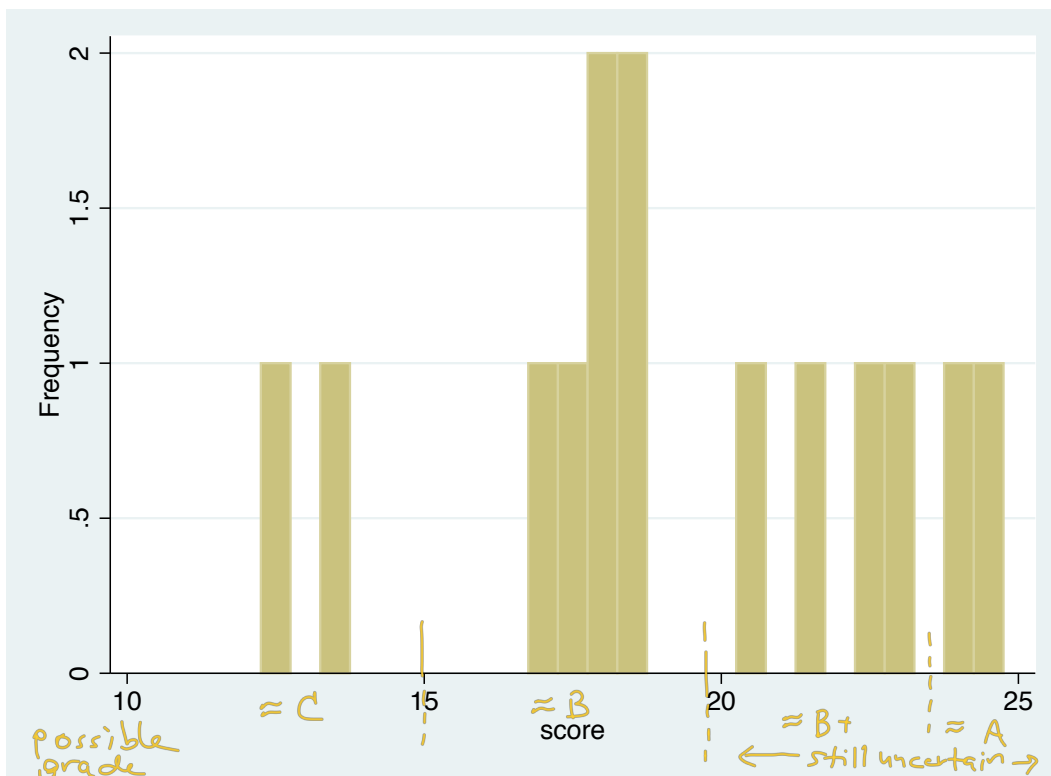


Midterm score EE461 2/2018

NO.	Student I.D.	30%
1	5704641538	21.5
2	5904640322	20.5
3	5904640546	22.5
4	5904640595	24.5
5	5904640876	23
6	5904641213	17.5
7	5904641874	18
8	6004641228	18.5
9	6104930257	12.5
10	6104930265	18.5
11	6104930307	13.5
12	6104930315	17
13	6104930398	24
14	6127831516	18



Mean = 19.25
S.D. = 3.64

However, total score of C should be above 60/100
Say midterm 12.5/30 + class activities 24/30 + final exam 25/40 = 61.5

3. What do you observe from the table and figure below? Is there any linkage of poverty, education, and returns to investment in education? What could be policy implication, especially for the low-income countries? Please explain.
(10 points)

Table 1 Poverty incidence of highest educational attainment of the household head

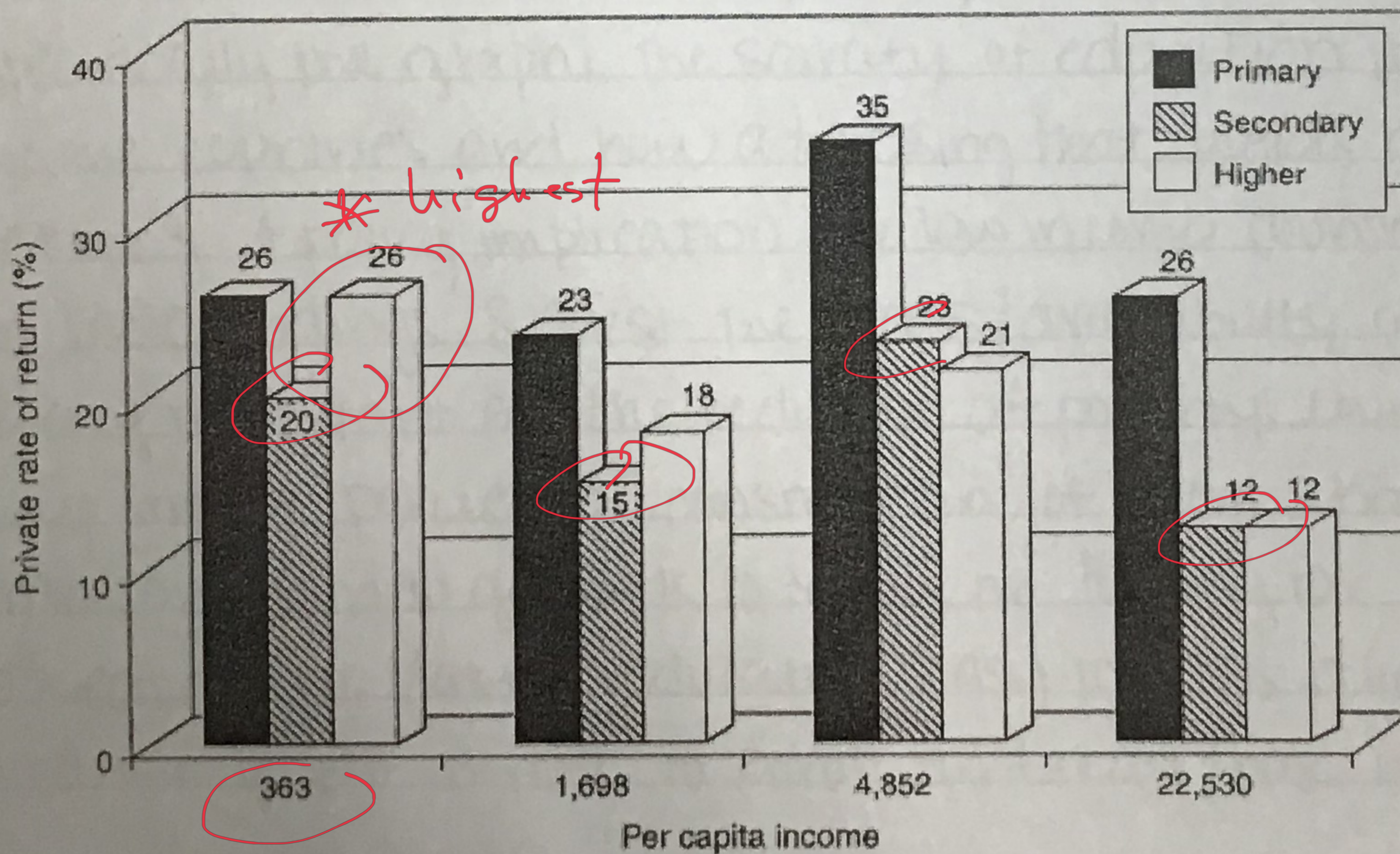
HH Head Educational Attainment	Poverty Incidence		
	2003	2006	2009
All individuals	20.0	26.4	26.5
No Grade Completed	44.4	56.1	62.4
Elementary Undergraduate	36.8	44.6	46.6
Elementary Graduate	25.4	36.0	34.1
High School Undergraduate	20.7	28.3	30.3
High Graduate	11.1	16.5	16.6
College Undergraduate	4.5	6.9	7.5
At least College Graduate	1.0	1.2	1.7
Post Graduate	0.8	0.0	0.0

in 2009 62.4% of those w/ no edu were in poverty
as level of edu ↑ poverty incidence ↓ definitely linkage

Source: Reyes, C. M., A. D. Tabuga, R. D. Asis, M.B. Datu, (2012), Poverty and Agriculture in the Philippines: Trends in Income Poverty and Distribution (PIDS DP 2012-09)

Note: Poverty incidence is measured by poverty headcount ratio.

Figure 1 Private returns to investment in education by income level



highest
diminishing returns of education more pronounced with greater income
higher income comparable return to primary edu but lower return of secondary and higher

There is definitely a linkage between poverty and education and the returns on investment in education based on poverty. In this table, we see an obvious correlation with level of schooling and poverty incidence. In all three years we see that each level of education added decreases incidence of poverty. This tells us that those who complete a higher level of education have a lower chance of being poor. More explicitly, the number of ^{households} ~~people~~ whose are in poverty is greater when the head of the household has no education compared to when they have lots. The graph shows the returns of educational levels ^{between differing per} ~~with increasing per capita~~ capita incomes. The bar graph shows, not exclusively but loosely, the diminishing returns on education, especially as a country becomes wealthier. Across the graph there are high and comparable returns to primary school education. But, "the return of higher education is less than primary (typically) but greater in low income countries versus high income countries." Both of these show the value of education on poverty reduction. It also shows, specifically the graph, the scarcity of education in low income countries and how addressing that yields greater returns. A policy implication for low income countries based on these findings suggest the access/availability of schools is very important for the reduction of poverty. Countries may involve policies of construction of more schools or transportation to get kids to school or funding for free/low cost education. Making education easy to access allows those who will benefit it most to enroll and reap those benefits.