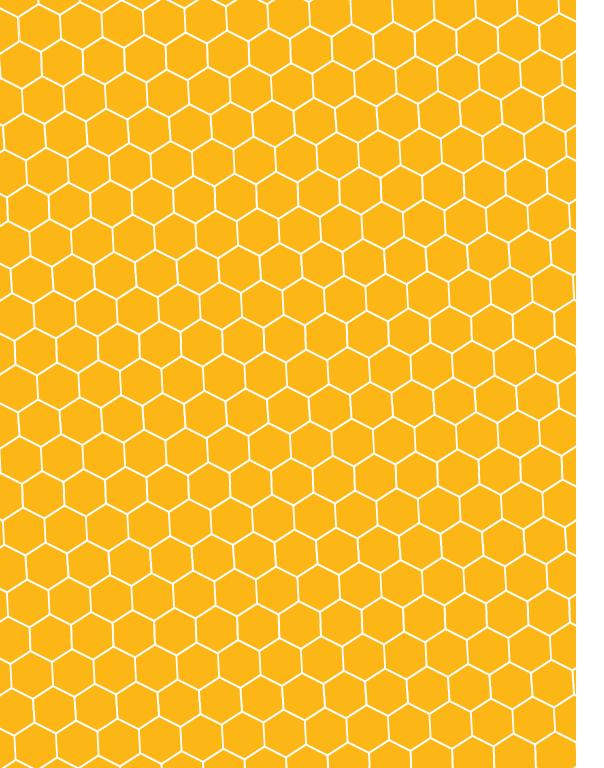




# **HIGHLIGHTS** ISSUE 6: Spring-Summer 2020



# **IN THIS ISSUE**

While presenting new challenges, the coronavirus pandemic has also offered HCEO an opportunity to reach more people than ever with our research and programming. For our sixth issue of "Highlights," we offer a snapshot of our first-ever virtual Summer School on Socioeconomic Inequality, which is freely accessible to all on the HCEO website, where you can also preview some of the crucial COVID-19-related research of our members. We also highlight our three 2020 dissertation prize winners, who will be presenting their work to the HCEO community this winter. Looking ahead to 2021, we are excited to F re-introduce in-person programming, while continuing to expand our online resourcessuch as our working paper series, our member interviews, and our virtual workshops.

We appreciate your support and interest in HCEO's mission to connect cross-disciplinary experts in the study of inequality. Stay up to date with our work by following our social media channels. ©

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# **RESEARCH SPOTLIGHT**

Building Inter-Ethnic Cohesion in Schools: An Intervention on Perspective-Taking Since the start of the Syrian civil war in 2011, Turkey has received more

than 3.5 million registered refugees, more than one million of whom are children. Providing education to refugee children and helping them integrate into their host country is always a challenge. The United Nations High Commissioner for Refugees reports that worldwide, refugees are five times more likely to be out of school than the global average. The importance of attending school during times of displacement cannot be overstated:

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Since 2016, the Turkish Ministry of Education has adopted an active policy of placing refugee children in state schools, although maintaining inter-ethnic cohesion in these schools has been a challenge. In response to this, the Turkish government convened a multidisciplinary group of educators, consultants and developers to design a curriculum called "Understanding Each Other," intended to increase perspective-taking among students. The curriculum "encourages students to understand and experience the emotions of the described subject" through reading and visual materials and games. Working in collaboration with the Turkish government, IP network member Sule Alan and her co-authors evaluate this program, measuring outcomes "that are fundamental to economic interactions and social cohesion, including peer violence, social exclusion, and prosocial behavior." "Understanding Each Other" focuses on fostering perspective-taking, "a cognitive process of viewing a situation from the perspective of another person." The authors note that perspective-taking "is associated with lower social aggression, higher trust, and social cooperation" and is also related to being able to analyze social situations before acting.

In order to evaluate the effectiveness of the curriculum, Alan and her team implemented the program as a cluster randomized controlled trial.

"The current sociopolitical context in Turkey provide an ideal setting to explore ways to build ethnic cohesion in schools. The massive refugee influx

"The current sociopolitical context in Turkey provide an ideal setting to explore ways to build ethnic cohesion in schools. The massive refugee influx has led to a rapid change in the ethnic composition of schools, providing us with a natural experiment to test this cohesion intervention." has led to a rapid change in the ethnic composition of schools, providing us with a natural experiment to test this cohesion intervention," Alan says. "That was the idea: to think about a curricular program, a road map for teachers that would help build inter-ethnic cohesion in schools, and facilitate integration of refugee children in such turbulent times."

The sample included approximately 7,000 elementary school children, 18 percent of whom were refugees,

from 80 schools. The researchers collected baseline data from all children in the spring and fall of 2018. The program was implemented during the entire 2018-19 academic year, by the students' regular teachers who were trained in the program by designated education consultants. An average of three lecture hours per week were devoted to the curriculum. Crucially, the program was designed with no explicit references to ethnicity. Alan and her team sampled three classrooms per school, collecting endline data in May 2019.

To evaluate the program, the authors put together a multidisciplinary toolkit that measures the cohesiveness of the school and classroom environment. The toolkit included administrative diary logs of high-intensity peer violence on the school ground, friendship ties (networks), incentivized lab-in-the-field experiments to measure prosocial behaviors, achievement tests to measure cognitive and academic ability, and psychometric tests to measure socio-emotional skills, social norms, and ethnic bias.

"The short-term results look fantastic—fantastic in the sense that we were able to lower high-intensity violence in schools with this program," Alan says. "We were able to increase inter-ethnic ties—this is the probability of a refugee child making friends with a host child. Ethnic segregation within the classroom declined substantially. We also show that prosociality in both host and refugee children increased: their trust in each other, their trust in other people, and their reciprocity towards each other."

These positive effects were more pronounced for refugee children. Refugee children in treated schools were about 11 percent more likely to form a friendship tie with a host classmate, and "12 and 10 percentage points more likely to receive emotional and academic support, respectively, from host classmates." This is crucial as baseline data showed that refugee children are significantly more likely to be socially excluded and subject to bullying. "They are about 4 percentage points more likely to report experiences of bullying, 7 percentage points less likely to have a friend in their classroom, 13 and 11 percentage points less likely to receive emotional and academic support from their classmates," the authors write. Classes in the treatment group saw a 65 percent decline in violent incidents, defined as those significant enough to involve parents or school administrators.

The curriculum also significantly improved refugee children's Turkish language ability, which was not an explicit intention of the program. "The

"Such a remarkable improvement in language ability suggests that creating a peaceful and cohesive learning environment, where interethnic friendship ties are easily formed, is critical to teach migrant children the language of the host country, and as such, a prerequisite for effective integration policy." program does not teach refugee children Turkish or even encourage that," Alan says. "That was one great result that we were, to be honest, not expect-Treated children ing." had scores 0.14 standard deviations higher than the control group on an objective Turkish language test. "Such a remarkable improvement in language ability suggests that creating a peaceful and cohesive learning environment, where inter-ethnic friendship ties are easily formed, is critical to teach migrant children the language of the

host country, and as such, a prerequisite for effective integration policy," the authors note.

These results suggest that the program succeeded in increasing trust and reciprocity among classmates, and also towards peers they do not know. Treated children showed higher levels of altruism and participated in fewer incidents of violence and bullying. "Even more promising is that the program seems to have lessened the social exclusion of refugee children significantly, and helped them form friendship ties with host children and receive emotional and academic support from their classmates," the authors write. "Taken together, we interpret these results as the program's effectiveness in increasing cohesion in the school ground by mainly improving children's perspective-taking ability and reducing their impulsivity." While these results are promising, the authors stress the need for longerterm follow-ups. To that end, Alan and colleagues plan to conduct follow-up fieldwork in May 2020. "It is crucial from the policy point of view that these positive impacts persist after students progress into middle school and begin interacting with new classmates in a different environment," the authors write.

Alan also acknowledges the need to expand and evaluate these efforts to other countries affected by an influx of refugees. "This is a huge humanitarian problem, it's not just Turkey's problem. Jordan has the same problem. Lebanon has the same problem. In fact, you see Europe has the same problem at the moment," she says. Fortunately, the implementation of the program in other settings should be straightforward, as the materials are already developed. But solving this problem doesn't end with countries currently grappling with the refugee crisis. Estimates show that the number of registered refugees is expected to double over the next twenty years, making clear this is a global issue with global ramifications.



For more Research Spotlights, visit: hceconomics.uchicago.edu/research

## **WORKING PAPERS** TOP 5: Jan to Aug 2020

HCEO's working paper series publishes research on the most pressing issues within human capital development and inequality, featuring contributions from members of all six networks. In order to further our agenda of disseminating research and fostering discussion, our papers are available for free download via the HCEO website and RePEc. To date, we have published over 504 papers, which have been downloaded over 26,000 times.

### **2019-073: Randomization and Social Policy Evaluation Revisited** James J. Heckman

This paper examines the case for randomized controlled trials in economics. I revisit my previous paper "Randomization and Social Policy Evaluation" and update its message. I present a brief summary of the history of randomization in economics. I identify two waves of enthusiasm for the method as "Two Awakenings" because of the near-religious zeal associated with each wave. The First Wave substantially contributed to the development of microeconometrics because of the flawed nature of the experimental evidence. The Second Wave has improved experimental designs to avoid some of the technical statistical issues identified by econometricians in the wake of the First Wave. However, the deep conceptual issues about parameters estimated, and the economic interpretation and the policy relevance of the experimental results have not been addressed in the Second Wave.

### 2020-030: The Impact of the Coronavirus Lockdown on Mental Health: Evidence from the US

Abi Adams-Prassl, Teodora Boneva, Marta Golin, and Christopher Rauh

The coronavirus outbreak has caused significant disruptions to people's lives. We document the impact of state-wide stay-at-home orders on mental health using real time survey data in the US. The lockdown measures lowered mental health by 0.085 standard deviations. This large negative effect is entirely driven by women. As a result of the lockdown measures, the existing gender gap in mental health has increased by 66%. The negative effect on women's mental health cannot be explained by an increase in financial worries or childcare responsibilities.

**2019-069: Some Contributions of Economics to the Study of Personality** James Heckman, Tomas Jagelka, and Tim Kautz

This paper synthesizes recent research in economics and psychology on the measurement and empirical importance of personality skills and preferences. They predict and cause important life outcomes such as wages, health, and longevity. Skills develop over the life cycle and can be enhanced by education, parenting, and environmental influences to different degrees at different ages. Economic analysis clarifies psychological studies by establishing that personality is measured by performance on tasks which depends on incentives and multiple skills. Identification of any single skill therefore requires isolation of confounding factors, accounting for measurement error using rich data and application of appropriate statistical techniques. Skills can be inferred not only by questionnaires and experiments but also from observed behavior. Economists advance the analysis of human differences by providing anchored measures of economic preferences and studying their links to personality and cognitive skills. Connecting the research from the two disciplines promotes understanding of the number and nature of skills and preferences required to characterize essential differences.

#### 2020-011: Early Childhood Education and Life-cycle Health

Jorge Luis Garcia and James J. Heckman

This paper forecasts the life-cycle treatment effects on health of a high-quality early childhood program. Our predictions combine microsimulation using non-experimental data with experimental data from a midlife long-term follow-up. The follow-up incorporated a full epidemiological exam. The program mainly benefits males and significantly reduces the prevalence of heart disease, stroke, cancer, and mortality across the life-cycle. For men, we estimate an average reduction of 3.8 disability-adjusted years (DALYs). The reduction in DALYs is relatively small for women. The gain in quality-adjusted life years (QALYs) is almost enough to offset all of the costs associated with program implementation for males and half of program costs for women. **2020-010: Personality Traits, Job Search and the Gender Wage Gap** Christopher Flinn, Petra Todd, and Weilong Zhang

This paper introduces the Big Five personality traits along with other covariates in a job search, matching and bargaining model and investigates how education and personality traits affect job search behavior and labor market outcomes. It develops and estimates a partial equilibrium search model in which personality traits can influence worker productivity, job offer arrival rates, job dissolution rates and the division of surplus from an employer-employee match. The estimation is based on the IZA Evaluation Dataset, a panel dataset on newly-unemployed individuals in Germany between 2007 and 2008. Model specification tests provide support for a model that allows job search parameters to be heterogeneous across individuals, varying with levels of education, birth cohort, personality traits and gender. We use the estimated model to decompose the sources of the gender wage gap. The results show that the gap arises largely because women's personality traits are valued differently than men's. Of the Big Five traits, conscientiousness and agreeableness emerge as the most important in explaining the gender wage gap.

### New Working Papers

No.	Paper Title	Authors	Link
2020 071	Predictors of Social Distancing and Mask-Wearing Behavior: Panel Survey in Seven U.S. States	Plamen Nikolov, Andreas Pape, Ozlem Tonguc, Charlotte Williams	bit.ly/3n2TkAS
2020 070	The Expected (Signaling) Value of Higher Education	Laura Ehrmantraut, Pia Pinger, Renske Stans	bit.ly/33kYZKX
2020 069	Agglomeration Economies and Race Specific Spillovers	Elizabeth Ananat, Shihe Fu, Stephen L. Ross	<u>bit.ly/34hpP5H</u>
2020 068	The Education Gradient in Maternal Enjoyment of Time in Childcare	Ariel Kalil, Susan E. Mayer, William Delgado, Lisa A. Gennetian	bit.ly/36pscWM
2020 067	Coping with COVID-19: Implications of Differences in Resilience across Racial Groups for Mental Health and Well-being	Carol Graham, Barton H. Hamilton, Yung Chun, Stephen Roll, Will Ross, Karen E. Joynt- Maddox, Michal Grinstein-Weiss	bit.ly/3ncdEjh
2020 066	The Persistence of Socio- Emotional Skills: Life Cycle and Intergenerational Evidence	Orazio Attanasio, Áureo de Paula, Alessandro Toppeta	bit.ly/2GpnwW3
2020 065	The Black-White Recognition Gap in Award Nominations	Nayoung Rim, Roman Rivera, Andrea Kiss, Bocar Ba	bit.ly/34j1GM3

For more Working Papers, visit: hceconomics.uchicago.edu/research

### **3 QUESTIONS** With Anthony Laden

Anthony Laden, MIP an network member, is Professor of Philosophy at the University of Illinois Chicago, and is also Associate Director of the Center for Ethics and Education. Laden works in moral and political philosophy, where his research focuses on reasoning, democratic theory, feminism, the politics of identity, and the philosophy of education. He is the author of *Reasoning:* A Social Picture (Oxford, 2012), Reasonably Radical: Deliberative Liberalism and the Politics of Identity (Cornell, 2001), and is the co-editor (with David Owen) of Multiculturalism and Political Theory (Cambridge, 2007).

### Please describe your area of study and how it relates to current policy discussions surrounding inequality.

I work in moral, social and political philosophy and the philosophy of education. I am currently at work on a book on democracy that traces out some of the implications of treating democracy not as a system of rules, procedures and institutions for making legitimate collective decisions, but as a way of living together wherein we work out together the terms on which we live together. This approach helps to focus attention on what I call the practice of equality: how and to what extent we treat each other as equals, as full co-authors with us of our lives together. Practices of equality (and inequality) show themselves in whether we hold certain people beneath contempt, or not worth taking seriously, and whether we understand and act as if their lives matter. They can be supported or hindered by how we distribute resources and political power and influence, but they are not exhausted by those issues. Sometimes they are treated under the umbrella of respect or recognition, but they are often not thought to be central to the sorts of questions of equality that drive lots of policy and quantitative social science.

#### What areas in the study of inequality are most in need of new research?

Following on my answer above, I would welcome research that integrates concerns with practices of equality into more quantitative measures of inequality. I also suspect there is more interesting work to be done of the differences between the inequalities that accrue to the very top of the income distribution (the 1% and above) and those that accrue to a wider swatch of the top (the top 20%). Richard Reeves work on opportunity hoarding is helpful here. Understanding the different modalities that preserve these forms of inequality and the harms they inflict on justice would help us guide policies that genuinely help those in the bottom 80%, and not merely spread the wealth of the 1% to those in the top 20%. Finally, there is an interesting range of questions concerning how inequality is sustained not so much by what we do or support, but what we don't notice or concern ourselves with. Some of this is captured in work in critical race theory around "white ignorrance" but I suspect there are also wider issues to be explored here.

#### What advice do you have for emerging scholars in your field?

Pick topics you are genuinely interested in. As one of my teachers told me, "trust in the integrity of your own mind," i.e. trust that the questions that interest you will eventually come to be related in interesting ways. And finally, seek out as many inter-disciplinary tables to sit at as you can and use the experience to figure out what you, given your own disciplinary training, can bring to such tables. That is one of the best ways to gain an understanding of what you think you are doing when you are working in your own discipline. Understanding that will help you make inter-disciplinary contributions, but will also give your work within your discipline a clear voice and direction.



For more 3 Questions, visit: hceconomics.uchicago.edu/research

### **COVID-19** Featured Projects and Resources

Research is developing rapidly during the COVID-19 pandemic, a time when the public needs access to factual information. HCEO members are at the forefront of coronavirus-related research, examining areas ranging from how to optimize testing to the impact of the pandemic on mental health to changes in household production. Below you can find a sample of the range of research projects and writing from our members on the topic, all of which are aggregated on the COVID-19 research page on the HCEO website. We are updating the page with new research as it becomes available.

#### **FEATURED PROJECTS**

#### **COVID Inequality Project**

In this ongoing project, ECI network member Teodora Boneva and colleagues are investigating the impact of the COVID-19 crisis on labor market outcomes. The project is particularly concerned with how the pandemic and government policies are impacting inequality across many dimensions relating to workers, including age, gender, occupation, work arrangements, and education.

#### Child Care is Key to Our Economic Recovery

This report, authored by MIP network member Aaron Sojourner, the National Women's Law Center, and the Center for Law and Social Policy, finds that at least \$9.6 billion is needed each month to fully fund existing providers in the child care system during the coronavirus pandemic. "Absent adequate investment, many temporary child care closures will become permanent ones, hampering our economic recovery," the authors write.

### This Time It's Different: The Role of Women's Employment in a Pandemic Recession

In this HCEO working paper, FI/Markets network member Michèle Tertilt, Markets network member Matthias Doepke, and co-authors find that, unlike in recent U.S. recessions, unemployment is higher among women in the current pandemic. The authors show that women have experienced sharp employment losses both because their employment is concentrated in heavily affected sectors such as restaurants, and because of increased childcare needs caused by school and daycare closures.



For more projects and details, visit: hceconomics.uchicago.edu/covid-19

## **FEATURED CONFERENCE** SSSI 2020 Online

This summer, HCEO launched our first-ever virtual Summer School on Socioeconomic Inequality (SSSI). We selected lectures from across years and countries to present an online course designed for Ph.D. students. The program is aimed at teaching the tools needed to study inequality, to communicate a sense of the research frontier on this topic, and to break down barriers between theoretical, econometric, and empirical work.

HCEO Director James J. Heckman begins the program with a lecture establishing a general framework for the study of inequality by putting forth the evolution of capabilities. He discusses what can be done about early disadvantage and how to uncover the resiliency of the individuals affected by it. There is a very large literature showing that early life conditions matter, but the question is whether or not we can understand the mechanisms that produce these effects and how policy can best support children early in life. He notes that it is difficult to define the optimal level of inequality, because inequality can arise as a market signal (as in "good" inequality where skills are rewarded in the market), whereas there also can be inequality due to discrimination and denial of opportunity. He explores recent trends and statistics on inequality from the Organisation for Economic Co-operation and Development (OECD) and developing countries, as well as contributing factors such as household structure changes, assortative mating, and changes in the distribution of wages and returns to education. He also discusses the relationship between income and consumption inequality, the relationship between income or perceived relative position and health, and intra-family processes that contribute to population-level trends in intergenerational mobility.

ECI/FI network leader Flavio Cunha focuses on human capital formation in childhood and adolescence. He notes that inequality in skills is now linked to inequality in adult socio-economic outcomes, and that it is increasing in both skills and investments. He states that cognitive skills begin to develop before age three, and that their development is directly related to investments as children age and to the quality of parent-child interactions. Professor Cunha proceeds to outline the relationship between early childhood education, risk-taking, adult supervision, and technology in children and adolescents' skill formation. He concludes that inequality in social and economic outcomes is partly caused by inequality in human capital, which is itself partly caused by inequality in investments in human capital during childhood and early adulthood. He notes that there is still quite a bit of work to be done on this topic because we do not know enough about family formation and child development processes. Moreover, the varying types of families leads to coordination problems in studying these topics. A major limitation of much of this work is rooted in the fact that a child is not viewed as a decision-making actor.

In her two-part lecture, IP network leader Rachel Kranton begins with an overview on the study of inequality and why it's important for academics to study. She notes that inequality is not randomly distributed, that certain social groups systemically have less than others. Identity, which designates a social group, is central to the study of inequality as it is part of a process that creates and sustains inequality. She presents work that considers social norms as the outcome of a signaling game wherein students can choose their actions to signal their own desirable attributes to potential employers or potential social groups. Such a modeling approach can be applied to explain the phenomenon of students under-achieving to fit in with peers. She also offers examples of models using the identity economics approach and discusses how to reconcile findings from experimental economics which show that people are inequity averse. Professor Kranton notes that there are people in society who prefer to have more than others, which raises questions about whose preferences we privilege in welfare analysis.

In his lecture, MIP network member Lawrence Blume notes that when we say our findings are causal, we are actually saying something about a model. Whether or not one has articulated that model, one is making a theoretical claim, and it is difficult to understand these theoretical claims without knowing the type of model used. In other words, causality is a property of a model. Professor Blume proceeds to classify social interactions under four categories: social learning, social norms, peer effects, and strategic complementarities that come from "non-economic activities." He outlines where social interactions typically appear as well as their implications. He claims that many of the phenomena that we want to study take place in social networks that e have little or no information about. Therefore, Professor Blume puts forth common network measurements including graph diameter, mean geodesic length, degree distribution, clustering coefficient, and component size distribution. He states that going beyond descriptive statistics of individual networks to inference about network properties requires probabilistic models of network structure. He concludes with the relationship between ties and inequality, which requires understanding network density and inbreeding bias.

HCEO Director Steven Durlauf's lecture focuses on social interactions, which is the integration of sociological ideas and economics. He studies social interactions via peer-group effects, role-model influences, social norms, and social learning. He then discusses the memberships theory of inequality which claims that individual preferences, beliefs, and opportunities are strongly influenced by one's memberships in various groups. In specifying how social structure affects the individual, he reveals how influencers tend to create correlative behavior or outcomes. Next, he discusses complementarity as the theory that links social factors to preferences, constraints, beliefs, and constituents. Professor Durlauf states that complementarity provides a theory of why we observe group level differences. While these differences are logically distinct, the logic of complementarity is what makes group level differences derive from something that's inherently social. He brings forth a very specific conceptualization of aggregation, suggesting that aggregate behaviors such as crime or nonmarital fertility rates emerge through the interactions within a heterogeneous population. Lastly, he explains the model for these social interactions and applies his ideas to an example of intergenerational mobility.

MIP network member Bertil Tungodden lectures on fairness, inequality, and responsibility as they relate to understanding inequality acceptance. He explains second-best fairness, the shaping of fairness preferences, and fairness in action in order to further develop his points. In looking at fairness, he considers gender bias in social preferences, biological differences, and both cognitive and noncognitive skills. He then outlines how personal responsibility plays a prominent role in many spheres of society and even shapes American politics. Professor Tungodden examines the roles of merit and inequality in relation to fairness and personal responsibility by comparing Norway and the U.S. In his first study, his main findings are that inequality acceptance is greater in the U.S. than in Norway for all subgroups, as Americans are much more likely to possess a libertarian fairness view, which considers both inequalities due to luck and inequalities due to a difference in productivity as fair. He highlights an experiment in which spectators decided whether to redistribute earnings between a pair of workers who had performed a task, specifically looking at whether the spectators were gender-biased in their distributive choices. He reveals that there is a significant gender bias against male losers in a controlled experiment environment, which seems to reflect some kind of affirmative action on behalf of women.

Next MIP network member Manasi Deshpande focuses on inequality and the social safety net, meaning both social insurance and means-tested redistribution. These programs involve trade-offs: they provide income and other resources to people during times of need, but they also have the potential to discourage achievement or create perverse incentives to qualify. Professor Deshpande seeks to quantify these trade-offs empirically. She examines how these programs affect labor supply and other outcomes, including consumption, health, and well-being. She poses the question of how to target programs to ensure that they reach the intended audience, and explains that screening is important because it allows for the design of programs in a manner that promotes the selection of people of interest. She also acknowledges the challenges and data limitations surrounding the spillover effects of social safety programs. There is a lack of evidence on effects on family members, communities, and society as a whole.

Mario Small, also an MIP network member, discusses his research on heterogeneity and neighborhood poverty. Although he uses three ongoing cases of neighborhood poverty, the thematic focus is about the importance of multiple types of data and a catholic approach to data. Professor Small asserts that thinking seriously about various kinds of data is essential to one's understanding of inequality, regardless of one's discipline, and that the case of neighborhoods is a way of understanding more important issues about the significance of data. He focuses on what has happened in low-income neighborhoods and the role of ethnography and observation in understanding it. His approach to data is conceptual rather than empirical. He recommends going to the neighborhood you are studying, and then continually updating one's priors to get an increasingly larger set of data about the relationship between low-income neighborhoods and society as a whole. He examines neighborhood density, food insecurity, small versus large business presence, and racial and ethnic makeup of neighborhoods, among other variables. His research approach attempts to search for the "why" behind the inferences that are made.

ECI/IP network member Brent Robert's lecture focuses on whether noncognitive factors can qualify as forms of human capital, and whether they can be learned and developed. He defines personality traits as the relatively enduring, automatic patterns of thoughts, feelings, and behaviors that distinguish people from one another and that are elicited in specific environments. He outlines the "Big Six" personality domains, which includes honesty and humility as the unconventional addition to the more common Big Five, as well as individuals' motives, values, and abilities as a baseline for his research. Professor Roberts then employs a developmental model of personality, health, and aging to try and understand the relationship or implications of personality for life-course outcomes, focusing on physical health, morbidity, and mortality. He presents recent data and research on the stability and changeability of personality, both in short-term and longterm instances, keeping in mind important policy questions. He found that socioeconomic background, parents' personality, birth order, and whether one goes to college or not does not significantly contribute to a person's personality traits. He also notes that the majority of personality trait change happens in the transition from adolescence to adulthood. He uses multiple studies and data sets to explain his predictive outcomes.

In her lecture, ECI network leader Petra Todd discusses her work on policy evaluation, specifically the methods of structural estimation of discrete choice dynamic programming models (DCDP). She claims that the primary limiting factor in estimating DCDP models is the computational burden associated with the iterative process. She examines ex post versus ex ante approaches for policy evaluation purposes. The ex post approach involves observing data after a program or experiment has begun implementation while ex ante considers the design of the program before implementation and therefore is the preferred approach. She emphasizes the use of behavioral models for exante evaluation when possible, stating that if one desires to design programs ahead of time and answer questions before a program is implemented, one requires extrapolation from historical experience to the new environment. The ex ante approach requires modeling-based studies because there is no treatment group at the time the study begins. Professor Todd pulls from examples of her work on testing for discrimination in motor vehicle searches, sources of racial wage disparities, and methods for evaluating and optimally designing conditional cash transfer programs. In discussing static versus dynamic frameworks, she uses labor force participation of married women in order to outline the variation in estimation between the use of the two models. She also speaks about the application of DCDP models, and notes more work is needed in order to understand which methods perform best and in what contexts.

ECI network member Junsen Zhang concludes the program with an over-

view of the literature on intergenerational mobility in China, specifically the intergenerational correlations of earnings and education and the identification of its causal effects. He puts forth various methods that can lead to correlations and causal claims, such as regression analysis using adoptees, structural analysis of different types of siblings, sibling and twin differences, and natural experiments or instrumental variables estimates. He states that while his focus was intergenerational mobility, he uncovered many issues relating to inequality as well. His research focuses on whether inequality will continue to rise at a steady rate, or accelerate, what forces drive inequality, and how cross-sectional inequality interacts with intergenerational mobility. Professor Zhang looks at China's rapid economic growth as a catalyst for the intergenerational immobility and inequality that has emerged, noting that these factors are not very well-understood in the literature on China. He looks to regional disparities, gender patterns, rural versus urban areas, financial programs, and higher education as factors in explaining the growth of inequality. For example, he finds that there is a higher return to human capital for women than men and that women are more subject to credit constraints than men, especially in poor families.



Learn more about this event, watch videos of lectures, and download slides at: <u>https://hceconomics.uchicago.edu/events/</u> online-summer-school-socioeconomic-inequality

# **RECENT EVENTS**

### Online Resources

Event Title	Dates	Link	Resources
Angus Deaton and Anne Case: Deaths of Despair	Apr 8, 2020	bit.ly/37wNdgV	₿
Dissertation Prize Lecture: Democracy Without Redistribution: The Sense of Injustice, Perceived Inequality, and Preferences for Redistribution	Nov 13, 2019	<u>bit.ly/2NceSux</u>	Ħ
Policy Forum: The Pension Crisis	Nov 8, 2019	<u>bit.ly/2FBqByI</u>	₿
Neighborhoods, Segregation, and Social Inequality	Nov 1-2, 2019	bit.ly/35DOLmT	₿
Dissertation Prize Lecture: General Equilibrium Theory and Empirical Analysis of Immigrants' Neighborhood Sorting and Social Integration	Oct 9, 2019	<u>bit.ly/2toLSyY</u>	E
Summer School on Socioeconomic Inequality, Chengdu	Jul 15-19, 2019	bit.ly/39Wl1EU	₿
HCEO Summer School for Undergraduate Students, Guangzhou	Jul 1-5, 2019	<u>bit.ly/304wIVC</u>	
Summer School on Socioeconomic Inequality, Bergen	Jun 24-28, 2019	<u>bit.ly/2T9JC3k</u>	₿

Summer School on Socioeconomic Inequality, Moscow	Jun 10-14, 2019	<u>bit.ly/2QUIkpS</u>	₿				
Breastfeeding and the Origins of Health: Interdisciplinary Perspectives and Priorities	Feb 4-5, 2019	<u>bit.ly/2QEqgS1</u>	E				
Genes, Schools, and Interventions That Address Educational Inequality	Dec. 13-14, 2018	<u>bit.ly/2DCvjgA</u>	E				
Measuring and Improving Health Equity	Dec 7-8, 2018	bit.ly/2KoDBPP	Ħ				
Polygenic Prediction and its Application in the Social Sciences	Nov. 30-Dec. 1, 2018	<u>bit.ly/2B2SXAg</u>	₿				
109 Events in 13 Countries							

## **UPCOMING EVENTS**



Conference on New Approaches to Intergenerational Mobility December 11-12, 2020 Online

Research on intergenerational mobility has advanced rapidly in recent years and has captured much attention of policy makers and thought leaders. At the same time the explosion of empirical work on mobility remains relatively unconnected from the methodological frontiers in econometrics and economic theory. Organized by HCEO Director Steven Durlauf and MIP network member Esfandiar Maasoumi, this conference brings together researchers who emphasize these foundational aspects and help to provide a deeper analysis of the empirical findings.



Dissertation Prize Lecture: Winnie van Dijk December 1, 2020 Online

As part of the Center for the Economics of Human Development's Lifecycle Working Group, dissertation prize winner Winnie van Dijk will virtually present her work "Does Eviction Cause Poverty? Quasiexperimental Evidence from Cook County, IL."

Summer School

on Socioeconomic Inequality, Bergen June 21-25, 2021 Bergen, Norway

The 2021 Human Capital and Economic Opportunity Global Working Group and FAIR Summer School on Socioeconomic Inequality will provide a state-of-theart overview on the study of inequality and human flourishing. Participants will learn about the integration between psychological and sociological insights into the foundations of human behavior and conventional economic models.

# **DISSERTATION PRIZE**

In 2020, HCEO awarded its fourth annual dissertation prize to Winnie van Dijk, Roni Pener-Tessler, and Laia Navarro-Sola.

Pener-Tessler's paper, "The Development of Self-control in Children: Genetic and Parental Influences and the Interplay of Parenting and Genetics," provides one of the first longitudinal investigations of gene-parenting interplay in self-control, studying the role of children's genes in the parenting they receive, through the child's self-control. She is a clinical psychologist at the Macabi Pediatric Mental Health Clinic in Tel-Aviv, and a research fellow at the Hebrew University of Jerusalem. She received her Ph.D. in Psychology from the Hebrew University of Jerusalem in 2019.

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Housing Market Policies and the Socio-Economic Mobility of Low-Income Households," analyzes the effect of Europe's largest public housing program on socio-economic outcomes and studies the consequences of eviction in Cook County, Illinois. Van Dijk is a Postdoctoral Fellow in the Department of Economics at Harvard, a Faculty Research Fellow at the National Bureau of Economic Research (NBER), a Research Affiliate at the UChicago Poverty Lab, and a Research Principal at Opportunity Insights. She received a Ph.D. in Economics from the University of Chicago in 2019, and an M.Sc. from the London School of Economics.

Van Dijk's dissertation, "Essays on Rental

In "Essays in Human Capital in Developing Countries," Navarro-Sola studies the educational and labor market impacts

of telesecundarias, Mexican secondary schools that use televisions to deliver instruction, and examines the multidimensionality of school output and parental preferences in Trinidad and Tobago. Navarro-Sola will be an Assistant Professor at the Institute for International Economic Studies at Stockholm University. She received her Ph.D. in Economics from Northwestern University in 2020.

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Since its inception in 2017, HCEO has awarded eight prizes to the best doctoral dissertations on a topic related to one of our six networks. The awardees present their research to HCEO directors and network members and the UChicago community.



# PERSPECTIVES ON INEQUALITY

Early Childhood Interventions network member Ismael Mourifié recently met with HCEO to discuss his work quantifying uncertainty and recent changes happening in economic theory, due to the availability of better data.

"I am an econometrician, so my research is trying to develop cutting-edge methods or statistical tools in order to answer relevant policy questions," he says. "Usually econometrics has been used to quantify uncertainty, or try to discriminate between competing economic theory."

In the past, Mourifié explains, it was difficult to access data, so many simple economic theories were rejected by the data. In recent years, as more data has become available, "data tends to reject most of the simple economic models that we have," he says. "I think that was very good because it pushed economists to think about richer models. This is why actually I'm trying to play a role. My goal is to develop econometrics tools or statistical tools that fit exactly with the empirical research that the economist or the researcher has in mind."

To that end, one project that Mourifié has worked on recently involves improving the representation of women in STEM in Canada. Over the past two decades, policymakers there have tried many interventions with little success. "One of the reasons is because they have a hard time understanding the main causes," he says. "I am trying to see, based on the data, amongst all those competing theories, which is the most significant effect on the decision of the woman. And based on that, see what kind of optimal policy we may implement to improve this representation of women in STEM."

Mourifié is Assistant Professor of Economics at the University of Toronto.



Salvador Navarro Link: bit.ly/3nlulJb

Ariel Kalil Link: <u>bit.ly/3d5yZX3</u>

John Eric Humphries Link: <u>bit.ly/2GDHJaO</u> Stay up to date by visiting our website and following us on social media at:

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# **ABOUT HCEO**

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Founded in 2010, the Human Capital and Economic Opportunity Global Working Group (HCEO) is a collaboration of over 500 researchers, educators, and policy makers focused on human capital development and its impact on opportunity inequality. HCEO's unique approach enables collaboration among scholars with varying disciplines, approaches, perspectives, and fields, and integrates biological, sociological, and psychological perspectives into traditionally economic questions. The result is innovative thinking and approaches to inequality and human capital development research.

HCEO is led by Nobel laureate James J. Heckman, the Henry Schultz Distinguished Service Professor of Economics at the University of Chicago; Steven N. Durlauf, the Steans Professor in Educational Policy at the University of Chicago Harris School of Public Policy; and Robert H. Dugger, the co-founder of ReadyNation and Hanover Provident Capital.

HCEO focuses its efforts through six research networks that study the most pressing issues within human capital development and inequality: Early Childhood Interventions; Family Inequality; Health Inequality; Identity and Personality; Inequality: Measurement, Interpretation and Policy; and Markets. These networks produce one-ofa-kind conferences, research programs, and publications that highlight findings from the best science and the application of best practices. Through its networks and their resulting research, HCEO plays a vital role in understanding and addressing opportunity inequality around the world.

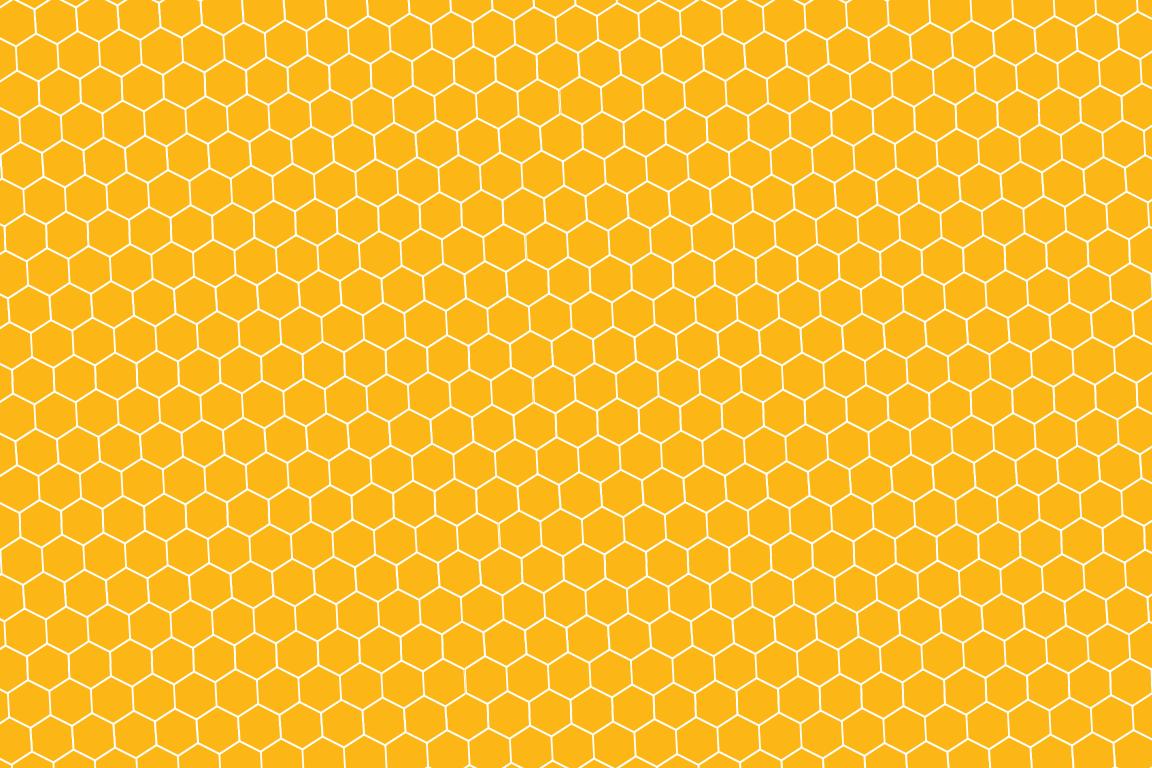
#### Impact

- Multidisciplinary networks result in new approaches to research and its application
- Relationships with governments and policy makers put best practices into action
- We have influenced numerous research studies and governmental policies
- Findings are being applied in one of the largest populations in the world— China

#### We Play a Vital Role

- Income and opportunity inequality is a global and growing problem
- Governments, private think tanks, and others each look at only a portion of the total problem in hopes of finding a lasting solution
- Only HCEO integrates biological, sociological, and psychological perspectives into traditionally economic questions addressed by multidisciplinary teams of experts
  - Our research approach treats social science research as an empirical endeavor, resulting in rigorously tested public policy directions and solutions
    - Our research provides insights and directions on how to best foster human flourishing and improve economic productivity

Learn more at: <u>hceconomics.uchicago.edu/about</u>



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