POSTSCHOOL EDUCATION AND TRAINING: ACCESSIBLE TO ALL?

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This article examines knowledge and skill development during early adulthood when the individual has severed ties with formal education and entered the world of work. Focusing on a cohort of young men from the National Longitudinal Surveys, the paper examines the economic and social forces influencing participation in various forms of postschool education and training. A recursive model is used to explore skill development patterns over the lifecycle. Attention is focused on the role of early human capital development and its influence on the cost and incentives for subsequent skill development in the adult working years. The findings point to the cumulative nature of skill development over the lifecycle with some important implications for efforts to reduce economic and social inequalities for blacks and whites.

Knowledge and skill development is a lifelong process that takes place in a variety of forms and institutional settings. This development typically begins in the home during early childhood and continues within the formal education system through early adulthood. Beyond, the process continues for many adults in other institutional settings such as private industry, government, armed forces, proprietary schools, community organizations, and trade unions. Data from the Survey of Participation in Adult Education suggests that some 40 million people participated in postschool occupational training in the United States in 1978 at an estimated total annual expenditure of $27 million—an amount equal to nearly 8% of U.S. gross domestic investment in that year and about 19% of all public and private school expenditure.

Researchers in studying skill development have focused on the formal education system, with less attention given to this development process.
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beyond formal education. The many diverse institutions involved in knowledge and skill development beyond formal education have naturally contributed to a diffusion of interests in this process. Collectively, however, the potential effect of these institutions and this process on individuals and society is no less important than that of formal education in the allocation of economic and social opportunities.

In previous work we have examined how participation in postschool occupational training affects economic well-being. Our findings of significant gross returns to several forms of postschool occupational training have been consistent with previous research in this area. This article takes the question one step further and examines the issue of individual access to institutions of postschool training, exploring the economic and social forces influencing skill development during early adulthood. The motivation behind questions of access to postschool occupational training is clear. In 1984, 83% of whites 18 to 24 years of age were high school graduates and 28% of whites in this age group were enrolled in college. In contrast, the same year, 74.7% of blacks and 60.1% of Hispanics 18 to 24 years of age were high school graduates and 20.4% and 7.9%, respectively, were enrolled in college. Blacks received 6.5% of all bachelors degrees, 5.8% of all masters degrees, 3.9% of all Ph.D.s, and 4.1% of all professional degrees awarded in 1981, while comprising 12% of the U.S. population. According to the High School and Beyond sample of 1980 high school seniors, 40% of the blacks in the sample had never attended any postsecondary education or training institution as of 1982, in comparison to 34% of whites.

This article is concerned with why some individuals participate in postschool training opportunities while others do not. The inquiry is focused on the option value of early schooling and its relation to subsequent patterns of skill development. Stated briefly, does the amount of early schooling influence individual access to skill development beyond formal education and are those who fail to acquire skills through formal schooling discouraged from pursuing skill development opportunities as adults?

The responses to these questions are important to a broad range of education and labor market policies. Of particular interest today is the role and effectiveness of the private sector in occupational training inasmuch as programs historically sponsored by the federal government are being moved toward increased private-sector involvement on the basis of budgetary and philosophical considerations. This changing orientation has been clearly demonstrated in the legislative move from CETA (Com-