

STATE of the UNION

A stylized graphic of the American flag, featuring a blue field with white stars and red and white horizontal stripes.

EDUCATION

Amy L. Johnson
Stanford University

Diverging Destinies

Millennials' Returns to Education

Florencia Torche and Amy L. Johnson

CPI State of the Union 2019

6 June 2019

HOW MILLENNIALS TODAY COMPARE WITH THEIR GRANDPARENTS 50 YEARS AGO

Millennials On Track to be the Most Educated Generation to Date

Pew Research Center 2015

A Silent Majority Of Undereducated And Underemployed Millennials

NPR 2014

IDEAS

Millennials Didn't Kill the Economy. The Economy Killed Millennials.

The American system has thrown them into debt, depressed their wages, kept them from buying homes—and then blamed them for everything.

The Atlantic 2018

MONEYBOX

Further Proof That Millennials Are, in Fact, The Brokest Generation

Slate 2018

Are Millennials better or worse off than prior generations when it comes to labor market outcomes?

Is a college degree more or less beneficial for Millennials than for prior generations?

Data and Variables

- Current Population Survey (CPS) 1975-2018
- 3 different economic outcomes
 - Unemployment
 - Working full-time year-round
 - Earnings
- Education
 - Bachelor's degree or more (high education)
 - High school or less (low education)
- At ages 25, 30, 35, 40, 45, 50, and 55
- For men

Generations

1939-1949: Silent Generation

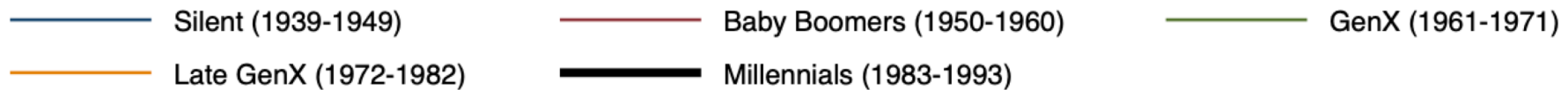
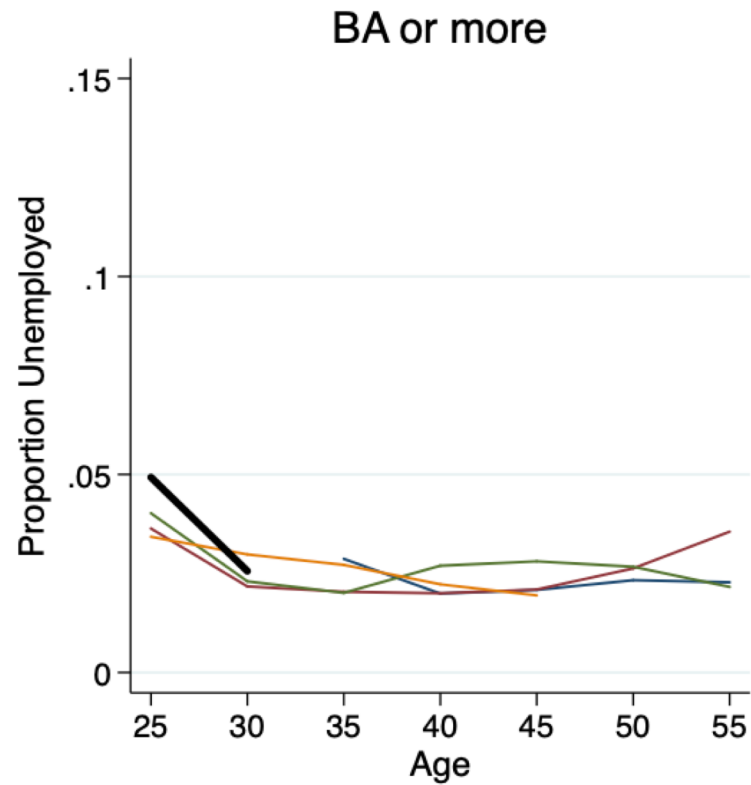
1950-1960: Baby Boomers

1961-1971: Generation X

1972-1982: late Generation X

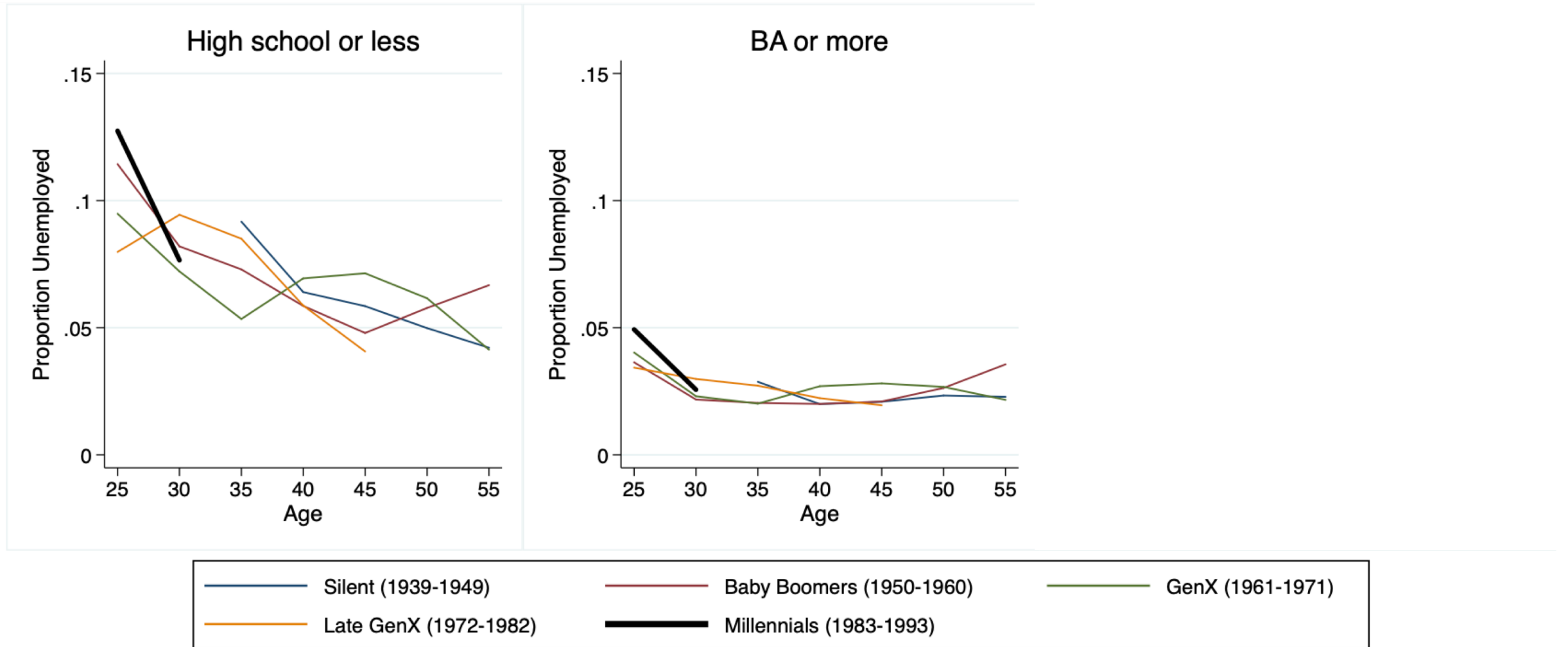
1983-1993: Millennials

Unemployment



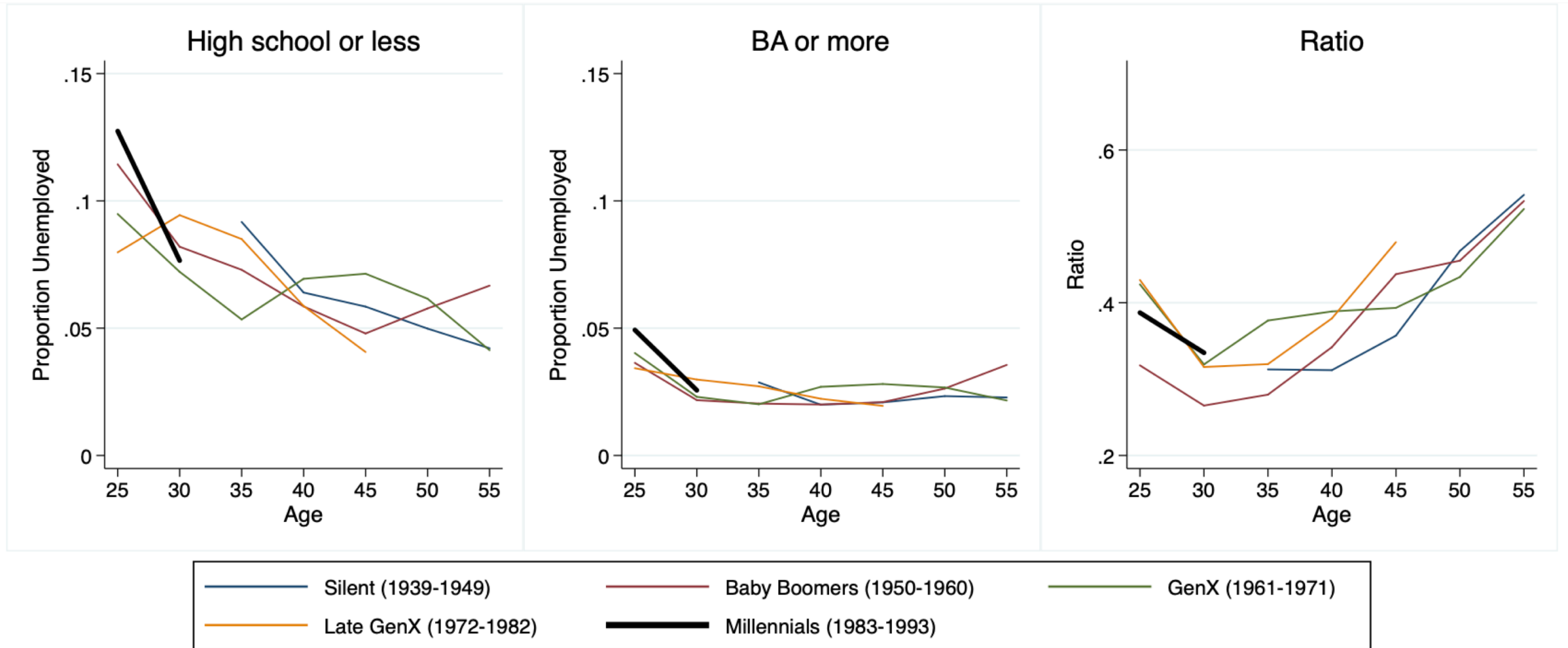
Source: Current Population Survey basic monthly files 1976–2018.
Note: Annual unemployment calculated by averaging across monthly samples.

Unemployment



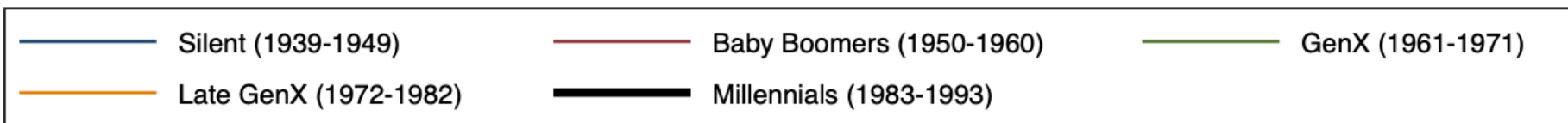
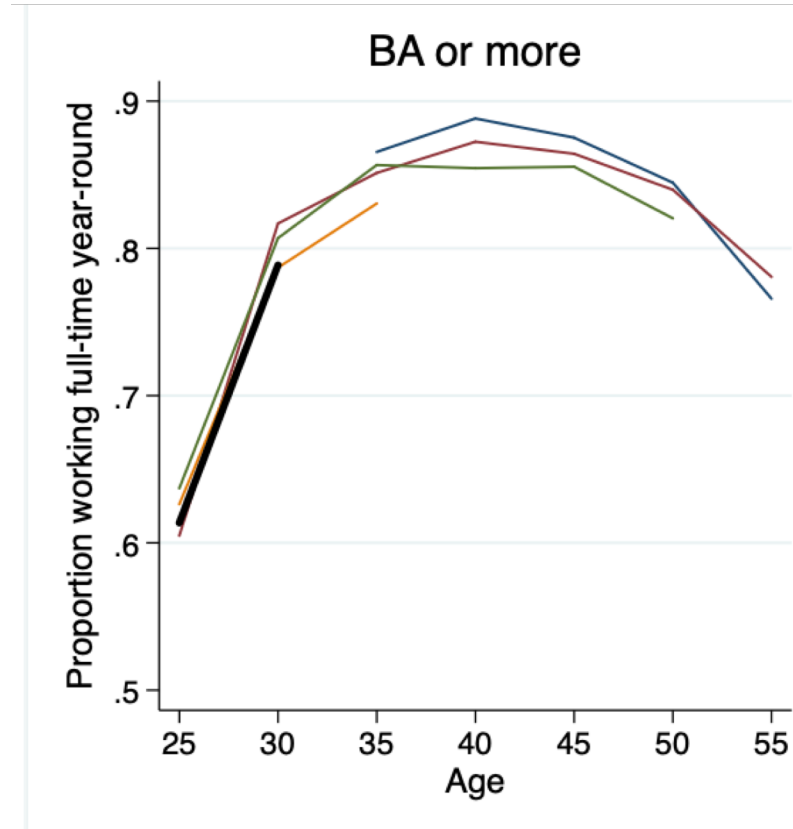
Source: Current Population Survey basic monthly files 1976–2018.
Note: Annual unemployment calculated by averaging across monthly samples.

Unemployment



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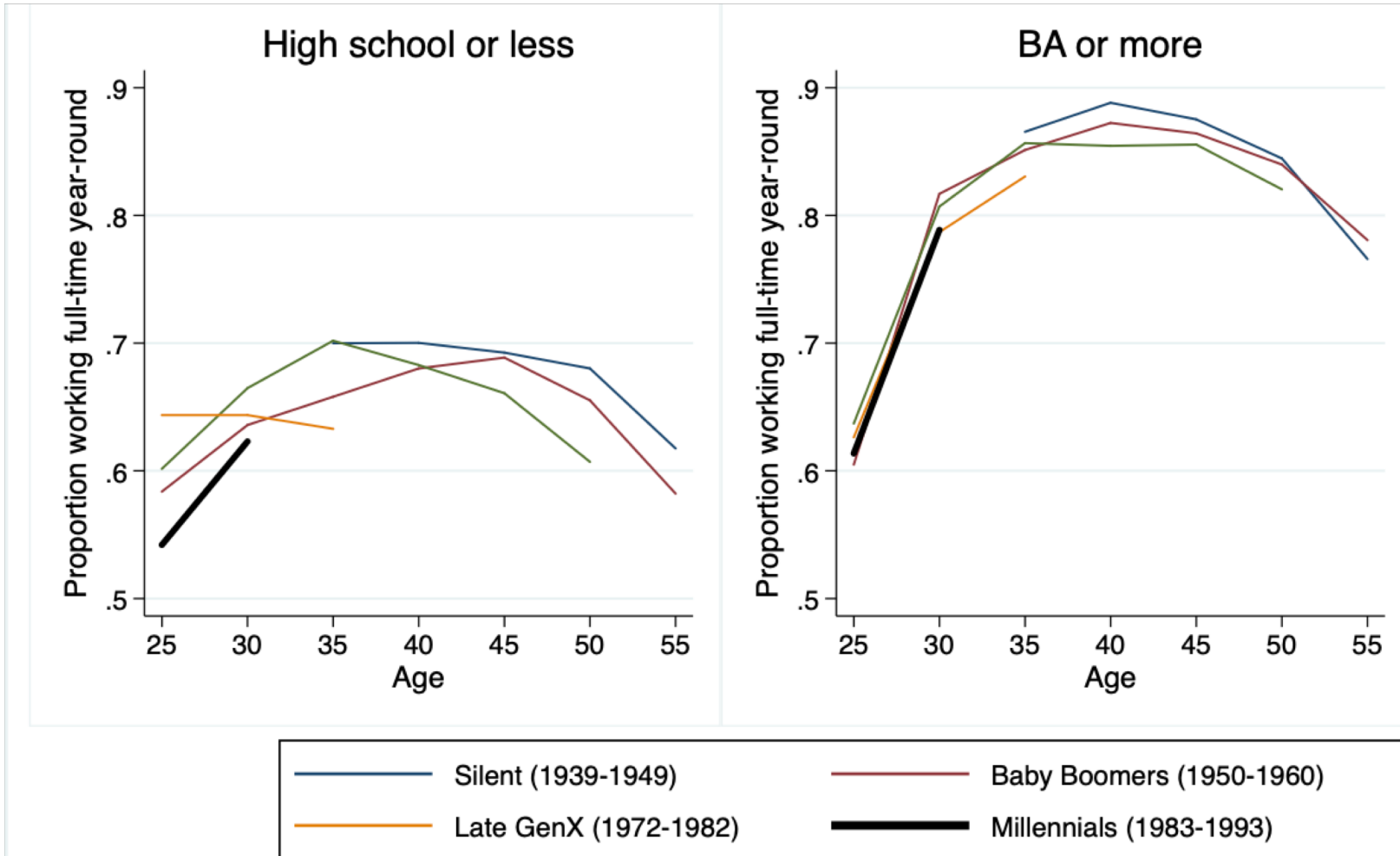
Full-time year-round work



Source: Annual Social and Economic Supplement to the Current Population Survey, 1975–2018.

Note: Respondents were coded as working full-time year-round if they worked 35 or more hours per week for at least 50 weeks in the last year.

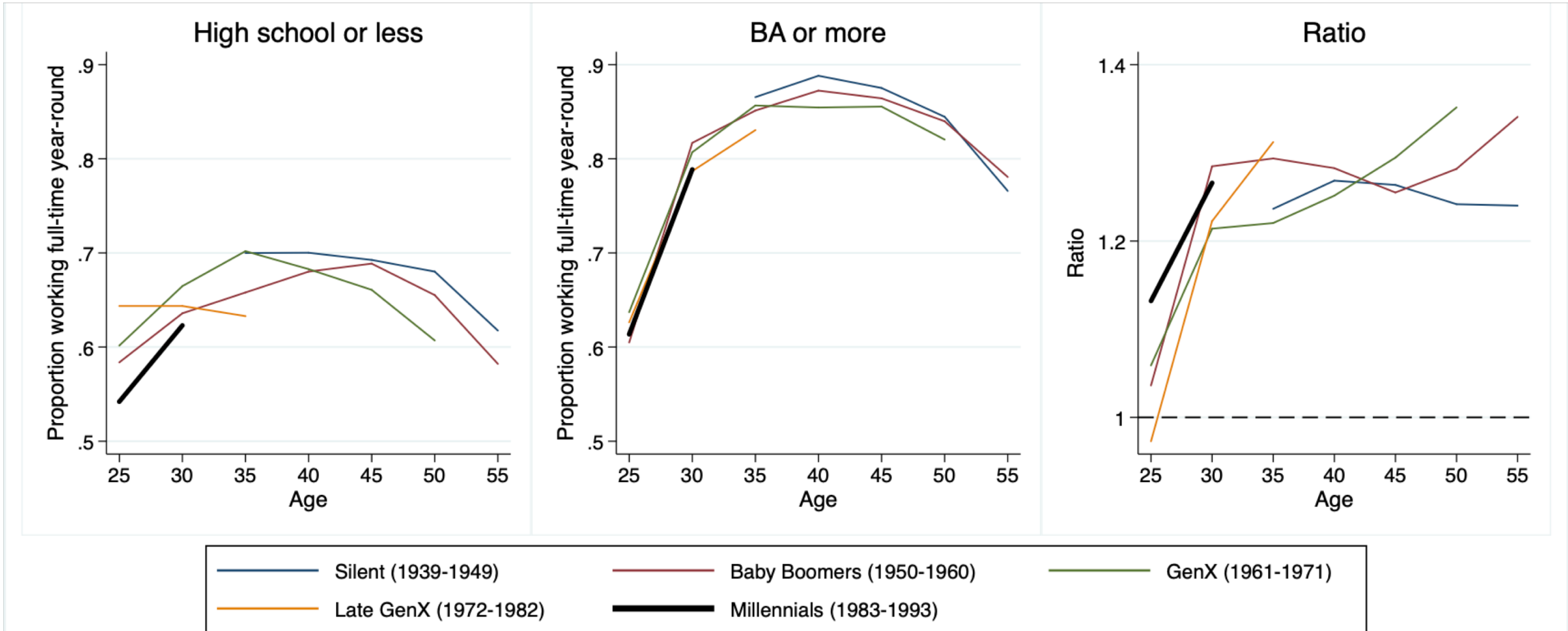
Full-time year-round work



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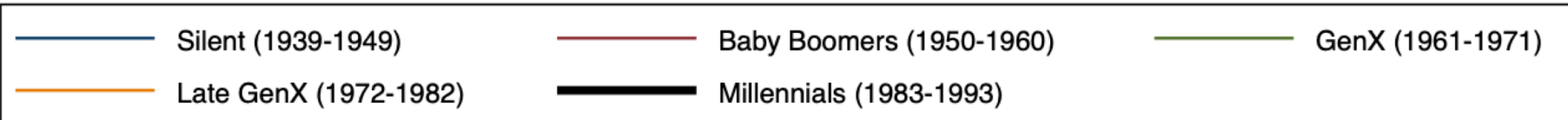
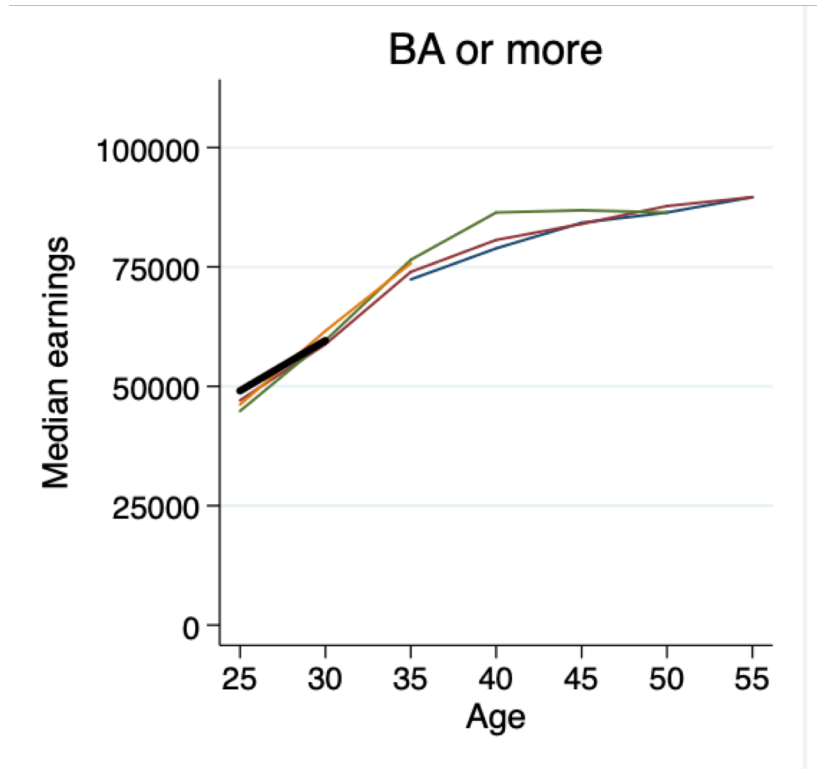
Full-time year-round work



Source: Annual Social and Economic Supplement to the Current Population Survey, 1975–2018.

Note: Respondents were coded as working full-time year-round if they worked 35 or more hours per week for at least 50 weeks in the last year.

Income

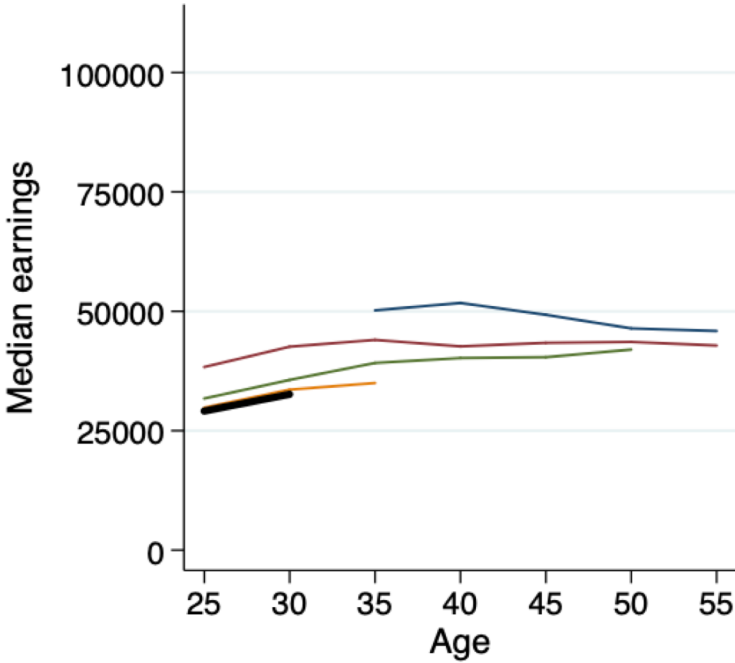


Source: Annual Social and Economic Supplement to the Current Population Survey, 1975–2018.

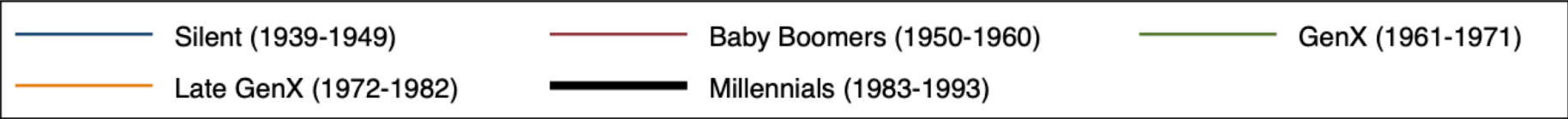
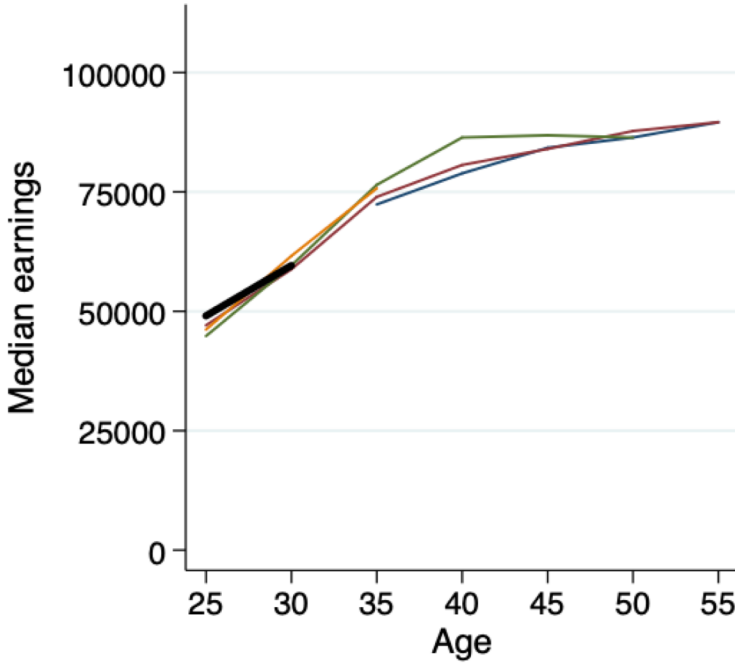
Note: Earnings measure combines pre-tax wage and salary income, pre-tax non-farm business income, and pre-tax farm earnings. It was calculated only for individuals who worked full-time year-round. The earnings variable was adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index inflation calculator and is presented in 2016 U.S. dollars.

Income

High school or less

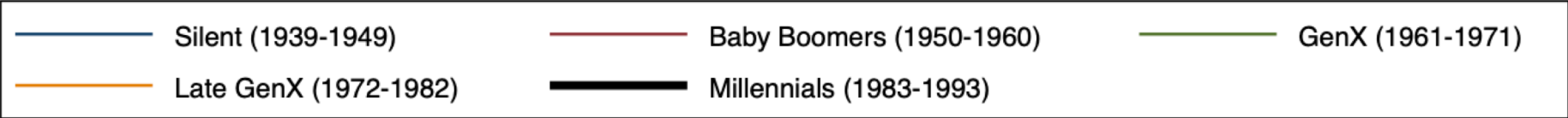
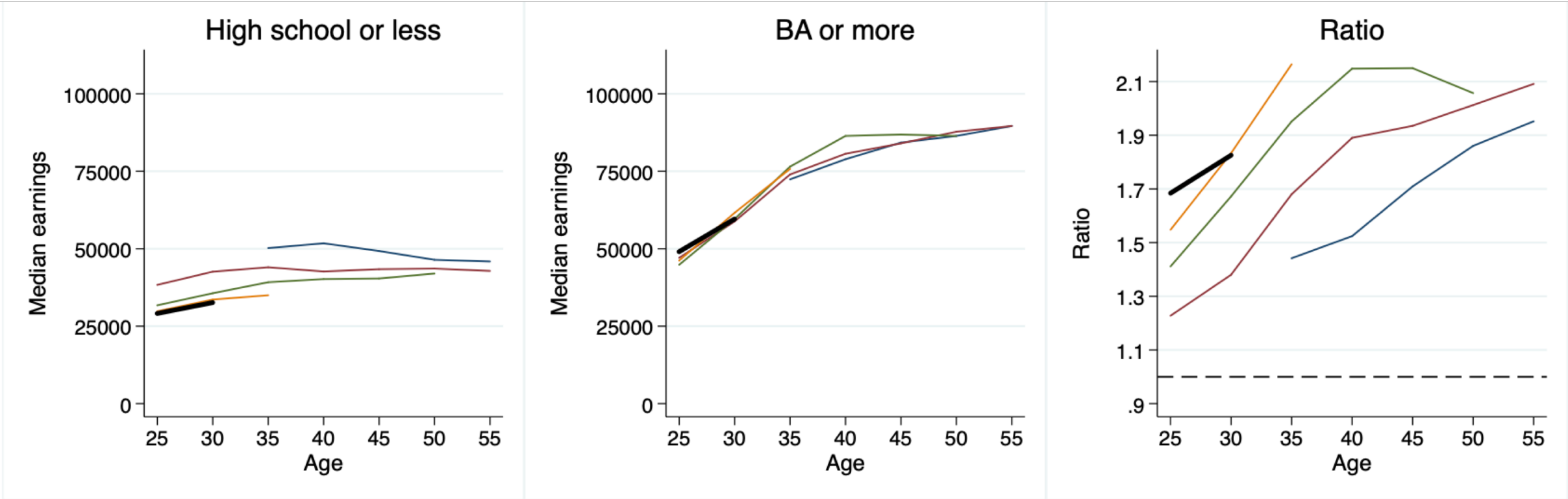


BA or more



Source: Annual Social and Economic Supplement to the Current Population Survey, 1975–2018.
Note: Earnings measure combines pre-tax wage and salary income, pre-tax non-farm business income, and pre-tax farm earnings. It was calculated only for individuals who worked full-time year-round. The earnings variable was adjusted for inflation using the Bureau of Labor Statistics' Consumer Price Index inflation calculator and is presented in 2016 U.S. dollars.

Income



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Are Millennials better or worse off than prior generations when it comes to labor market outcomes?

Answer: “diverging destinies”

- Highly educated Millennials are doing as well as prior generations, but millennials with low education are doing worse than ever.
- The gap in economic outcomes between individuals with a college degree and individuals with no more than a high school education is wider for Millennials than for prior generations.
 - The gap emerges because Millennials with low education are doing *worse*, not because Millennials with high education are doing better.
- Millennials’ experiences fit into a long-term trend of rising education-based inequality and economic vulnerability among those with less education.

Thank you!

Florencia Torche
Stanford University
torche@stanford.edu

Amy L. Johnson
Stanford University
aljohnson@stanford.edu