Comments on

Class origin, family culture, and intergenerational correlation of education in rural China

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Very interesting and nice work!

Because…

1. Used a large individual level data!
2. Conducted Microeconometric analyses to test the effects of class origin on the education demand in rural China.
3. Utilized unique and important historical events that were exogenous for many households. (most studies of education demand suffer from ability bias. But this is not the case here!)
4. Found large significant effects of class origin for Maiost cohort.

Huge Implications! Think about the potential loss in human capital accumulation in entire China during 40's-60's.

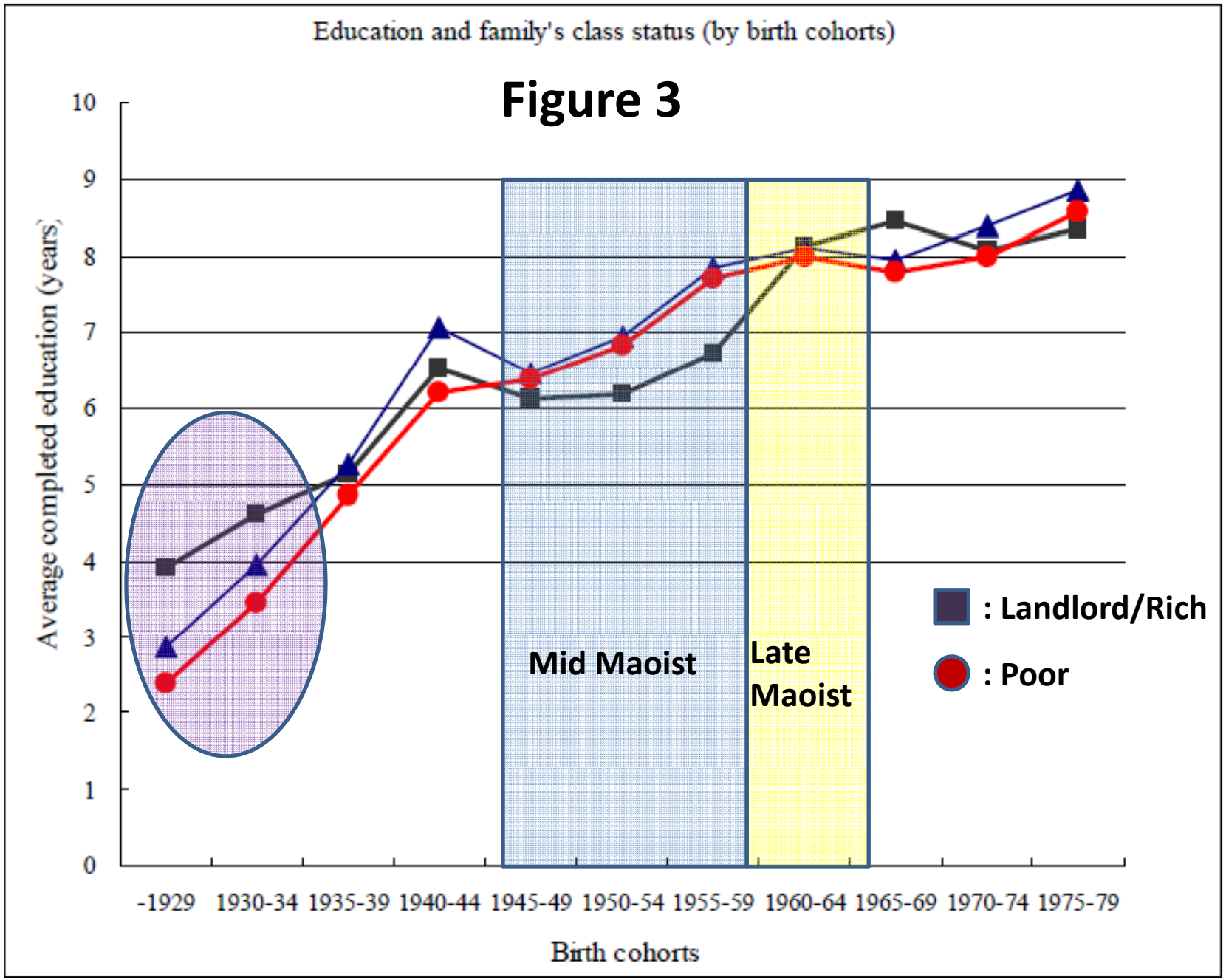

Education and family's class status (by birth cohorts)
Figure 3
Average completed education (years)
10
9
8
7
6
5
4
3
2
1
0
-1929
1930-34
1935-39
1940-44
1945-49
1950-54
1955-59
1960-64
1965-69
1970-74
1975-79
Birth cohorts
Mid Maoist
Late Maoist
: Landlord/Rich
: Poor

Table 3
Landlord vs. Poor

- **Pre Maoist: Longer Education**

  0.630 year's longer
- **Mid Maoist: Shorter Education**

  0.630 - 1.293(interaction) = - 0.633
- **Late-Maoist: the Same Education**

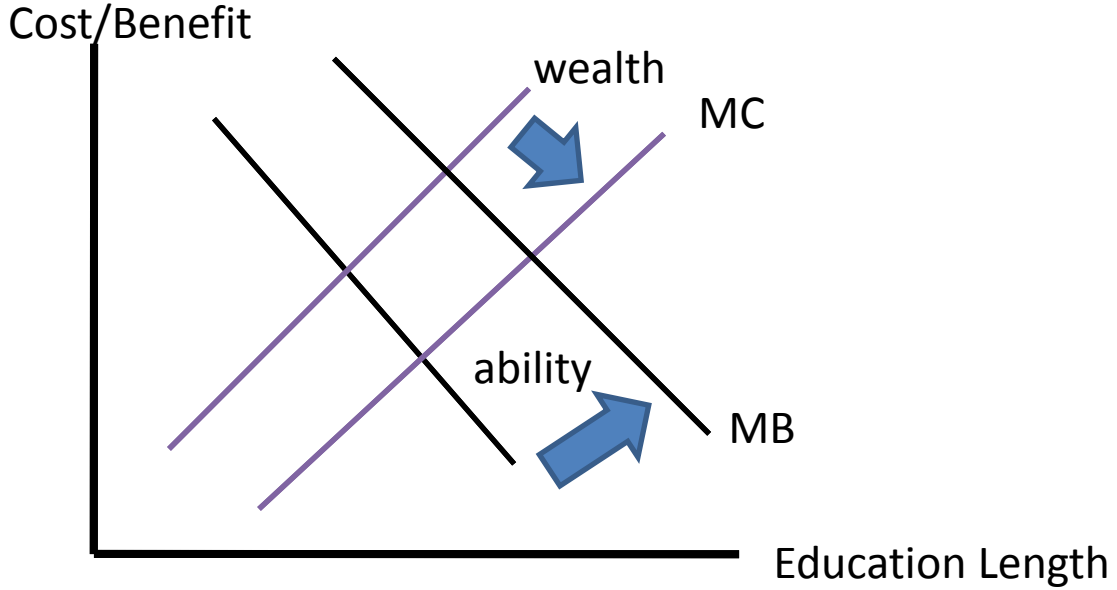
  0.630 - 0.586 (interaction) = 0.044
- It would be interesting to check whether the sum effects are negative significant or not by t-test on the sum of the coefficients.

Social Environment

- Identified the village with little class-discrimination by the number of households with the same surname . Very Clever Idea!
- Found smaller effects in a village with a lot of the same surname.
- Question: correlation between multisurname villages and income level, agricultural products, relationship with communist party? Any information on economic activities in each village?

Determination of Education Investment

- People will choose the investment to human capital at (Marginal Benefit = Marginal Cost)



$$E = c + \alpha \times Ability + \beta \times Wealth$$

By the Maoist policy

By the Maoist policy, landlord's children couldn't get their optimal level of education.

$$E = c + \alpha \times Ability + \beta \times Wealth - \gamma \times Lanlord \times MidMao$$

So, the second generation's education of Landlord is lower than the optimal level.

The Effects of the father's education on the third generation should be different between Landlord and Poor.

Suggestions for the estimation of third generation's education

- Restrict the sample to MidMao. (Still 500 observations!)
- Compare the effects of Father's Education length on the third generation among social classes.
- You can conduct separate estimation for each class, or you can use interaction terms.

$$E = c + \alpha \times Fath'sEdu + \beta \times Wealth + \delta \times Lanlord \times Fath'sEdu$$

Minor Comments

- The effects of Father's education is not linear globally. Include the square term, or take logarithms.
- Is the distinction between multisurname and non-multisurname villages really relevant? Any side evidence? Such as existence of risk sharing in non-multisurname villages
- The education opportunity for children might depend on the number of brothers/sisters. Control for the number of children or whether he/she is the eldest or youngest.
- Simultaneous determination of education length of the second and the third generations?