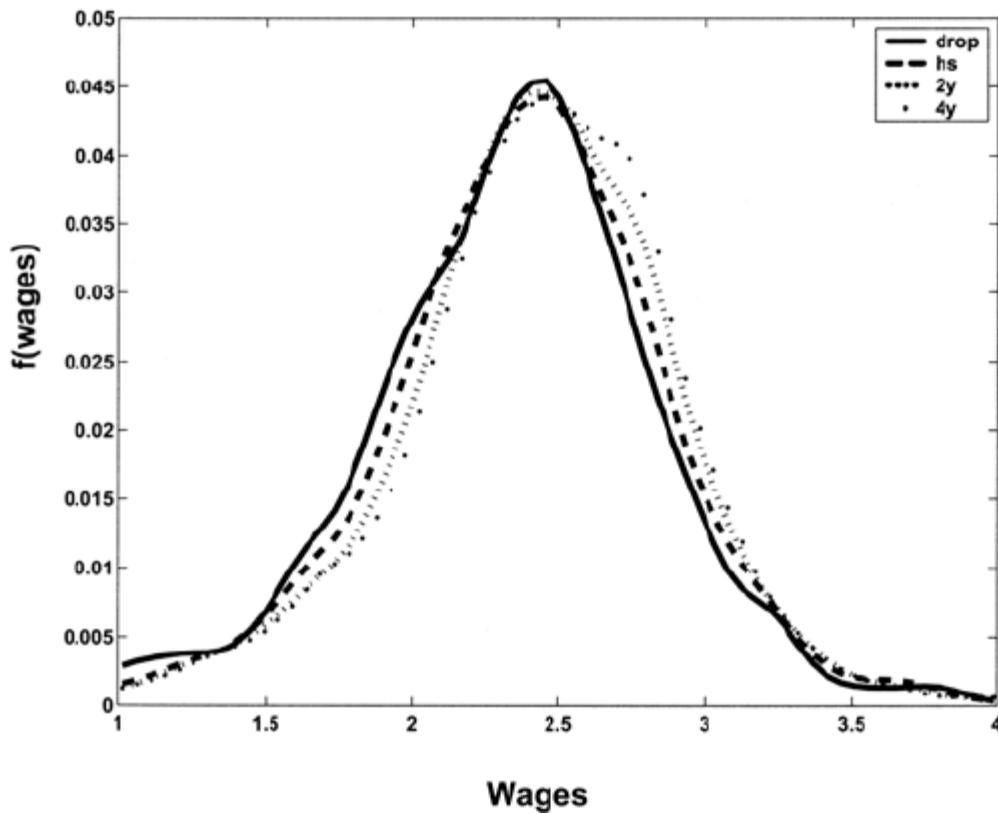


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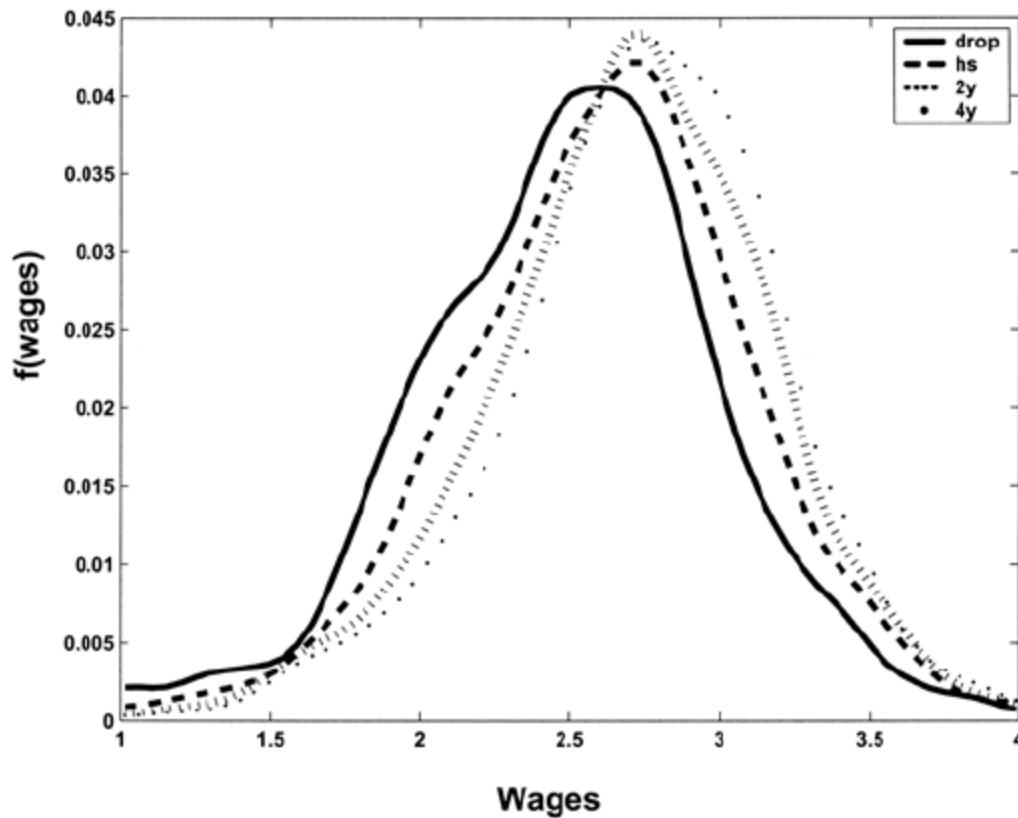
Removing the Veil of Ignorance in assessing the distributional impacts of social policies

Pedro Carneiro, Karsten T. Hansen
and James J. Heckman*

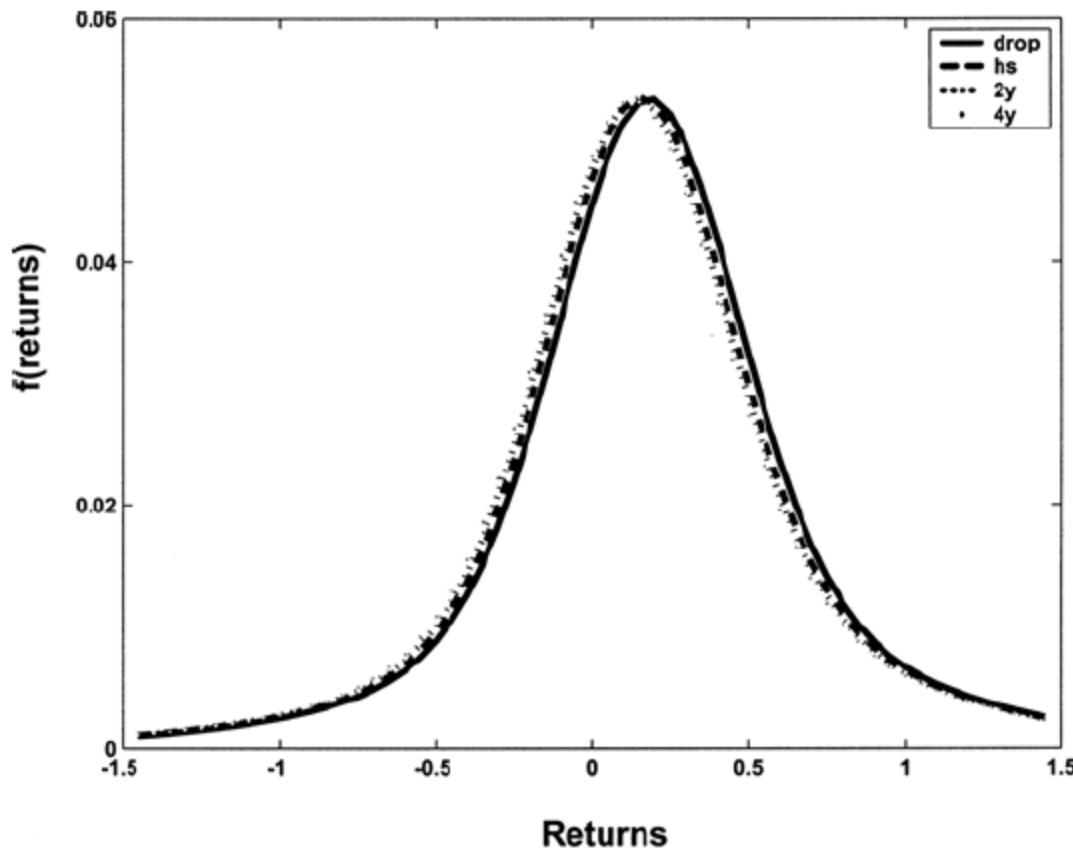
**Figure 1. Distributions of wages, high school graduates
(white males, age 29 from NLSY)**



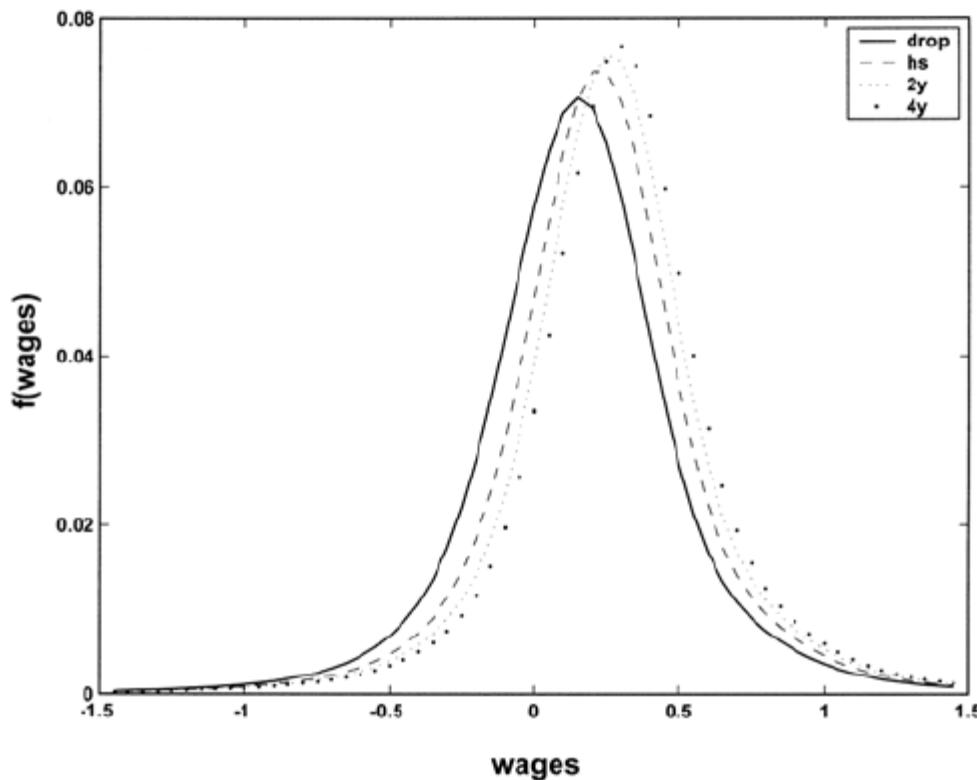
**Figure 2. Distributions of wages, college
(white males, age 29 from NLSY)**



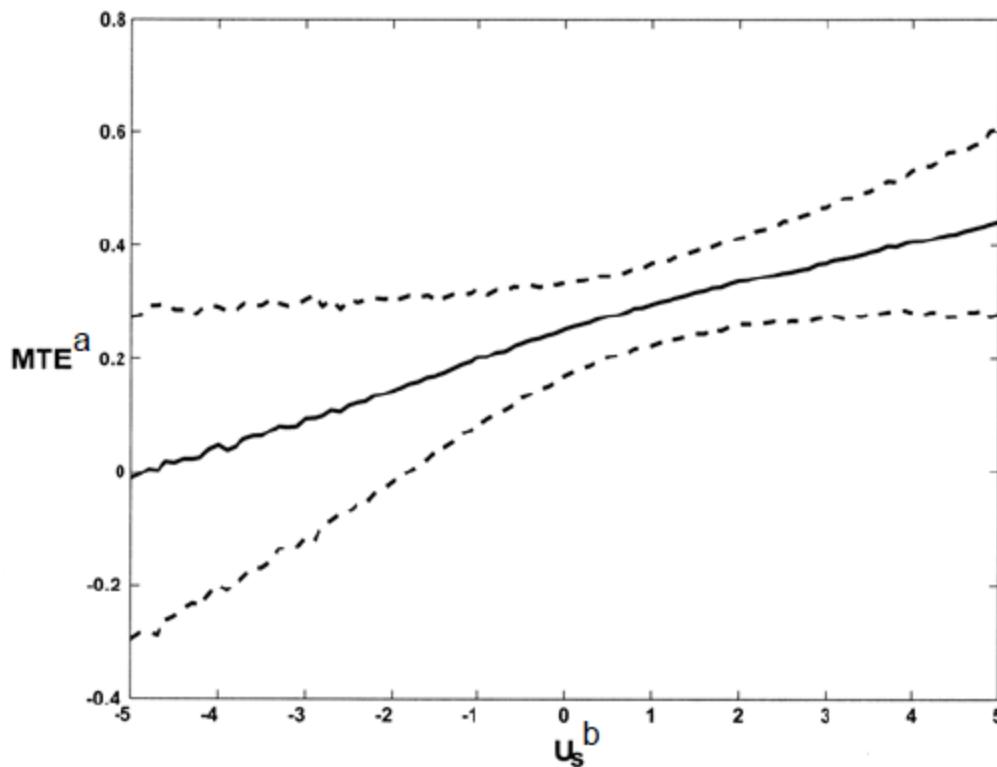
**Figure 3. Distributions of returns to high school
(white males, age 29 from NLSY)**



**Figure 4. Distributions of returns to college vs. high school
(white males, age 29 from NLSY)**

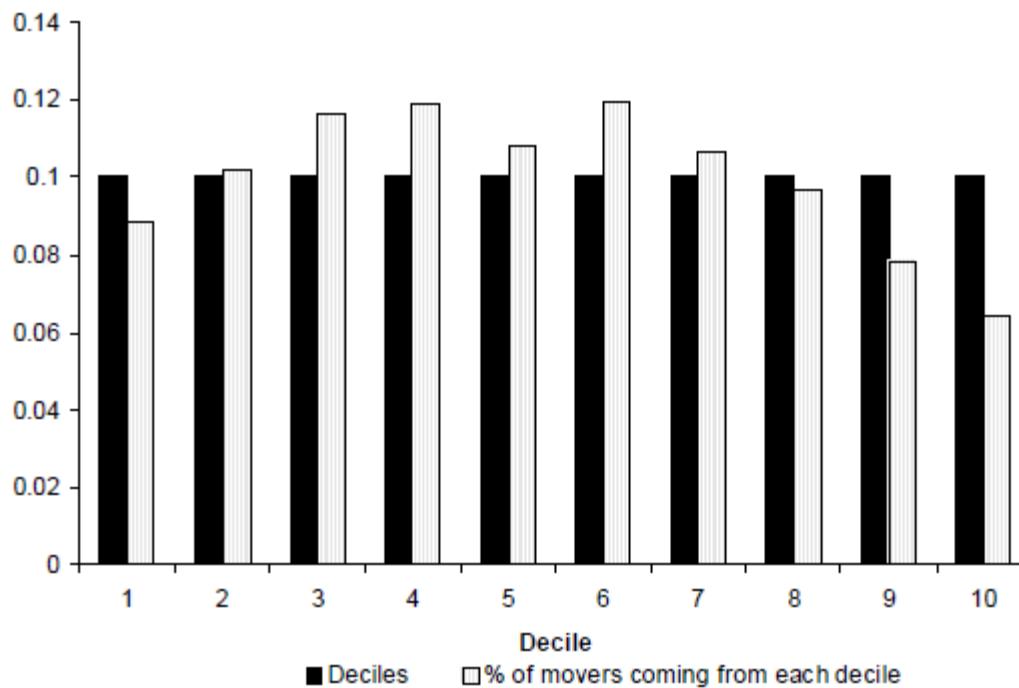


**Figure 5. Marginal treatment effect, high school—college
(NLSY, white males)**



Notes: ^a Average return to persons at margin of attending school given characteristics u_s . ^b Variables related to schooling (higher u_s leads to a higher probability of attending college).

Figure 6. People affected by full subsidy to community college tuition by decile of initial overall wage distribution



**Figure 7. People affected by making distance to 4y college = 0
by decile of wage distribution**

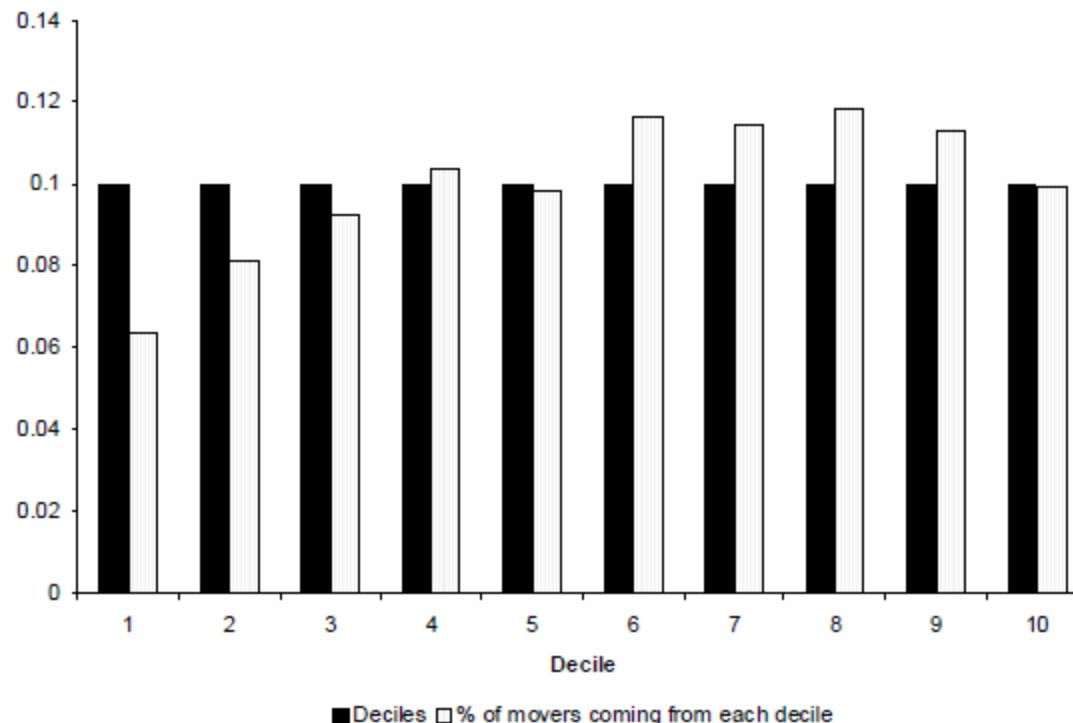


Table 1. Average logwages and returns for average and marginal person

	Full tuition subsidy (junior college)	Distance to 4y college = 0 (4y college)
Avg. log wage	2.4769	2.7258
std. error	0.0335	0.0245
95 % interval	(2.4107, 2.5447)	(2.6757, 2.7768)
Avg. log wage at margin	2.3898	2.4575
std. error	0.0253	0.0360
95% interval	(2.3400, 2.4419)	(2.3881, 2.5367)
	(junior college —high school)	(4y college— junior college)
Avg. return	0.0871	0.2722
std. error	0.0399	0.0386
95% interval	(0.0083, 0.1648)	(0.1934, 0.3505)
Avg. return at margin	0.0890	0.2471
std. error	0.0383	0.0500
95 interval	(0.0088, 0.1808)	(0.1587, 0.3632)

Table 2. Mobility of people affected by full tuition subsidy
Fraction of total population affected by policy: 0.038

Deciles of origin	Fraction by decile of origin	Transition probabilities between deciles of pre-policy wage distribution and post-policy wage distribution (p_{ij}^a)									
		1	2	3	4	5	6	7	8	9	10
1	.088	.518	.209	.105	.058	.031	.028	.023	.010	.014	.003
2	.102	.142	.249	.210	.147	.090	.066	.043	.027	.014	.012
3	.117	.049	.137	.206	.190	.140	.124	.069	.040	.025	.020
4	.119	.024	.063	.135	.180	.168	.164	.126	.073	.042	.026
5	.108	.018	.037	.071	.123	.158	.192	.162	.132	.070	.036
6	.120	.009	.022	.047	.080	.121	.181	.193	.176	.114	.056
7	.106	.008	.013	.029	.048	.074	.138	.186	.214	.189	.101
8	.097	.007	.011	.020	.028	.050	.085	.148	.212	.261	.178
9	.079	.002	.009	.009	.017	.030	.060	.096	.163	.285	.326
10	.064	.002	.011	.014	.021	.024	.044	.062	.098	.178	.547

Note: ^a p_{ij} is the probability of being in decile j of the post-policy wage distribution conditional on being in decile i of the pre-policy wage distribution.

Deciles of origin	Average pre- policy log wage	Average gain of moving	Average gain of moving, by initial decile									
			1	2	3	4	5	6	7	8	9	10
1	1.385	.309	-.011	.362	.613	.750	.914	1.107	1.220	1.358	1.599	1.943
2	1.892	.223	-.341	.009	.211	.355	.491	.610	.738	.894	1.077	1.407
3	2.110	.176	-.604	-.195	.005	.157	.290	.405	.536	.691	.869	1.233
4	2.270	.147	-.824	-.347	-.149	.006	.132	.253	.386	.521	.697	1.064
5	2.401	.122	-.911	-.492	-.278	-.125	.001	.126	.255	.392	.571	.955
6	2.528	.093	-1.058	-.631	-.402	-.247	-.120	.005	.134	.271	.438	.816
7	2.659	.070	-1.108	-.766	-.536	-.369	-.244	-.121	.006	.145	.311	.656
8	2.802	.027	-1.284	-.891	-.699	-.510	-.384	-.270	-.134	.006	.183	.489
9	2.981	-.017	-1.563	-.101	-.870	-.713	-.570	-.436	-.310	-.162	.014	.346
10	3.366	-.236	-1.876	-1.498	-1.371	-1.089	-1.016	-.869	-.762	-.510	-.315	.074

Table 3. Mobility of people affected by changing distance to 4 year college to 0
Fraction of total population affected by policy: 0.013

Deciles of origin	Fraction by decile of origin	Transition probabilities between deciles of pre-policy wage distribution and post-policy wage distribution (p_{ij}^a)									
		1	2	3	4	5	6	7	8	9	10
1	.063	.366	.231	.133	.095	.059	.053	.023	.020	.010	.011
2	.081	.066	.145	.218	.180	.150	.105	.065	.036	.020	.015
3	.092	.029	.066	.128	.155	.170	.177	.117	.086	.048	.024
4	.103	.013	.032	.061	.116	.134	.193	.192	.121	.102	.036
5	.098	.013	.022	.030	.073	.116	.179	.199	.185	.125	.059
6	.117	.009	.011	.022	.046	.082	.131	.187	.212	.200	.101
7	.114	.005	.009	.012	.030	.049	.089	.145	.239	.275	.147
8	.119	.002	.006	.014	.021	.024	.054	.107	.214	.308	.250
9	.113	.001	.005	.003	.012	.018	.040	.063	.133	.305	.419
10	.100	.003	.003	.004	.004	.018	.022	.047	.081	.184	.634

Note: ^a p_{ij} is the probability of being in decile j of the post-policy wage distribution conditional on being in decile i of the pre-policy wage distribution.

Deciles of origin	Average pre- policy log wage	Average gain of moving	Average gain of moving, by initial decile									
			1	2	3	4	5	6	7	8	9	10
1	1.405	.494	.153	.424	.581	.762	.888	1.032	1.124	1.247	1.326	1.799
2	1.889	.359	-.391	.027	.219	.379	.491	.633	.752	.901	1.077	1.464
3	2.111	.310	-.614	-.185	-.003	.170	.287	.412	.543	.683	.847	1.254
4	2.269	.289	-1.093	-.367	-.160	.008	.145	.261	.387	.524	.697	1.259
5	2.403	.232	-.993	-.502	-.267	-.126	.003	.127	.263	.395	.571	.918
6	2.530	.210	-1.115	-.633	-.414	-.250	-.123	.009	.139	.277	.445	.825
7	2.661	.166	-1.441	-.751	-.517	-.381	-.248	-.119	.002	.143	.326	.661
8	2.803	.121	-1.193	-.888	-.700	-.520	-.378	-.270	-.133	.009	.190	.505
9	2.985	.061	-1.695	-1.092	-.871	-.678	-.584	-.446	-.303	-.161	.014	.347
10	3.350	-.127	-2.267	-1.351	-1.108	-1.152	-1.023	-.733	-.676	-.513	-.316	.093