

# CHARACTERIZING MEASUREMENT ERROR IN EDUCATION USING PANEL DATA

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## **Abstract**

I use the Panel Study of Income Dynamics (PSID) and the National Longitudinal Surveys (NLSYs) to study measurement error in reported years of schooling. Respondents in the PSID are asked the highest grade that they have completed in every survey year. Because people typically finish their education by their mid to late twenties, their reported level of education when aged thirty or older is most probably the level of education they will have for the rest of their lives. Unlike many other individual characteristics, a person's education in adulthood does not vary with a person's age, health, or employment status. The redundancy of data in the PSID and NLSYs on an individual's level of lifetime education and the low number of respondents who pursue adult education presents a unique opportunity to study the nature of misreporting in years of schooling. I test whether misreporting is random or systematic and characterize how it varies by demographic characteristics, survey dates, survey method, and interviewer characteristics.

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