

A New Angle

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Justin Angle: This is A New Angle, a show about cool people doing awesome things in and around Montana. I'm your host, Justin Angle. This show is supported by First Security Bank, Blackfoot Communications and the University of Montana College of Business.

Justin Angle: Hey, folks, welcome back and thanks for tuning in. Today is our September edition of Incentives & Instincts, a recurring series in which I speak with economist and friend Bryce Ward about some of the broader issues facing our society. Bryce, how are you today?

Bryce Ward: School's back in session, it's great.

Justin Angle: I know. Isn't it great?

Bryce Ward: You know, by the end of the summer, if you have kids, they've spent too much time together and they really do need a break from each other.

Justin Angle: Yeah, these are two dads that work from home primarily. So. Yeah, yeah. I feel your sentiment there. And as you said, the kids are back to school. It's always hard to say goodbye to summer. Schools get a bad rap. Generally, they're at the center of our culture wars. But the returns to investment in public schools are tremendous. And at the individual level, most American parents are happy with their kid's school. Bryce let's start there. Talk about public perception of our education system.

Bryce Ward: Yeah, there's a variety of polls that ask different questions, so you get slightly different answers depending on exactly how you phrase it. But we'll start with Gallup. They've asked it for a long time and, you know, for years. And there was a little dip with COVID. But for years, 75, 80% of parents are satisfied with their kid's school education. NExT, they have a different survey. They asked you to grade it like ABCD, whatever it is. I think it's like two thirds of parents give an A or B to their kid's schools. A different survey was done, you know, a few months ago. It didn't ask about school, but asked about where your kid was, you know, and 90% of parents think their kid is excelling or roughly where they need to be. So at least certainly from the you know, from the parent perspective, our schools seem to be delivering.

Justin Angle: I mean, we should just pause for a moment and I'm not sure what the listener thinks, but when I saw those numbers, I thought, one, they're tremendously higher than you would expect if you were to watch cable news. Right. If you were to watch cable news or consume most popular media, you would think that our schools are a disaster, that, you know, either the curriculum is corrupt or the teachers were incompetent, but really, it's a huge success.

Bryce Ward: The same survey, it's not always these exact ones, but this is part of the "I'm fine, but everything sucks" mentality that has pervaded. You know we see this with respect to people's financial situation, right? Like how are you doing financially? 75% of Americans in 2021 are like, I'm doing fine.

Justin Angle: But the economy sucks!

Bryce Ward: But the economy is terrible, right? I, you know, I've heard this with CEOs as well. Right. You know, how's the economy? It's terrible. How's your firm? How's your industry? Oh, it's great. We're going to grow. You know, so we have this disconnect, which I think, you know, is part of that larger, you know, we just went through on social media. But like, yeah, most people think that the world that they're living in is fine. That's not to say that there aren't going to be issues or problems or, you know, there's

certainly things that, you know, you may want to improve or whatever it is. But if we take a step back and we just look at what is the big picture here? You know, I think the reality is, is that while people think that everybody else's schools are terrible, the school that they actually know something about is fine.

Justin Angle: The school they have experience with.

Bryce Ward: Right, which probably we should probably weigh that more than my reading of what schools overall. Right, which are based on whatever cable news segment or whatever the you know, the Internet feeds me and, you know, give me some outrage about whatever schools are doing. But, you know, I think most people, you know, and we have more objective measures.

Justin Angle: Yeah. Let's get into that.

Bryce Ward: High school graduation rates are as high as they've ever been. Again, we'll see what COVID does to this stuff. But, you know, as we got into COVID, high school graduation rates were up. The share of kids that go to college kind of plateaued for a while, but, you know, still is roughly or at peaks. An interesting paper was done

that actually looked at a whole bunch of measures of skills between kids that graduated in the seventies or the late seventies and the late nineties.

Justin Angle: Okay. So, comparing one age cohort.

Bryce Ward: Yeah, cohort. You know, we're due to get a new wave. We've got to wait a little while for them to grow up. But like, you know, these surveys that are done, these longitudinal surveys, one was started in the late seventies, one was started in the late nineties. So, they took, and they said, look, let's measure. You know, there's like test scores in there, there's job skills, educational attainment, all that kind of stuff. And, you know, and yeah, over the course of 20 years, from the labor economist's perspective, they had more skills.

Justin Angle: Sure. And let's break that down. What are the skills we're talking about?

Bryce Ward: Well, you know, so in that case, I mean, they're kind of just trying to predict labor market success. So, they're looking at, you know, the ASVAB test, which is, you know, the military test, you know, essentially, it's an IQ test type thing. They're looking at, you know, your actual educational attainment that you achieve.

Justin Angle: What grade level you made it to.

Bryce Ward: Grade level. You know, I can't remember what else is in there, but. Yeah, but you know, oh, work experience and, you know, things that you've done, or you know, that kind of stuff. And so, you know, we're succeeding in, test scores are up, you know, these things are all there are tradeoffs in terms of our pursuit of some of this stuff. You know, some people complain that the graduation rate is at least artificially inflated because of high stakes measures and things like that. And people have looked at it and they said, well, maybe to some degree, but there's clearly something here. Right. We really did get better at getting kids to graduate from high school in the last 20 years. And again, from a big picture perspective, there's nothing that says again, we'll see what COVID does to this long term, but, you know, we were on a trajectory with respect to what we were achieving that was at least as good as anything that you and I were dealing with, I won't say how many years ago we went to high school.

Justin Angle: Yeah. Let's not reveal that information, it's too depressing.

Bryce Ward: Or our parents or, you know, our older siblings or whatever it is. So, you know, I think we have to, it's too easy to be negative with respect to schools because that's what we do. We're negative about everything, you know, and it's important to at

least start a conversation by saying, you know what? Our schools, they do a pretty good job and they're doing a, you know, as good of a job in terms of at least a lot of the stuff that we care about as we've ever done.

Justin Angle: Right. Right. And I think it's important to remember how we're describing this. This is an aggregate across the country. There are certainly school districts, individual schools, individual classes within schools that are in crisis. We're not denying that. But just in general, the system, as it's put together at the national level and operationalized locally, is doing it as well as it ever has.

Bryce Ward: Yeah. At least in terms of the stuff that's easily measurable. Graduating a kid from high school, that's something we clearly care about. Promoting a kid into post-secondary education. The test score measures that we have. You know, there's this thing called the National Assessment of Educational Progress. In the last 20 years, math scores for fourth and eighth graders have improved. English scores for fourth and eighth graders have improved. You know, I mean, you know, maybe we want them to go up faster. Maybe they're still not where we want them to be. And you're absolutely right, there is enormous variation in all of these things across schools. And, you know, we're not trying to say that every school in every classroom is operating at peak efficient. But it's important to kind of start conversations about education with keeping

this in mind that our system is not like a garbage system. It's a system that works pretty well and is certainly managing to keep our society functioning at some level.

Justin Angle: And what do we know about mechanism over that period of improvement? What are the causes? I mean is it improvements in curriculum, facilities, teacher quality?

Bryce Ward: How do schools work? Right. I'm going to break it into three categories. So first, you know, there's just the stuff that we always think about with schools, right? Cognitive skills. Right. You know, okay, we're going to teach you how to read, right?

Justin Angle: Do math, basic science.

Bryce Ward: All that kind of stuff. Right. And you know, and that was 20 years ago. That's No Child Left Behind. And No Child Left Behind is at least partially responsible for some of these things. Right. It redirected resources within the educational system towards improving these tangible measures.

Justin Angle: Right. Right.

Bryce Ward: And when you incentivize something, people respond to it. You know, that's also part of what's happened with high school graduation. We, you know, changed how we track it, we've changed how we measure it. There were some penalties or whatever for not meeting certain things. So, you know, I do think you have to attribute some of these measurable things to the fact that we paid more attention to them. Right. We paid more attention to test scores. We paid more attention to graduation rates. And when you pay attention to something, it's not surprising to me, probably to the listener, that, yeah, people will respond on a margin in that area. Okay. So that's the first area that schools work and that's a big part of what schools have invested in, not without fits and starts, not without making mistakes. You know, in terms of how we do teaching our various pedagogies, you know, we can go next door and, you know, there's a whole bunch of people over there.

Justin Angle: College of Education is the door, is the building next door to the Gallagher Business Building where we're recording.

Bryce Ward: You know, and, you know, there's people there that are doing studies and trying to, you know, figure out what's the best way to teach a kid how do math or reading. And, you know, there's all sorts of, you know, all sorts of changes that have gone on there. We'll see if they're effective or not.

Justin Angle: But yeah, there are people who are smart and hardworking are trying to get better at what they're doing.

Bryce Ward: In some magic world, there's a recipe, right? And for every kid, we would know the recipe.

Justin Angle: Yeah, that's the ideal.

Bryce Ward: This is the ideal. We would just know. You would show up, like, my kids were watching Jumanji, the new Jumanji with the Rock.

Justin Angle: Oh, yeah.

Bryce Ward: You know, you can tap your chest and it tells you your strengths and weaknesses, right? You know, it would be great. Everybody would walk into school. They would tap their chest, their teacher would be able to look at them and go, oh, okay, we have a recipe for you. Right. We're going to do this at this point. We're going to do this, you know, the problem that we have is we don't tap our chests and get to see all of the strengths, weaknesses. We kind of have to figure them out on the fly.

Teachers are working at scale and there's all sorts of challenges with trying to figure out that exact recipe for each student. Now, what we do instead is we have broad recipes and those broad recipes, you know, like I said, to the extent that those broad recipes are feeding into better high school graduation rates or better test scores or, you know, more college completion, we have the highest share of people with college degrees we ever have, and we will continue to see that share go up. Those broad recipes are working, just to get back to, so there's the cognitive component to that. But then there's two other things that we've learned relatively recently. So first, with the test scores and value, you know, we started measuring all this stuff on tests, but then somebody said, you know, the big thing that was always, you know, on the side was, well, there's all this other stuff. You know, not just other subjects that are left out of the testing or but non-cognitive skills.

Justin Angle: Their skills, social skills, emotional skills.

Bryce Ward: Emotional skills, you know, hard work, motivation, all that kind of stuff which kind of kept lurking in various studies that would come out, it would be like, well, there's this magic and it didn't seem to matter for test scores, but then we followed these kids up and they're adults and they're somehow doing better, right, so clearly the cognitive tests that they were taking throughout school weren't capturing

this thing that they had that was lurking in their in their toolkit that they then deployed as adults. And it turned into more money and more success. And we started to learn how to measure that at the school level as well. And it turns out that, yes, just like there are some schools that are better at producing improvements in test scores, there are other schools that are better at producing social emotional well-being or hard work ability. And interestingly, it's not that correlated right.

Justin Angle: The success in both areas is not correlated.

Bryce Ward: Yeah or, you know, these three, you know there's hard, you can break the socially you know and there's some that obviously that they're super school they've got the recipe and all the dimensions but for you know for the most part, it's not like if you're good at producing test scores, you're also good at producing social emotional development, you know, so that suggests potentially that there's actually tradeoffs here. Right.

Justin Angle: Like you invest in one at the cost of another, perhaps.

Bryce Ward: With the resources that are available in these schools, the level of resources that are available, people are facing tradeoffs. Or we haven't developed the

technology, we haven't got the recipe right and published it that everybody has oh, yes, we have all this, you know, and that's part of what people who do education research, they're going to have to start figuring out because I mean, these papers that are looking at the value added of schools in terms of social, emotional, I mean, these are two, three years old. And the new one, the one that's just out as of a few weeks ago, is the new Raj Chetty Opportunity Insights Paper on social capital. There's enormous variation in income mobility across neighborhood. We look across cities, there's enormous variation. But even if you go inside of cities and just move neighborhood to neighborhood, there's as much variation in terms of how much people move up the income ladder. And so, the question has always been.

Justin Angle: There's as much variation within cities as there is across the country.

Bryce Ward: Within a big city as there is across the whole. Yeah. So, you know, you can go the one that Raj Chetty talks about, if just inside of New York City, Queens, is a highly mobile place, the Bronx is not. The question is, well, what drives these geographic variation in mobility and the new study that they just came out with. You know, the thing that they find that predicts income mobility more than anything else is heterogeneity in your social network. The simple story, the one that it's easy to understand, particularly if you went to a large public high school like I did, because

there was only one big school in my town. So, everybody was there. You saw the whole mix, right? But what that meant was there was, now there's an opportunity for somebody from a low-income background to interact with more people from a high-income background. And particularly if there's not a friendship bias or like one of the confronting biases, what they call it, right, where you just stick with your own types of people if you actually are exposed to them in ways that allow you to become friends with people from "the other side of the tracks," right. Well, then just that exposure appears to matter. Right. You know, just that exposure of being friends with people of different backgrounds, it allows you to then learn the secrets, right? Of, oh, I could do that.

Justin Angle: We'll be back to our conversation with Bryce Ward after this short break.

Justin Angle: Welcome back to A New Angle. I'm speaking with Bryce Ward about our public education system.

Bryce Ward: I did research on this, oh gosh, almost 15 years ago. Right. It wasn't exactly about this, but there was this program that was in Oregon, and I was hired to help evaluate it. And it was this really simple program that was like, this can't possibly

work, right? It was just they hired, or they got some volunteers. Retired teachers, other adults in the community. They just came and hung out in like the counseling office.

Justin Angle: Okay.

Bryce Ward: And helped kids fill out their FAFSAs and their college applications. I did this and I was like, the effects were enormous. We matched all these kids who were in the program or in schools that had the program to whether or not they went to college and where they went to college. And I was like, this is the easiest low hanging fruit in the world. And it turns out that this has now been replicated in a number of other studies. Right. But it's that exact thing, which I think is what's happening with the friending stuff, is I just become friends and I start hanging out at so-and-so's house and at so-and-so's house their parents are college educated and that's just in the air at that house. And now they're like, you know, we're at dinner or whatever it is. And they ask, oh, hey, are you going to go to college? And you're like, I don't know, well, this is fine. Like, we can do this.

Justin Angle: Just open up that door.

Bryce Ward: You just open it up and it exposes you and that exposure appears to matter.

Justin Angle: Does that flow both ways, as you're describing it crudely, that the poor kids get a lot out of hanging out with the rich kids? Does it flow the other way? Do the rich kids benefit from hanging out with the poor kids?

Bryce Ward: Well, in their study, they're just focused on income mobility.

Justin Angle: Sure, trying to increase income mobility.

Bryce Ward: They're just trying to understand why some places, the poor kids when they're older, are richer than other poor kids. Right.

Justin Angle: So, we're measuring a narrow set of outcomes.

Bryce Ward: But when we look at other studies about the similar kind of stuff. Yes. The classic studies are a roommate studies. Right. So you go to college, you randomly get assigned a roommate. You know, when you say, okay, well, I got assigned a roommate that was very different than me. And the easiest, of course, is just race. You know,

studies that have looked at random roommate assignment, and it's been a while since I've looked at these, but if I recall correctly, they move the needle in terms of sympathy towards the other types of people that you happen to be exposed to. And those effects persist even after you're no longer roommates.

Justin Angle: Yeah, I mean, classic like contact hypothesis from the fifties. So. Okay. So, so I mean, this is, the generalizable statement is diversity in your friend group really matters and is really important.

Bryce Ward: That would appear to be the, you know, particularly from an income mobility perspective if you're trying to understand why some places do a really good job of moving the needle in terms of why people climb the income ladder, that diversity in the friendship network matters. And the cool thing is, is this study, if you go to social capital dot org like they have a map like literally every school.

Justin Angle: The data set and the visualization.

Bryce Ward: You can look up your high school, you can look up your college in terms of both, you know, in terms of what they call exposure. Like, how much are we mixing people? But then also the friending bias, right? Are you actually becoming friends with

people of different backgrounds in these places or what are the odds? You know, all sorts of measures that you can compare and look and see, like, you know, which school in your area is doing the best job at actually mixing the people or not. And then you can map that into the other maps that they have in terms of, you know, which neighborhoods are actually, you know, and again, you know, the income mobility stuff, it takes time, right. So, we know what we're basically saying is we know that kids who were born in the early eighties. Right. Because they're now old enough that we can see what...

Justin Angle: See what their mobility is.

Bryce Ward: Because usually you kind of plateau in your mid-thirties. Right. So, we've got to wait till you're in your mid-thirties, you know, so we're measuring all this stuff and then you know, the friendship network stuff is more contemporaneous. So, we'll see if it actually correlates long term. So, we don't know exactly because this is new, right? Our ability to measure mobility at this granular level, at this geographic scale, is very new. So, we don't know how much it changes over time or, you know, and that'll be the next set of things that we'll learn in the next decade is, oh, well, the kids that were born in this decade, you know, it changed. And we'll be able to say, oh, well,

what changed at that time? So that we can then figure out why did this measure mobility change?

Justin Angle: Do we know much about what are the most significant drivers of success at the public-school level? Is it curriculum? Is it teacher effects? I know the teacher effects can be tremendously strong.

Bryce Ward: So, if you look at the research on charter schools and in particular these "no excuses" charter schools. These are these very disciplined, you know, a lot longer school year, very intense.

Justin Angle: Intense program and curriculum.

Bryce Ward: You know, and the beauty of these particular programs is oftentimes they're oversubscribed. So, there's lotteries to get in. So, we get to use a lottery mechanism to evaluate them. And the research that I've seen suggests that the "no excuses" charter schools, you know, which is kind of a whole measure, you can't separate it because there's so many different components, but "no excuses" charter schools, which are very, are mostly predominant in low-income urban areas. But in that environment, they appear to be very, very successful. Now other charter schools now I

don't know if they're no "excuses charter" schools or not. But, you know, so the best research on this comes out of Boston. Nobel Prize winner Josh Angrist and his team have looked at this. Right. They basically find that the "no excuses" charter schools do a great job. But you go out in the suburbs and the charter schools there basically take middle class kids and do nothing to them. So, it's not that charter schools...

Justin Angle: Do nothing to them that's different than the normal school?

Bryce Ward: They may actually make them slightly worse off. You know, it may be no effect, but there's a couple of different studies. One of them shows, one study shows, you know, increasing school choice actually made them worse off and different study shows that there's kind of nothing or maybe a slight decline to the extent that, you know, for at least again. And this is again, that going back to that magic recipe, right, that for each individual student or type of student, we've got to figure out how to match. But the "no excuses" charter school model, which includes a whole bunch of, we can't break it apart because we haven't broken that apart, but if you put all of it together, it appears to be very effective.

Justin Angle: Yeah. So, in our remaining time, Bryce, I would like to just ask you, how much do we know about the effects of some of the schools' closures that we live

through during COVID? I know it's too early to tell on some of the longer-term outcome measures, but what do we know already?

Bryce Ward: It was bad. In general, when you think about the recipe for student success, it's not just about schools, right. That recipe also includes the rest of the environment that the kid is operating in. So, from home environment to neighborhood to community and all that kind of stuff. And so, in places where the set of resources that are otherwise surrounding the child tend to be more depressed, they're poorer, or, you know, just the, you know, the resources available are less, you know, there's just not as much available to them. School is a bigger deal, right. We really hinge, their success really does depend on school, right. Because there's not some substitute. Right, you know, for affluent families if the school isn't there the family will step in with other resources.

Justin Angle: They have more resources to replicate the effects.

Bryce Ward: There's more resources available to replicate the effects. And so, in households or for kids for whom school is really the main lever, for those kids, school closures seem to have the worst effects. Now, the bigger question that we won't start, we'll start learning the answer to probably, I'm assuming, in a few weeks. So, we've

looked at test scores from the 2019, 2020 school year, which is when the initial shutdowns were. We've looked at stuff from the 2020, 2021 school year, which is when there was huge variation. So, some places just went back and dealt with COVID. Some places were hybrid, some places were still remote, there was a lot of variation. And then the 2022 or 2021, 2022 school year, which, you know, was the last school year, we should start getting there, you know, this test that we tend to use to look at this stuff and most people were back. And so, the big question is, okay, how well were we able to start catching people back up? And, you know, if we go back to the surveys that we started with the parent survey, one of those parent surveys, they actually did it first in 2021 and they did it again in 2022. And the share of parents who said that their kid was behind or had been adversely affected by COVID, it fell by roughly half. So at least from a parent perspective, now, the parents may not be the best evaluators of their children's achievement.

Justin Angle: Although the same parent saying my child was behind saying that he or she is less behind. That's more reliable.

Bryce Ward: Yeah, it suggests that something's going on. But, you know, we'll see what the you know, I mean, it's going to be I mean, we're talking, it's literally a multitrillion dollar question, right? Because this happened globally. And, you know, to

the extent that we took a big bite out of a whole generation's human capital, we kind of skipped that in the beginning, like the returns to education or one of the most well-established returns in economics. Right. You know, if you look globally, right. You know, I mean, most recent study that I could find was some World Bank researchers who took 1100 different studies on the returns to schooling from across the globe. Just in the past decade, right? I mean, we've been studying this for 60 years, but we've been you know, we keep changing techniques, right? You know, yes. There's variation. There's variation across people in time, all sorts of stuff. But if you average it out and this is before the study had even come out, if you ask me what the average of that I would have said, it's 8 to 10%. And what did they find? 9%. So, each year of schooling, if just from in terms of your wages, you know, adds 10% to your wages, and that effect has been there forever. You know, it fluctuates. It changes over time as these are economic parameters, but schooling works. And if we've messed that up right, if we've messed it up in ways that, if COVID has messed it up in ways that depress the number of years of schooling across, you know, multiple years of, you know, 10% if you take just one year for every you know, I mean, that's a huge hit to the aggregate, productive capacity of a generation that will all feel, you know, and again, that's just the wage return. We don't even add in the fact that there's health returns, there's benefits to your kids, there's benefits to your health, there's benefits even to your parents' health. There's all sorts of other benefits from education that we may have messed up. And

so, we really do need to be paying very close attention because we're going to need to mitigate whatever losses because, yeah, it can get to a really big number if we've adversely affected the educational attainment of a number of cohorts.

Justin Angle: For me the key takeaway is we've got a system that is largely working pretty darn well. People are generally happy with it. It's providing some important outcomes and let's not screw it up and we can screw it up in a wide variety of ways. We don't need to get into all of that. But I will say, Bryce, as we've closed, I will you thank you as always for this great information. But I think we should also express a little bit of gratitude for all the great folks in our community and beyond who work in this space. Teachers, administrators, parent, volunteers, all the support structure. I mean, it's a hard job and they're doing it overall really well. So, thank you.

Bryce Ward: Ditto. I mean, they, we really do need to take some time to, you know, continue to express gratitude for the people who keep that particular machine running because it is one of the most important machines in all of society.

Justin Angle: Well said. And we'll see you next month, Bryce, thanks.

Justin Angle: Thanks for listening to A New Angle. We really appreciate it. And we're coming to you from Studio 49, a generous gift from UM Alums, Michele and Loren Hansen.

Justin Angle: A New Angle is presented by First Security Bank, Blackfoot Communications and the University of Montana College of Business, with additional support from Consolidated Electrical Distributors, Drum Coffee and Montana Public Radio. Keely Larson is our producer. VTO, Jeff Amentt and John Wicks made our music. Editing by Nick Mott, Social Media by Aj Williams, and Jeff Meese is our master of all things sound. Thanks a lot and see you next time.