

The “Educated American” in the Age of Mass Migration: School Decentralization and Preference Heterogeneity *

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PRELIMINARY - COMMENTS WELCOME

Abstract

In the second half of the nineteenth century, the United States emerged as the world’s leader in school enrollment and literacy amidst unprecedented inflows of a diverse immigrant population. This is surprising because mass immigration dramatically increased the U.S. population’s heterogeneity, and theory predicts that the resulting increased preference heterogeneity should have reduced the provision of public goods like education. We argue that it was the United States’ uniquely federalist educational institutions that allowed small communities to form their own school districts, thus facilitating the simultaneous increase in population heterogeneity and schooling provision. We test this hypothesis using differences in school district centralization across states, and decadal data on county-level population heterogeneity, the number of schools and school districts, school enrollment, and literacy from 1840–1910.

Keywords: Fiscal Federalism, Population Heterogeneity, School Districts, School Enrollment, Educational Attainment

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