# Intergenerational mobility of education in Vietnam: Evidence from the Vietnam War

Khoa Vu<sup>1,2</sup> Maria Lo Bue <sup>2</sup>

<sup>1</sup>University of Minnesota

<sup>2</sup>UNU-WIDER

May 2019

#### Table of Contents

- Research motivation
- Research question
- Oata and empirical strategy
- Results
- Conclusion
- 6 Remaining issues (if time permits)

BUSINESS

TECH | FINANCE | POLITICS | STRATEGY | LIFE | ALL



## Vietnam's students perform mysteriously well on tests, and researchers have figured out why

Chloe Pfeiffer Jul 14 2016 3:12 PM

**f** @ ...

Vietnam is one of education's biggest outliers: It's basically the only low-income country that performs at the same level as rich countries on international academic tests.



There's a clear positive relationship between a

Kham/Reuters

country's economic strength and how well its students perform on







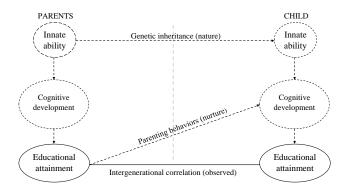
#### Research motivation

 Did Vietnam get it right? Important implications for other low-income countries.

- Previous work with Glewwe, Lee (UMN) and Dang (WB) suggest that parental education plays an important role.
- Policy relevant: Can improving education for one generation also benefit the next generation?

### Correlation between parent's and child's education

Measuring causal relationship between parental education and child's education is challenging



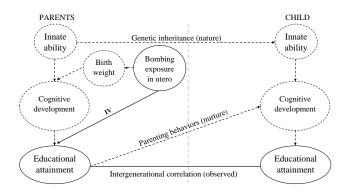
#### Table of Contents

- Research motivation
- Research question
- 3 Data and empirical strategy
- Results
- Conclusion
- 6 Remaining issues (if time permits)

### Research question and design

- Research question: measuring causal impact of parental education on child's educational attainment.
- Using parental exposure in utero to aerial bombing during the Vietnam War as instrument for parents' education:
  - 1. Some parental cohorts conceived during or after the War.
  - Exposure in utero to stress caused by war and conflicts leads to low birth weight which affects cognitive development (e.g. Lee 2014; Quintana-Domeque & Rodenas-Serrano 2017).
  - 3. This damage is not genetically inheritable to the next generation.

### Research design: Causal graph



### Background

 The US directly entered in the Vietnam War in late 1964. The War ended in 1975.

- The two major bombing periods:
  - 1. The Rolling Thunder operation: 1965-1968
  - 2. The Linebacker I and II operations: 1972

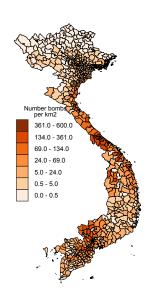
 Total aerial bombing tonnage exceeded that in World War II and in the Korean War.

### Variation in bombing intensity

• District-level data provided by Miguel & Roland (2011).

 Used in Miguel & Roland (2011), Noce et al (2016), Saurabh (2018).

 Intensity concentrated at the 17th Parallel (boundary between the Communist Party and the Vietnam Republic).



#### Table of Contents

- Research motivation
- Research question
- 3 Data and empirical strategy
- 4 Results
- Conclusion
- 6 Remaining issues (if time permits)

#### Data

- Main sample from 2014-2016 Vietnam Household Living Standard Survey (VHLSS). Bombing data is merged to parental province of birth.
- Selecting parental sample: Individuals born between 1965 and 1980.
   Restrict to household's heads and spouse (90%).
- Child sample: Age 7+ born to the parental sample. Main unit of analysis.
- Main independent var: Parental years of schooling.
- ullet Main outcome: child's age-for-grade indicator ( =1 if child on track compared to peers at same age).

#### Model

For child i whose parents born in province p and (conceived in) year c:

$$\textit{Educ}_i = \alpha. \textit{Y}_i^{\textit{parent}} + \delta. \textit{age}_i + \theta. \textit{\textbf{X}}_i^{\textit{parent}} + \kappa_p^{\textit{parent}} + \gamma_c^{\textit{parent}} + \epsilon_i$$

$$egin{aligned} Y_i^{ extit{parent}} &= eta( extit{bomb}_p^{ extit{parent}} imes extit{Exposed}_c^{ extit{parent}}) + \eta. extit{age}_i + \mu. oldsymbol{X}_i^{ extit{parent}} \ &+ \kappa_p^{ extit{parent}} + \gamma_c^{ extit{parent}} + u_i \end{aligned}$$

where  $Educ_i$  is child's education,  $Y_i^P$  is parental years of schooling,  $bomb_p$  is bombing intensity in province p, and  $Exposed_c = 1$  if conceived in 1993 or later.

 $\mathbf{X_i^{parent}}$  and  $age_i$  are vector of parental characteristics and child's age indicators.  $\kappa_p^{parent}$  and  $\gamma_c^{parent}$  are province of birth and cohort FE for parents.

#### Table of Contents

- Research motivation
- Research question
- Oata and empirical strategy
- Results
- Conclusion
- 6 Remaining issues (if time permits)

#### Effect of father's education on child's education

	OLS	First stage	IV	Reduced form
Education of:	Child	Father	Child	Child
Panel A: Baseline model				
Father's education	0.029*** (0.001)		0.004 (0.027)	
Bombing exposure	()	-0.267***	()	-0.001
0 1		(0.077)		(0.007)
1st stage F-stat		,	24.6	,
Olea and Pflueger F-stat			12.0	
Weak IV robust p-value			0.88	
Panel B: Controls for prov	ince-cohort trer	nds		
Father's education	0.029*** (0.002)		- <mark>0.008</mark> (0.028)	
Bombing exposure	()	-0.504***	()	0.007
0 1		(0.135)		(0.013)
1st stage F-stat		, ,	29.0	, ,
Olea and Pflueger F-stat			13.0	
Weak IV robust p-value			0.61	
Dep. var mean	0.710	7.416		

#### Effect of mother's education on child's education

	OLS	First stage	IV	Reduced form
Educational outcome of:	Child	Mother	Child	Child
Panel A: Baseline model				
Mother's education	0.00=444		0.050	
	0.035***		-0.053	
	(0.002)		(0.075)	
Bombing exposure		-0.118*		0.006
		(0.069)		(0.007)
1st stage F-stat		, ,	1.6	, ,
Olea and Pflueger F-stat			2.9	
Weak IV robust p-value			0.37	
Panel B: Controls for provi	nce-cohort tren	ds		
Mother's education				
	0.035***		-0.031	
	(0.001)		(0.081)	
Bombing exposure		-0.082		0.004
		(0.135)		(0.013)
1st stage F-stat			0.2	
Olea and Pflueger F-stat			0.4	
Weak IV robust p-value			0.77	
Dep. var mean	0.710	6.935		

### Assumptions

#### Main assumptions:

- 1. IV relevance
- 2. IV exogeneity
- 3. IV excludability
- 4. IV monotonicity

#### Remaining issues (discussed later if time permits):

- 1. Alternative measures of outcomes.
- Sample selection unobserved outcomes for child moving out of household.
- Changes in spouse's characteristics (assortative marriage) and educational investment.

### IV relevance: First-stage results

Impacts of bombing exposure on parental education are negative and significant. Bombing exposure passed the weak IV test for father's, not mother's education.

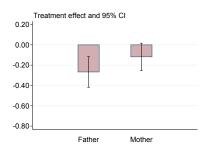
Outcome	Father's	Mother's
	education	education
Bombing exposure		
	-0.27***	-0.12*
	(80.0)	(0.07)
F-stat (nonrobust)	24.57	1.56
F-stat (Olea & Pflueger)	12.01	2.95
Dep. mean	7.42	6.94
N	10488	11289

### Exogeneity (first stage)

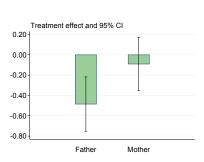
- Bombing intensity is likely strategic, not random.
- Difference-in-differences model accounts for unobserved heterogeneity across province and cohorts.
- Assumption: No unobserved confounding factor with differential impacts on education across parental cohorts (parallel trends).
- Checks:
  - 1. Adding province-cohort trends controls (allowing differential trends across provinces)
  - 2. Event study analysis
  - 3. Instrumenting bombing intensity
  - 4. Bombing exposure and grandparents' death

### Re-estimate first-stage with province-cohort trend controls

Estimate for impact on father is robust to inclusion of province-cohort trends.



Baseline

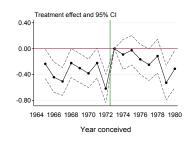


Province-cohort trends controls

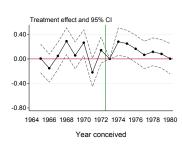
### Re-estimate first-stage with event study setup

Impacts of parental bombing exposure on parental years of schooling by parental cohort:

$$Y_{i}^{parent} = \sum_{e=1965}^{1972} \beta_{e}(bomb_{p}^{parent} \times T_{e}^{parent}) + \sum_{u=1974}^{1980} \beta_{u}(bomb_{p}^{parent} \times T_{u}^{parent}) + controls_{i} + \epsilon_{i}$$



Father's exposure

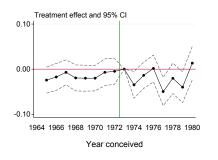


Mother's exposure

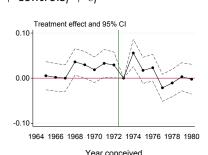
### Reduced form event study

Impacts of parental bombing exposure on child's educational attainment by parental cohorts:

$$Educ_{i} = \sum_{e=1965}^{1972} \beta_{e}(bomb_{p}^{parent} \times T_{e}^{parent}) + \sum_{u=1974}^{1980} \beta_{u}(bomb_{p}^{parent} \times T_{u}^{parent}) + controls_{i} + \epsilon_{i}$$



Father's exposure

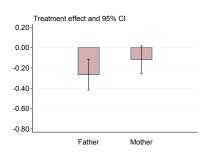


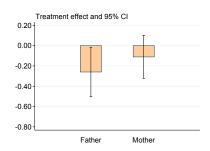
Mother's exposure

### Re-estimate first-stage with instrumented bombing

Previous studies instrumented bombing intensity with distance to the 17th Parallel. Re-estimate first-stage separately with instrumented bombing intensity does not change the results:

$$Y_i^{parent} = \beta(\hat{bomb}_p^{parent} \times Exposed_c^{parent}) + \eta.age_i + \mu.\mathbf{X}_i^{parent} + \kappa_p^{parent} + \gamma_c^{parent} + u_i$$





Baseline IV

### Bombing direct impact on grandparents

- Grandparents (0th generation), exposed directly to bombing, who gave birth during the War might have been more likely to die.
- Main findings might have been driven by grandparental deaths, e.g. parents missing their own parents might done worse in school,
- Test this with VLSS 1998 data: estimate impacts of bombing exposure on reported parental death among 1965-80 cohorts (age 18-33 in 1998):

$$Death_{j}^{parent} = \beta(bomb_{p} \times Exposed_{c}) + \theta.X_{j} + \kappa_{p} + \gamma_{c} + u_{j}$$

for individual j born in province p, conceived in year c.

### Bombing exposure impacts on 0th generation's death

No evidence of correlation between parental exposure and grandparents' deaths:

Outcome	Father's death	Mother's death
Estimates	-0.011	-0.015
SE	(0.013)	(0.014)
p-value	0.36	0.29
Dep. mean	0.476	0.240
N	2841	2302

### Excludability

- Bombing exposure only affects child's education through parental education, even through another intermediate channel Graph
- Potential violation: Bombing exposure may also affect parental disability (Elder et al 2019) and subsequently affect child's education.

### Checks for excludability

Use 1st-stage setup to check for exclusion restriction:

$$\begin{split} \text{Outcome}_{i}^{\textit{parent}} = & \beta \big(\textit{bomb}_{p}^{\textit{parent}} \times \textit{Exposed}_{c}^{\textit{parent}}\big) + \eta.\textit{age}_{i} \\ & + \mu. \textbf{X}_{i}^{\textit{parent}} + \kappa_{p}^{\textit{parent}} + \gamma_{c}^{\textit{parental}} + u_{i} \end{split}$$

- Results:
  - Census 2009: generally no impact on disability.
  - 2014-2016 VHLSS: No evidence of impact on type of work (agriculture, production, non-salary), and wage and salary.
- No evidence of excludability violation so far.

### Effects of bombing on parental disability

Analysis on the Census 2009 relies on bombing intensity of province of current residence. Extremely small point estimates suggest no impact on disability.

Parental outcome	Male	Female
Disability status	0.0000	-0.0000
	(0.0001)	(0.0001)
Dep. mean	0.0053	0.0044
Blind or vision-impaired	-0.0003	-0.0003*
	(0.0002)	(0.0001)
Dep. mean	0.0063	0.0070
Deaf or hearing-impaired	-0.0001	0.0001
	(0.0002)	(0.0001)
Dep. mean	0.0050	0.0041
Mental disability	-0.0005***	-0.0000
	(0.0002)	(0.0001)
Dep. mean	0.0078	0.0062
N	1386769	1857730

### Effects of bombing on parental work

Analysis on the 2014-2016 VHLSS sample. No evidence of impacts on occupational choice.

Parental outcome	Father	Mother
Outcome: Agricultural	work	
Estimates	-0.024	-0.010
	(0.016)	(0.015)
Dep. mean	0.636	0.626
Outcome: Production v	vork	
Estimates	0.024	0.016
	(0.016)	(0.018)
Dep. mean	0.231	0.314
Outcome: Non-salary w	ork	
Estimates	-0.004	0.020
	(0.017)	(0.016)
Dep. mean	0.576	0.690
N	10488	11289

### Effects of bombing on parental wage

Analysis on the 2014-2016 VHLSS sample restricting to parents with wage or salary employment. No evidence of impacts on (log) wage or household income per capita.

Parental outcome	Father	Mother
	rather	Mother
Outcome: Wage		
Estimates	0.054	-0.236*
	(0.145)	(0.122)
Dep. mean	3.429	2.122
Outcome: HH income pe	er capita	
Estimates	0.004	-0.032
	(0.025)	(0.025)
Dep. mean	9.981	10.031
N	10487	11288

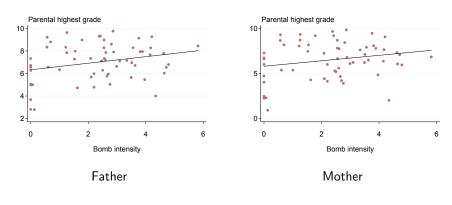
### Effects of bombing on parental migration and fertility

Analysis on the 2014-2016 VHLSS sample. No evidence of impact on migration status and number of children in household.

Parental outcome	Father	Mother
Outcome: Migrated from	province of birth	
Estimates	0.026**	0.004
	(0.013)	(0.013)
Dep. mean	0.147	0.148
Outcome: Children in ho	usehold	
Estimates	-0.074	-0.047
	(0.050)	(0.050)
Dep. mean	2.493	2.480
N	10488	11289

### Monotonicity

Bombing has monotonic effect on parental education.



#### Table of Contents

- Research motivation
- Research question
- Oata and empirical strategy
- 4 Results
- Conclusion
- 6 Remaining issues (if time permits)

## Effects of bombing on parental education (first-stage)

- 1. Exposure to bombing has large negative impact on educational attainment of first generation
- 2. Largest effects on lower secondary completion Grade completion
- Exposure in utero to bombing appears to only affect father's education (implying that bombing exposure is a weak instrument for mother's education)

## Effects of parental education on child's education

#### Father:

- OLS estimates are positive and significant.
- IV estimates are very small, insignificant, consistent with reduced form estimates.
- Findings are in line with previous studies (e.g. Black et al. 2005).

#### Mother:

- OLS estimates are positive and significant.
- IV estimates are not reliable because of weak and irrelevant instrument.



### Table of Contents

- Research motivation
- Research question
- Oata and empirical strategy
- 4 Results
- Conclusion
- 6 Remaining issues (if time permits)

### Alternative measure issue

- Previous literature uses child's years of schooling.
- Some children are still attending school, and age fixed effects may not fully account for this issue
- Results are generally consistent when using child's years of schooling as outcomes.

## Effect of father's education on child's years of schooling

	OLS	First stage	IV	Reduced form Child	
Education of:	Child	Father	Child		
Panel A: Baseline model					
Father's education	0.118***		-0.071		
	(0.006)		(0.117)		
Bombing exposure	, ,	-0.267***	` ,	0.019	
		(0.077)		(0.029)	
1st stage F-stat (nonrobust)		, ,	24.6	, ,	
Olea and Pflueger F-stat			12.0		
Weak IV robust p-value			0.51		
Panel B: Controls for province	-cohort trends				
Father's education	0.117***		-0.014		
	(0.006)		(0.105)		
Bombing exposure	, ,	-0.504***	` ,	0.022	
<b>.</b>		(0.135)		(0.050)	
1st stage F-stat (nonrobust)		` ,	29.0	` ,	
Olea and Pflueger F-stat			13.0		
Weak IV robust p-value			0.66		

## Effect of mother's education on child's years of schooling

	OLS	First stage	IV	Reduced form Child	
Education of:	Child	Mother	Child		
Panel A: Baseline model					
Mother's education	0.143***		-0.624		
	(0.007)		(0.500)		
Bombing exposure	` ,	-0.118*	` ,	0.074**	
		(0.069)		(0.029)	
1st stage F-stat (nonrobust)		,	1.6	, ,	
Olea and Pflueger F-stat			2.9		
Weak IV robust p-value			0.01		
Panel B: Controls for province	-cohort trends				
Mother's education	0.143***		-0.546		
	(0.006)		(0.543)		
Bombing exposure	` ,	-0.082	` ,	0.106**	
		(0.135)		(0.054)	
1st stage F-stat (nonrobust)		` ,	0.2	` ,	
Olea and Pflueger F-stat			0.4		
Weak IV robust p-value			0.05		

## Sample selection issue

- Only observed children who stay with parents: those who already left might be systematically different,
- Parents from earlier cohorts might be less likely to stay with children,
- Using earlier VHLSS data could help (parents were younger), but
- No place of birth. Place of current residence as substitute may lead to biased results.

### Province of birth vs current residence

No substantial difference in IV estimates using parental province of birth (PoB) and province of current residence (PoCR):

Parental education	Father		Mother					
	РоВ	PoCR	PoB	PoCR				
Panel A: Baseline model								
Bombing exposure	-0.01	0.00	-0.22	-0.05				
	(0.03)	(0.03)	(0.35)	(80.0)				
F-stat (nonrobust)	24.6	23.8	1.6	1.3				
F-stat (Olea & Pflueger)	12.0	11.2	2.9	2.3				
N	10488	10488	11289	11289				
Panel B: Controls for province-cohort trends								
Bombing exposure	-0.01	-0.03	-0.54	-0.02				
	(0.03)	(0.04)	(1.97)	(0.17)				
F-stat (nonrobust)	29.0	17.9	0.2	0.2				
F-stat (Olea & Pflueger)	14.1	7.4	0.4	0.4				
N	10488	10488	11289	11289				

# VHLSS 2006-2016 sample: Father's education

	OLS	First stage	IV	Reduced form Child	
Educational outcome of:	Child	Father	Child		
Panel A: Baseline model					
Father's education	0.031***		0.0001		
	(0.001)		(0.0286)		
Bombing exposure	` ,	-0.159***	` ,	-0.00001	
		(0.048)		(0.00456)	
1st stage F-stat (nonrobust)		,	19.1	,	
Olea and Pflueger F-stat			11.1		
Weak IV robust p-value			1.00		
Panel B: Controls for province	-cohort trends				
Father's education	0.031***		-0.0424		
	(0.001)		(0.0560)		
Bombing exposure	, ,	-0.181**	, ,	0.00766	
<b>.</b>		(0.083)		(0.00849)	
1st stage F-stat (nonrobust)		, ,	8.9	, ,	
Olea and Pflueger F-stat			4.7		
Weak IV robust p-value			0.37		

# VHLSS 2006-2016 sample: Mother's education

	OLS	First stage	IV	Reduced form	
Educational outcome of:	Child	Mother	Child	Child	
Panel A: Baseline model					
Mother's education	0.036***		-0.082		
	(0.001)		(0.064)		
Bombing exposure	, ,	-0.096**	` ,	0.008*	
		(0.042)		(0.004)	
1st stage F-stat (nonrobust)		,	3.0	,	
Olea and Pflueger F-stat			5.2		
Weak IV robust p-value			0.05		
Panel B: Controls for province	-cohort trends				
Mother's education	0.036***		0.250		
	(0.001)		(2.019)		
Bombing exposure	, ,	0.021	` ,	0.003	
<b>5</b> .		(0.081)		(800.0)	
1st stage F-stat (nonrobust)		` ,	2.0	` ,	
Olea and Pflueger F-stat			0.1		
Weak IV robust p-value			0.74		

## Other issues being worked on

- Did bombing exposure lead to assortative marriage (among parents)?
- Did bombing exposure lead to changes in parental investment in child's education?
- Province of birth is used as substitute for province of conception: pregnant (grand)mother might have moved out of provinces being bombed.

## Impacts on spouse's characteristics

Parental outcome	Father	Mother					
Outcome: Spouse's wage							
Estimates	-0.264**	-0.067					
	(0.122)	(0.144)					
Dep. mean	2.145	3.342					
Outcome: Spouse's years	Outcome: Spouse's years of schooling						
Estimates	-0.215*	-0.043					
	(0.126)	(0.131)					
Dep. mean	6.733	7.397					
N	10488	11289					

## Reduced-form impacts on educational investment

Educ spending<sub>i</sub> = 
$$\beta(bomb_p^{parent} \times Exposed_c^{parent}) + \eta.age_i + \mu.\mathbf{X}_i^{parent} + \kappa_p^{parent} + \gamma_c^{parent} + u_i$$

Parental outcome	Father	Mother					
Outcome: Educational spending							
Estimates	0.002	-0.000					
	(0.021)	(0.020)					
Dep. mean	6.862	6.862					
Outcome: Nontuition	Outcome: Nontuition educational spending						
Estimates	-0.005	-0.003					
	(0.021)	(0.020)					
Dep. mean	6.745	6.745					
N	20397	22826					

## End

Thank you!

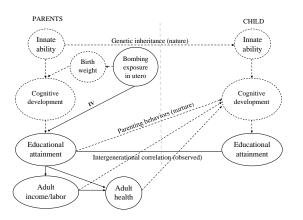
## Descriptive statistics

Characteristics	Child			Father			Mother		
	Mean	Min	Max	Mean	Min	Max	Mean	Min	Max
Age	15.3	7.0	34.0	42.1	32.0	50.0	41.4	32.0	56.0
Years of schooling	7.4	0.0	12.0	7.2	0.0	12.0	6.8	0.0	12.0
Complete primary	8.0	0.0	1.0	8.0	0.0	1.0	0.7	0.0	1.0
Complete lower sec.	0.4	0.0	1.0	0.5	0.0	1.0	0.4	0.0	1.0
Complete upper sec.	0.2	0.0	1.0	0.2	0.0	1.0	0.2	0.0	1.0
Obs		12592			10488			11289	

▶ Data section

## Excludability

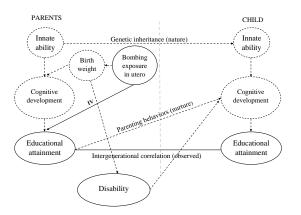
Parental exposure only affects child's education through parental education (even through another mechanism, e.g. income, labor decision).





## Excludability

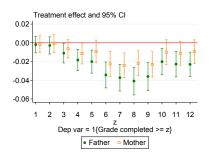
Violation if parental exposure also affects child's education through a separate channel.



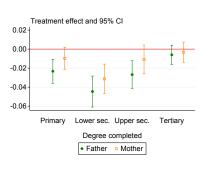


## Effects on grades and degrees completed

### Largest impacts on lower secondary completion



Highest grade



Highest degree

