

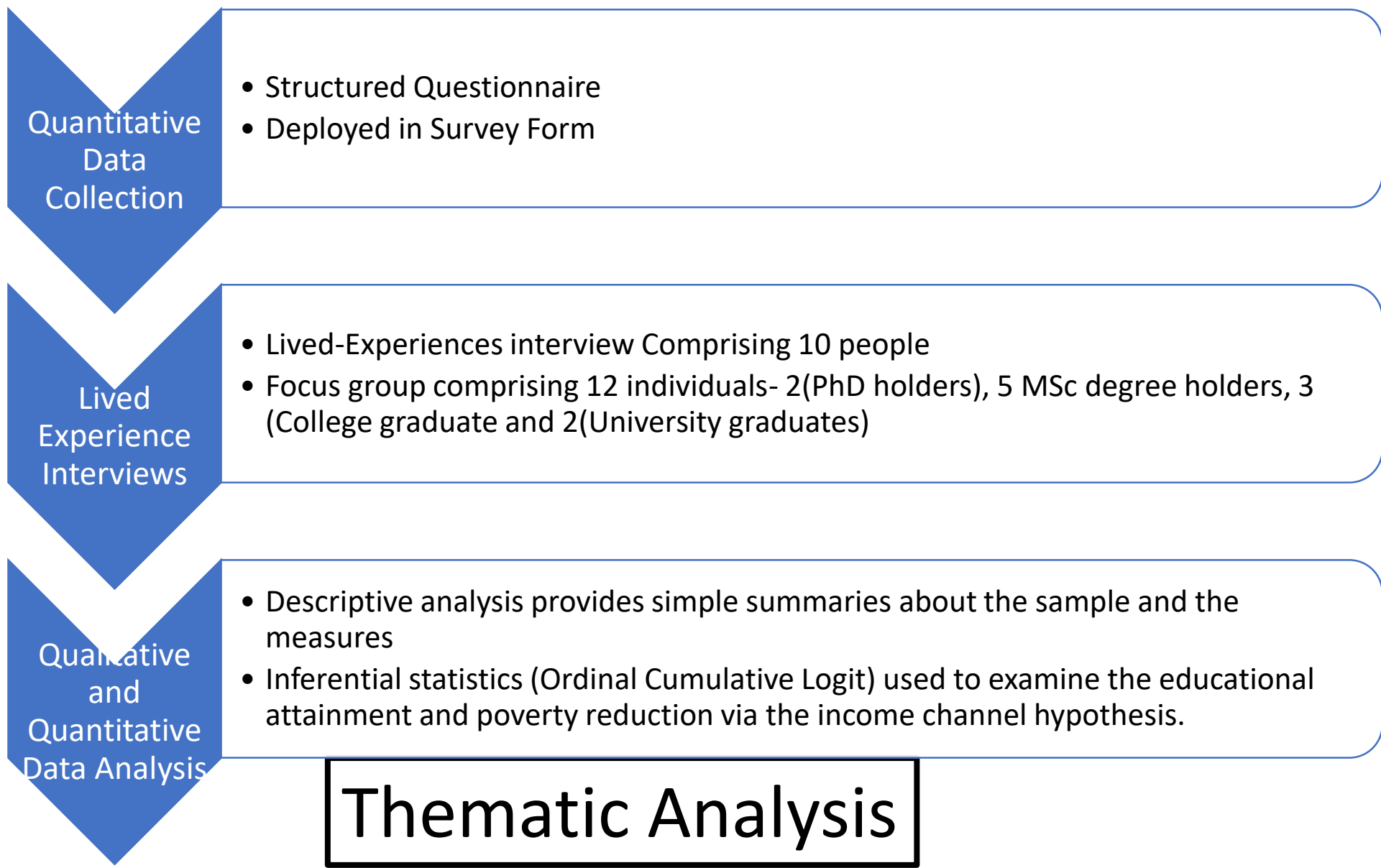
The Paradox of Educational Attainment and Income/Poverty: Has the Nexus Broken? Evidence from Scottish Africans.

African Day Celebration
28 May 2022

Presenter:

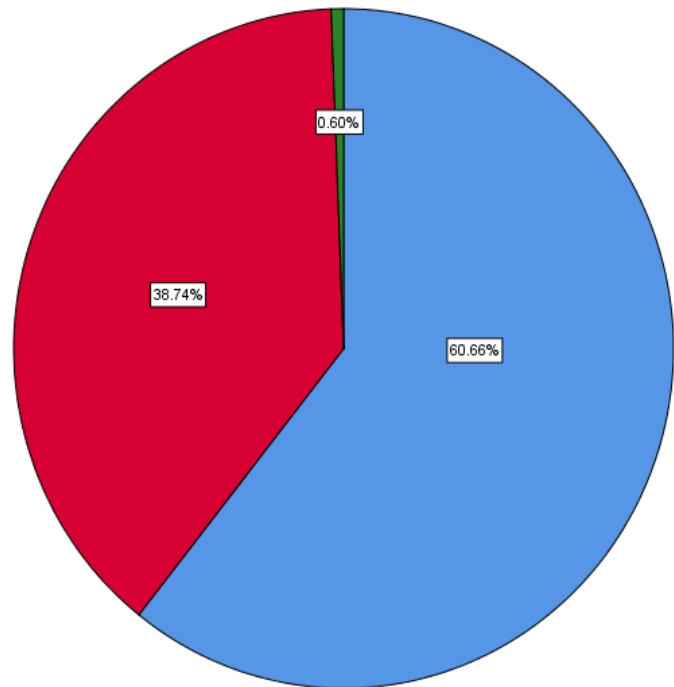
Mrs Chioma Nwafor PhD, MSc, PG Cert LTHE, FHEA BSc (Accountancy), FICAN, CCFA
Department Finance, Accountancy and Risk
Glasgow School for Business and Society

Research Methodology

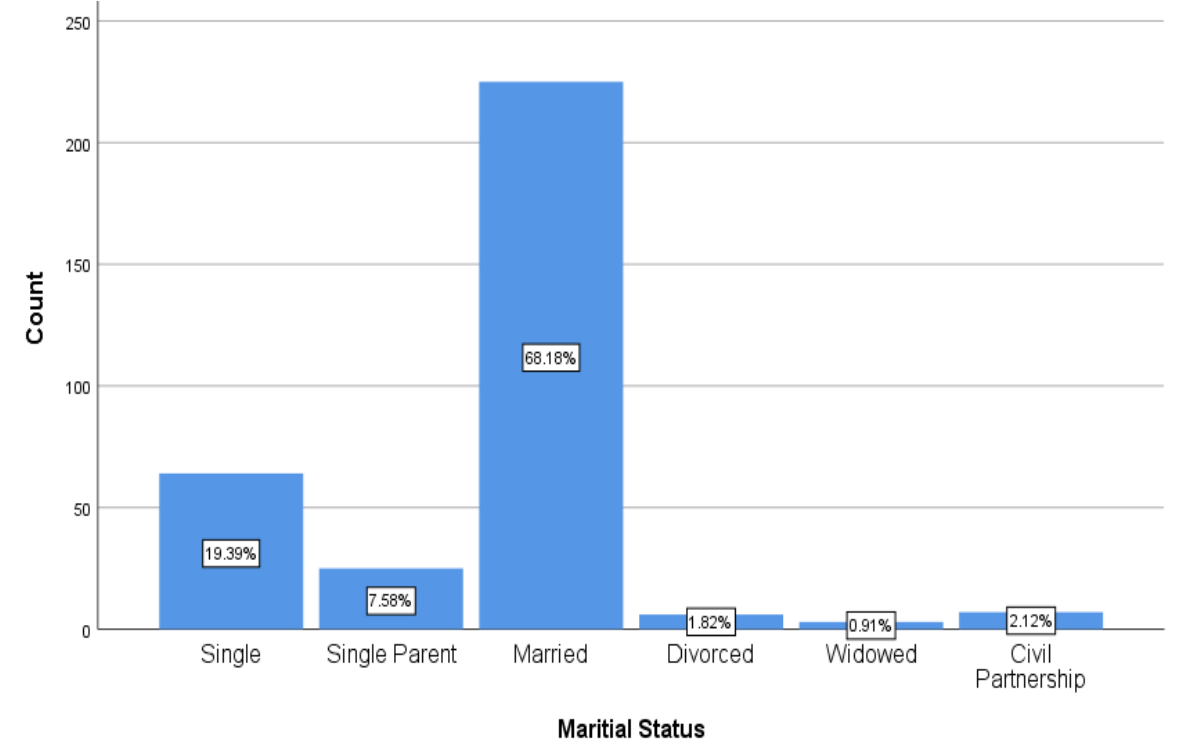
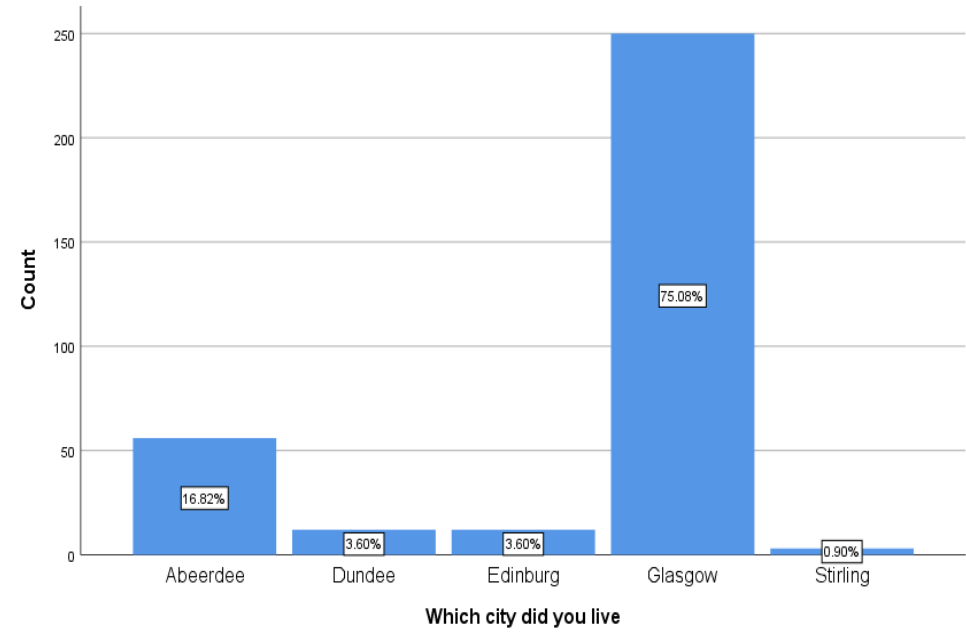


➤ We had a total of 333 respondents.

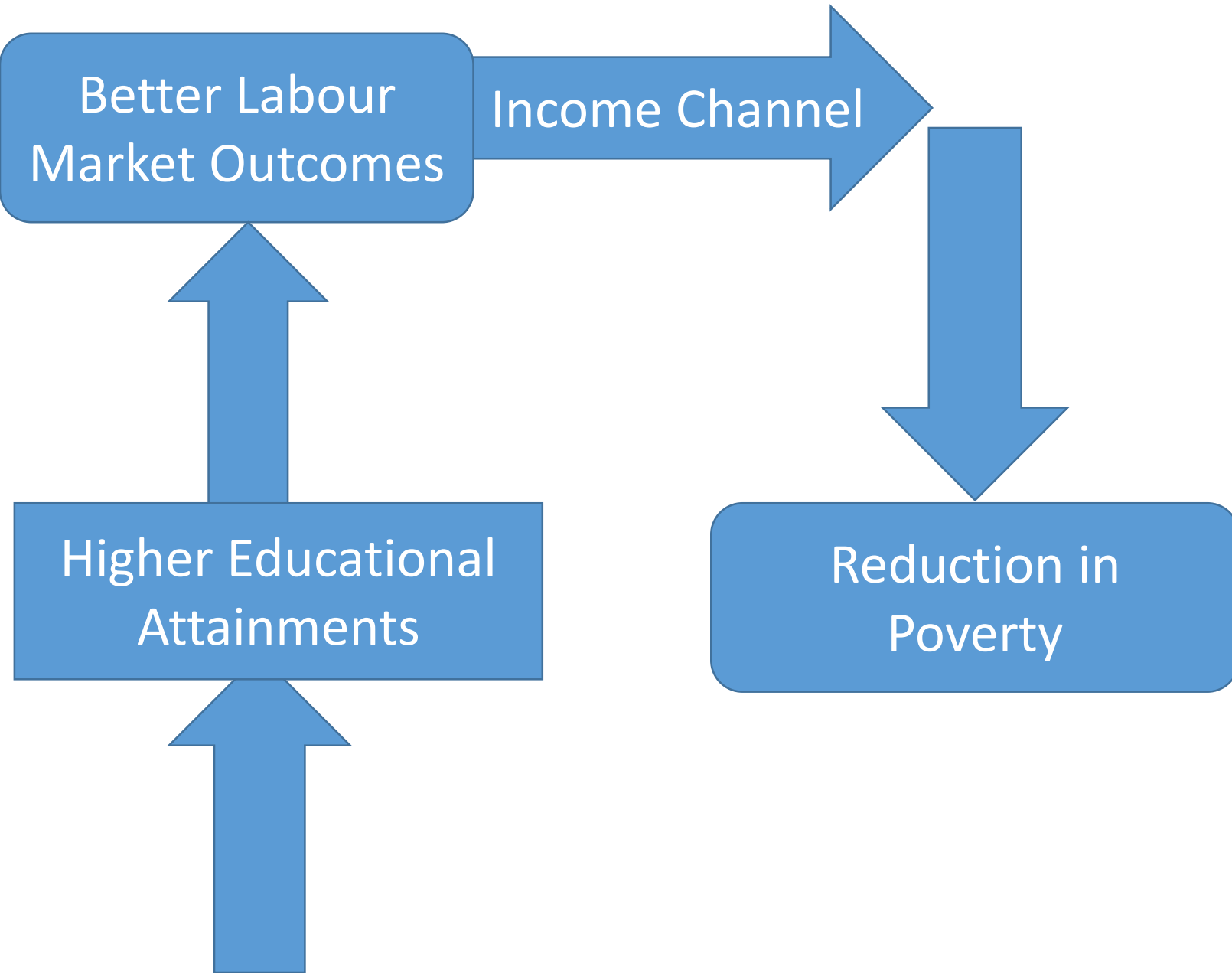
Respondent's Demographic Information.



Gender
Female
Male
Prefer not say



A Priori Expectation



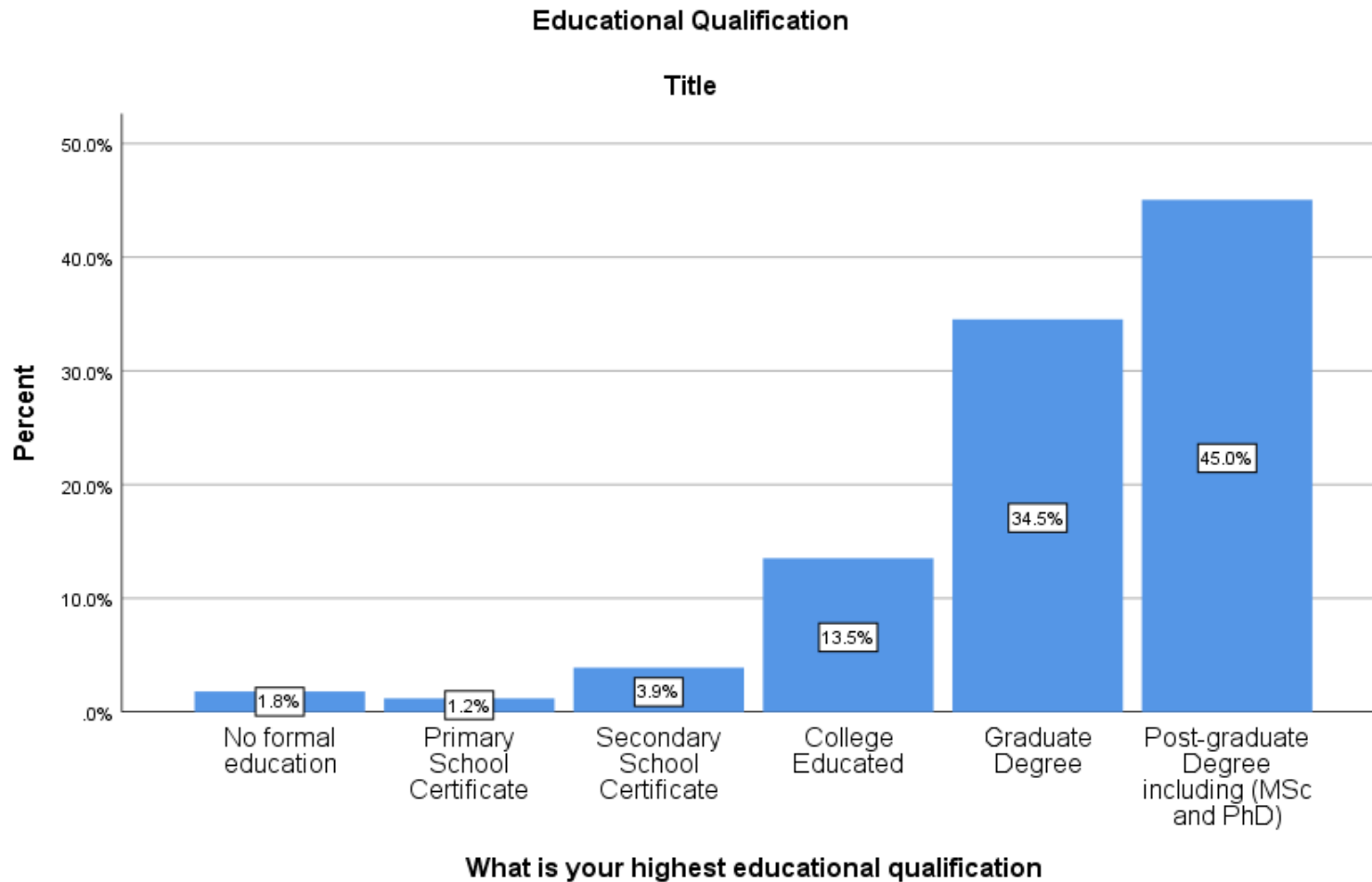
Four Pathways to Poverty.



Exploratory Data Analysis Descriptive Analysis.

Labour Market Imperfections

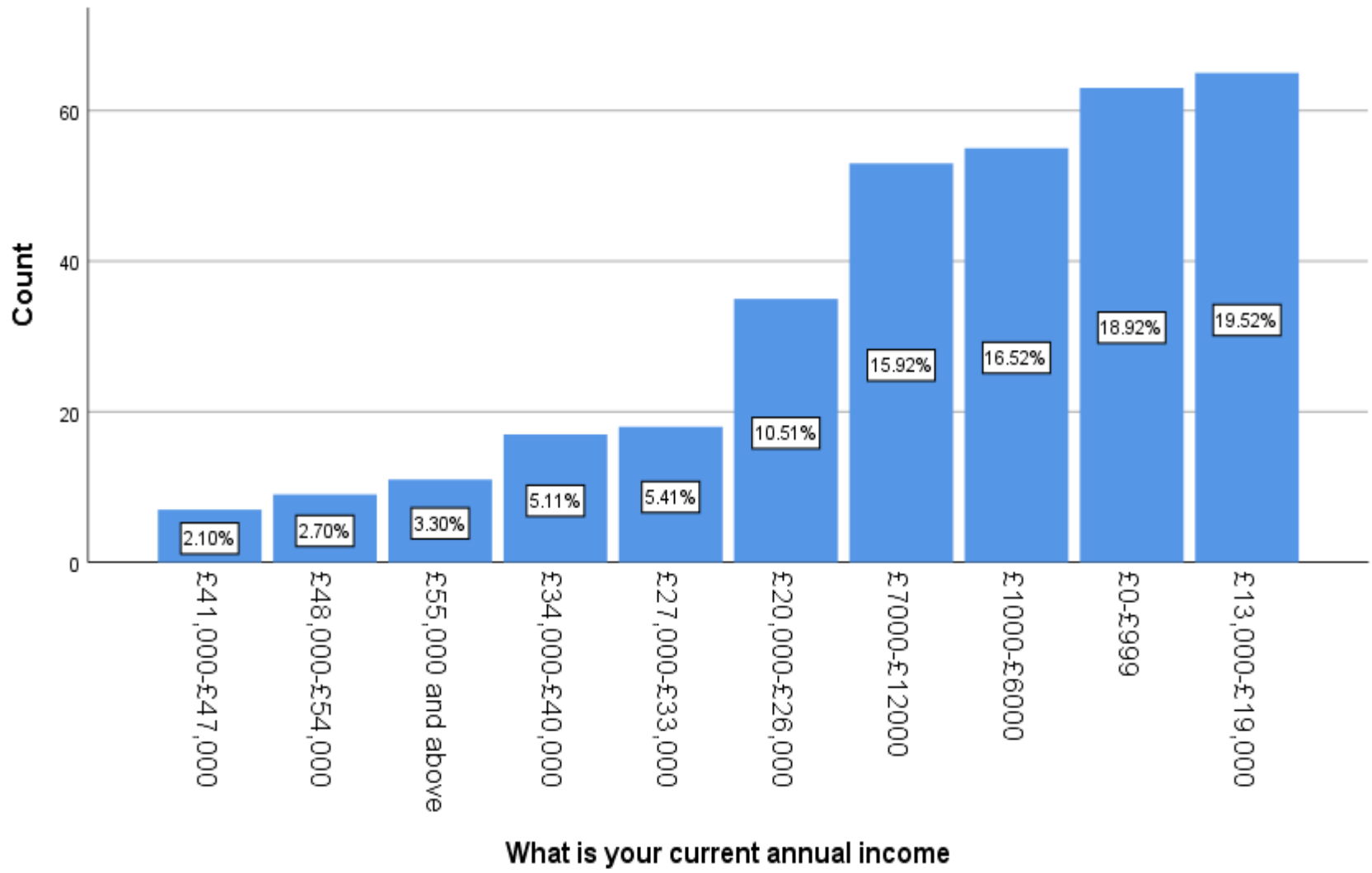
High Level of Education Attainments.



- 93% of the Respondents has either College, Graduate or Post-Graduate Degree.

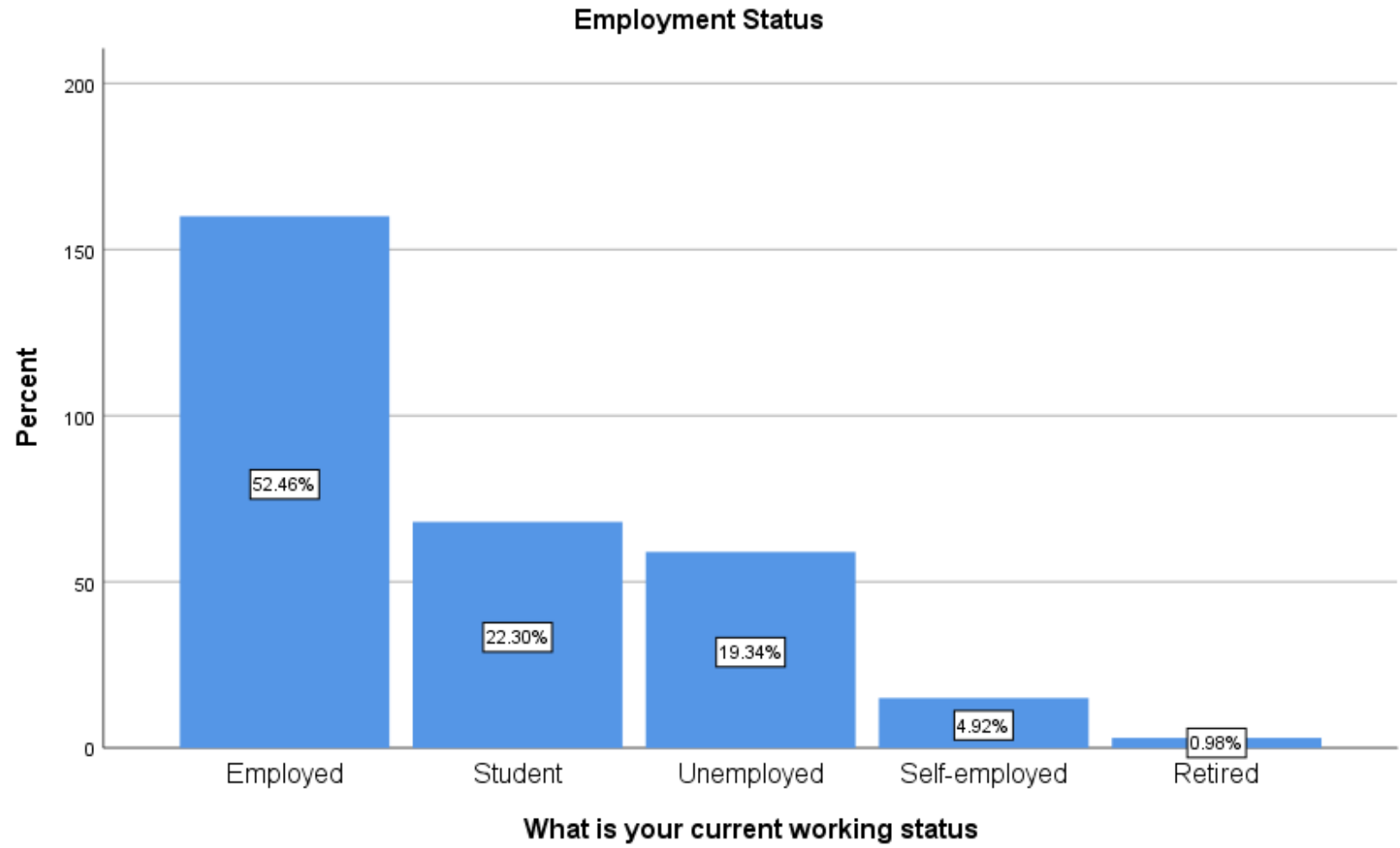
Labour Market Imperfections

High Level of Education Attainments Does not Translate to High Income.

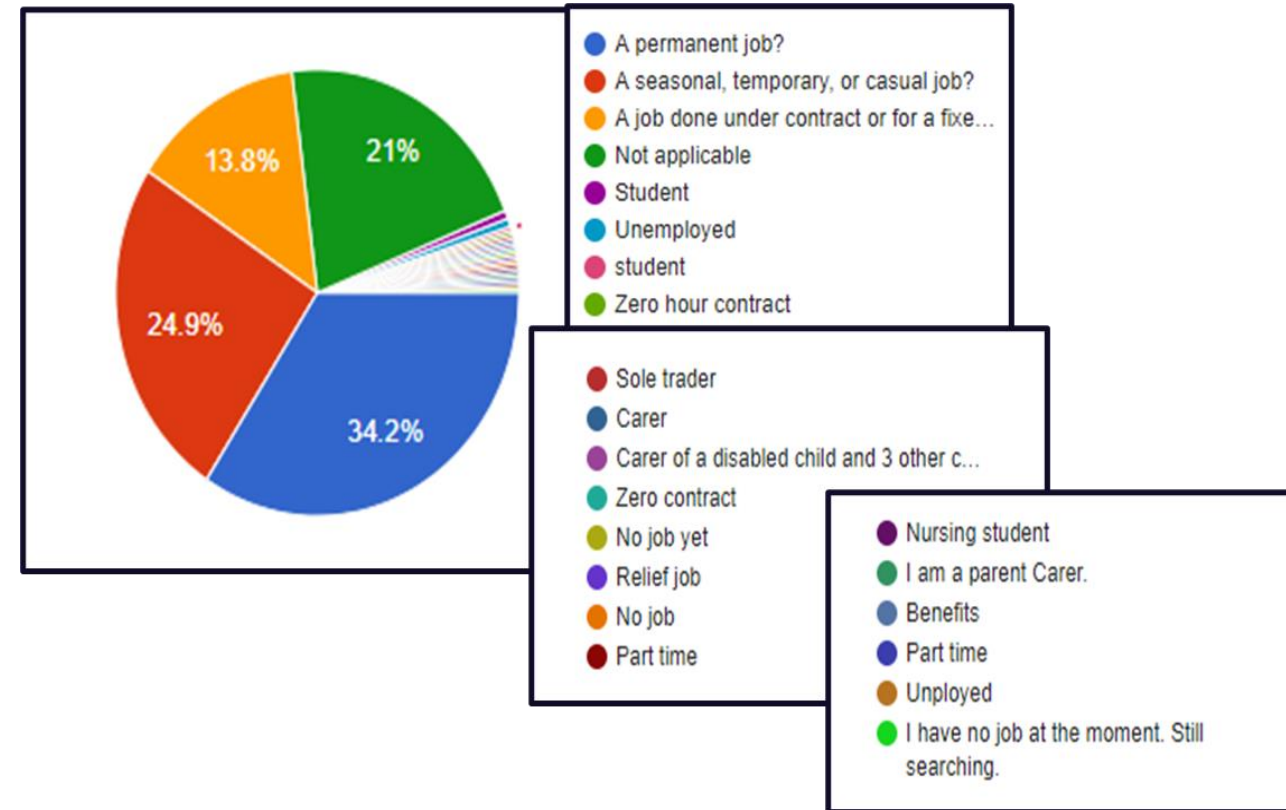
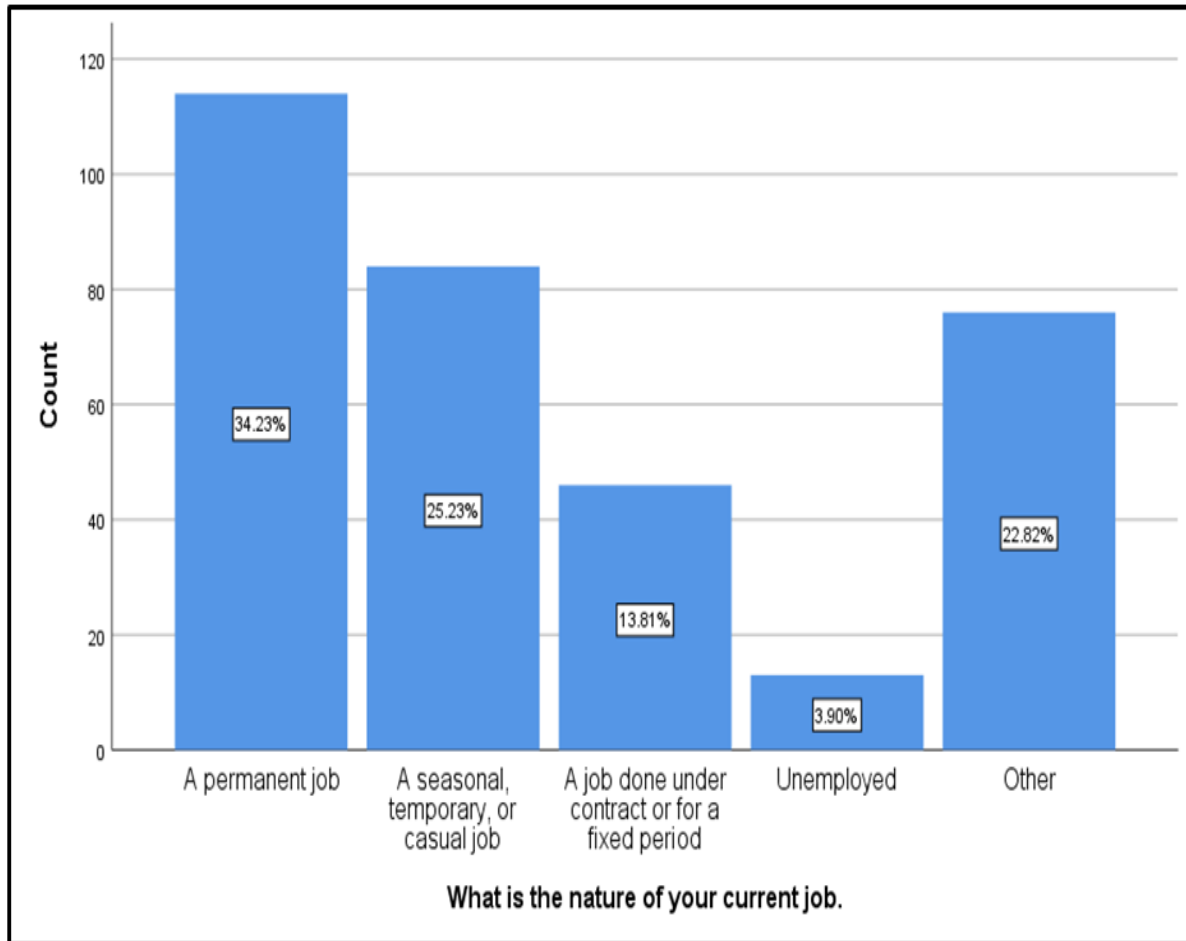


Labour Market Imperfections

Educational Attainment Does not Translate to Quality Employment.



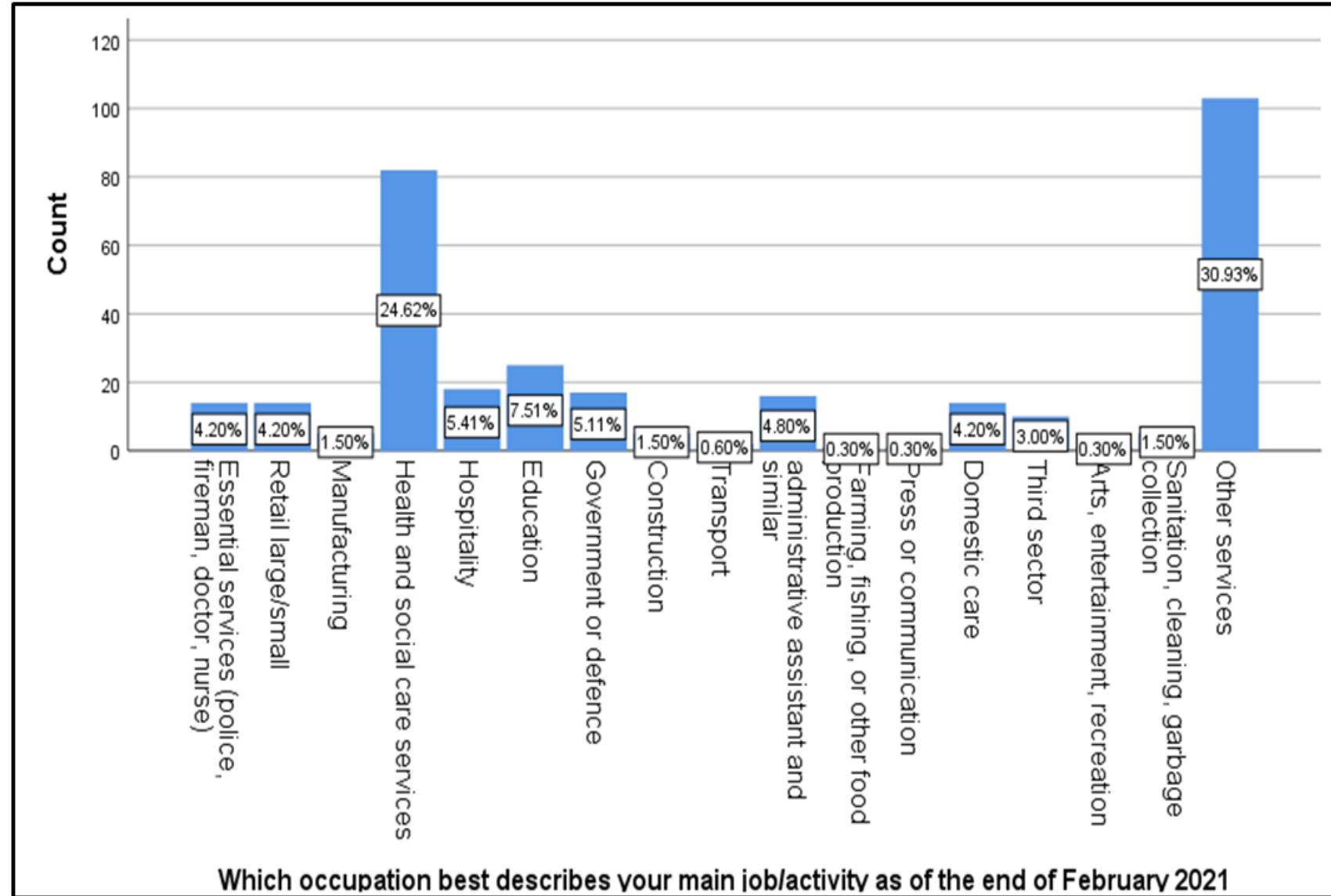
Type of Employment Contract.



Labour Market Imperfections

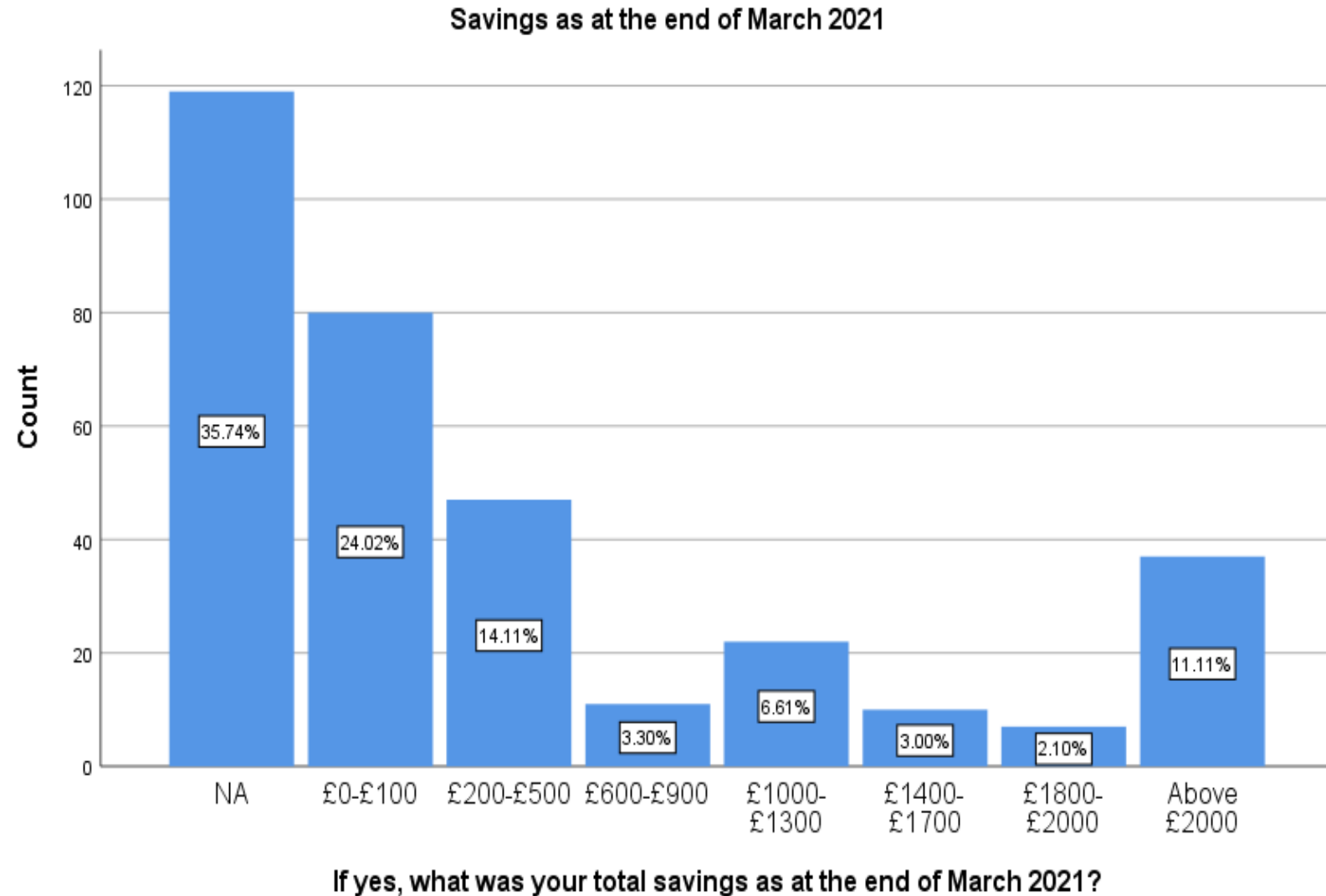
Employment Sector.

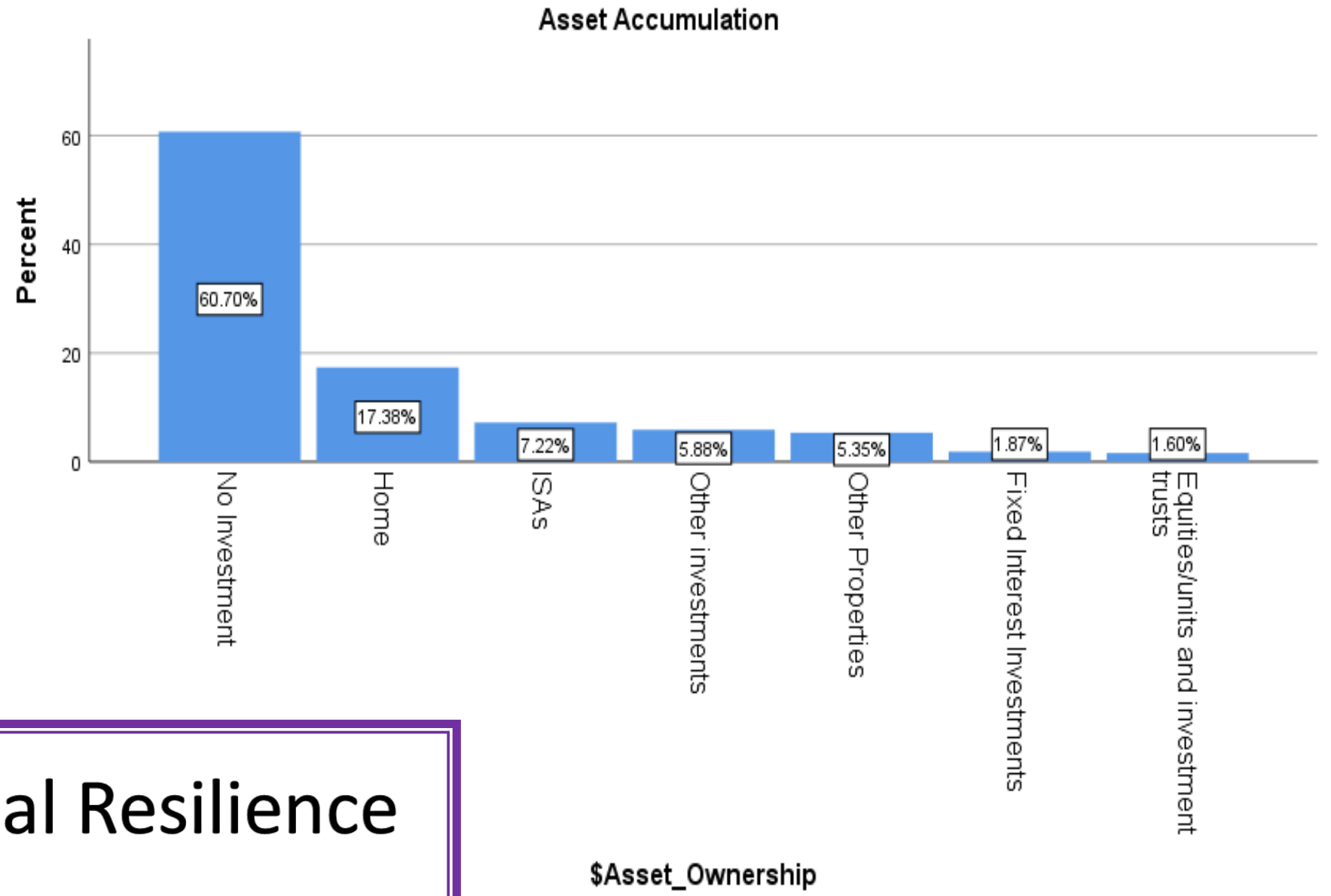
Labour Market Imperfections



Weak Financial Resilience.

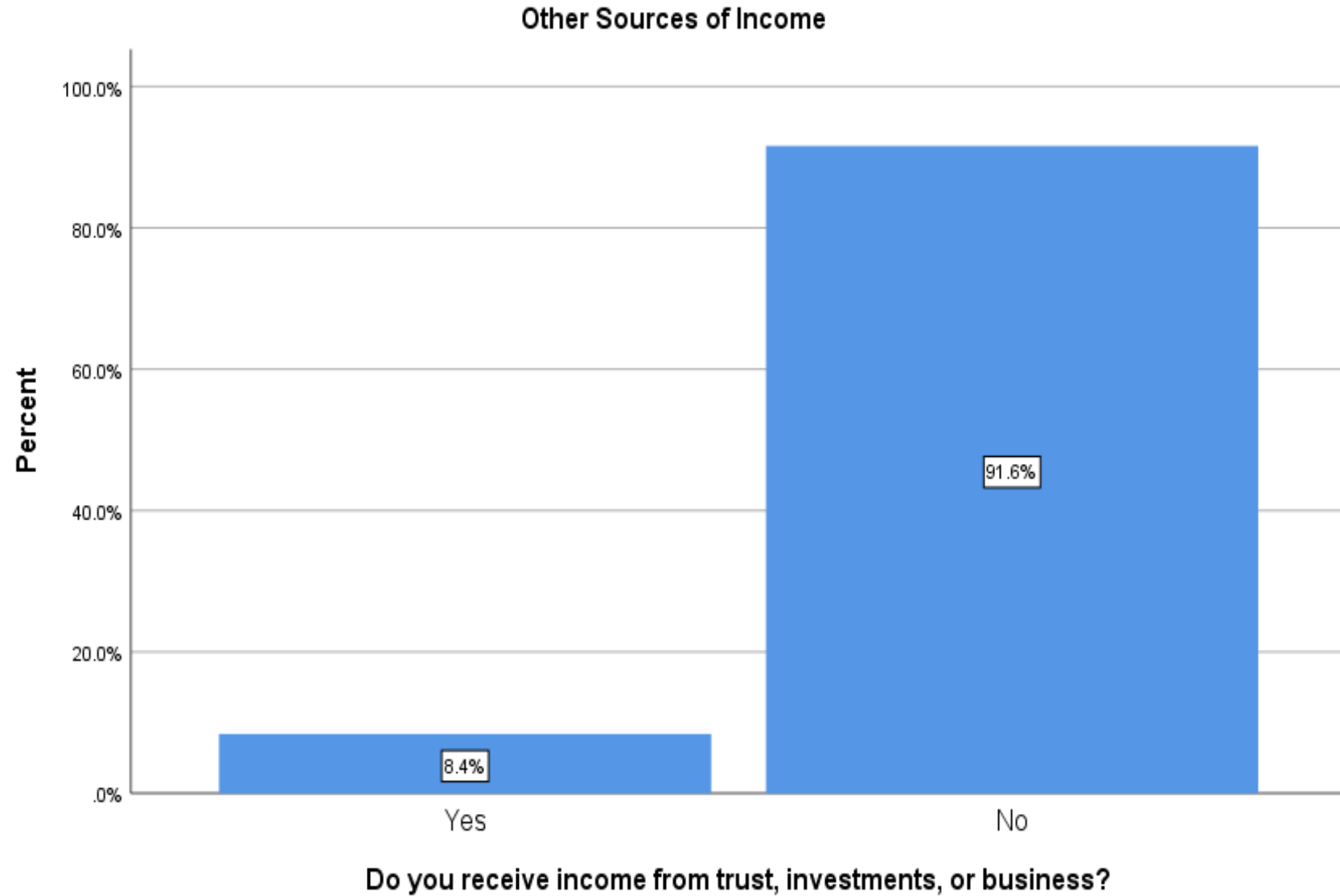
Very Low Savings Rate.





Weak Financial Resilience

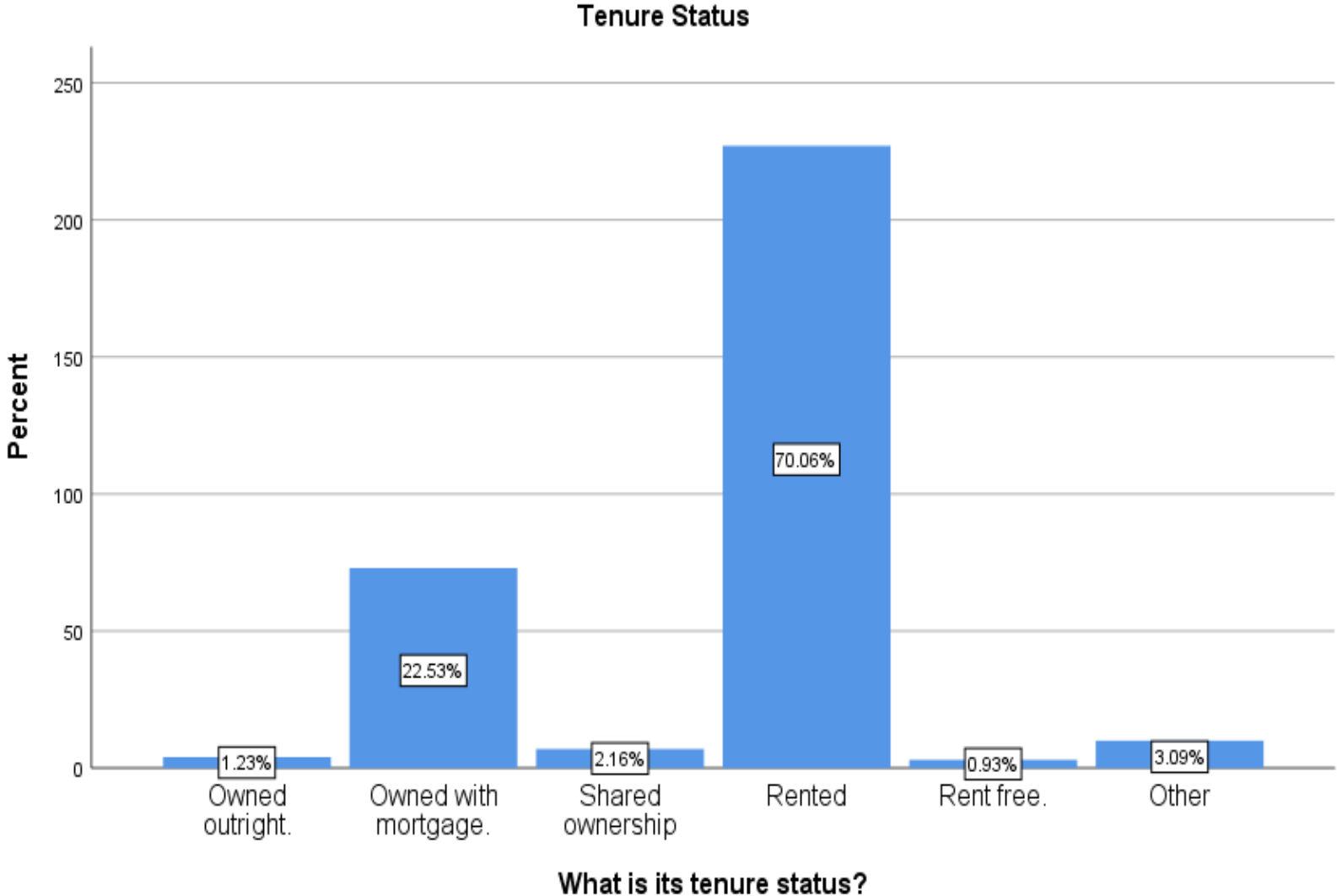
Mono-Income source makes it difficult to weather a negative income shock.



Weak Financial Resilience.

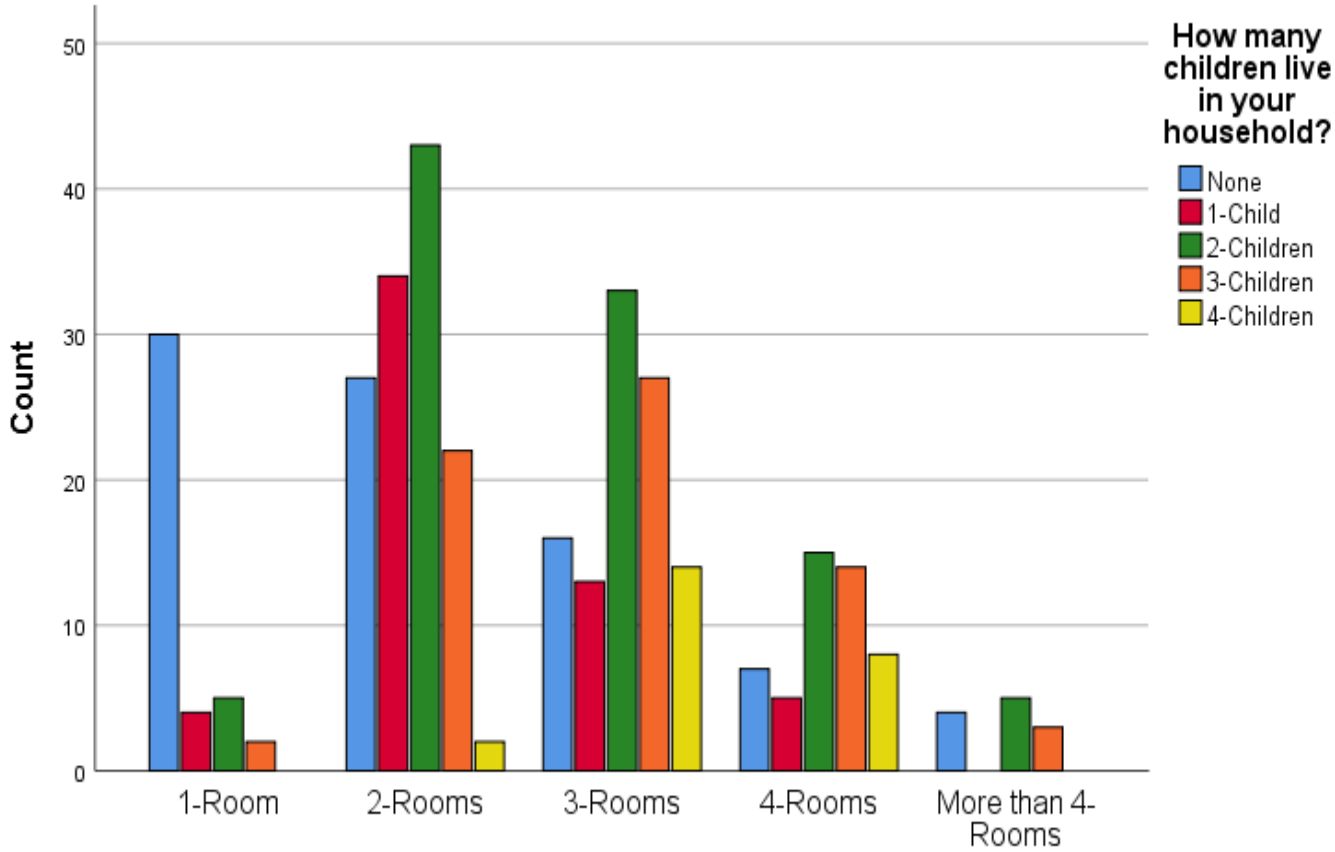
Tenure Status at the End of March 2021

Housing
Costs-
Induced
Poverty



Overcrowding

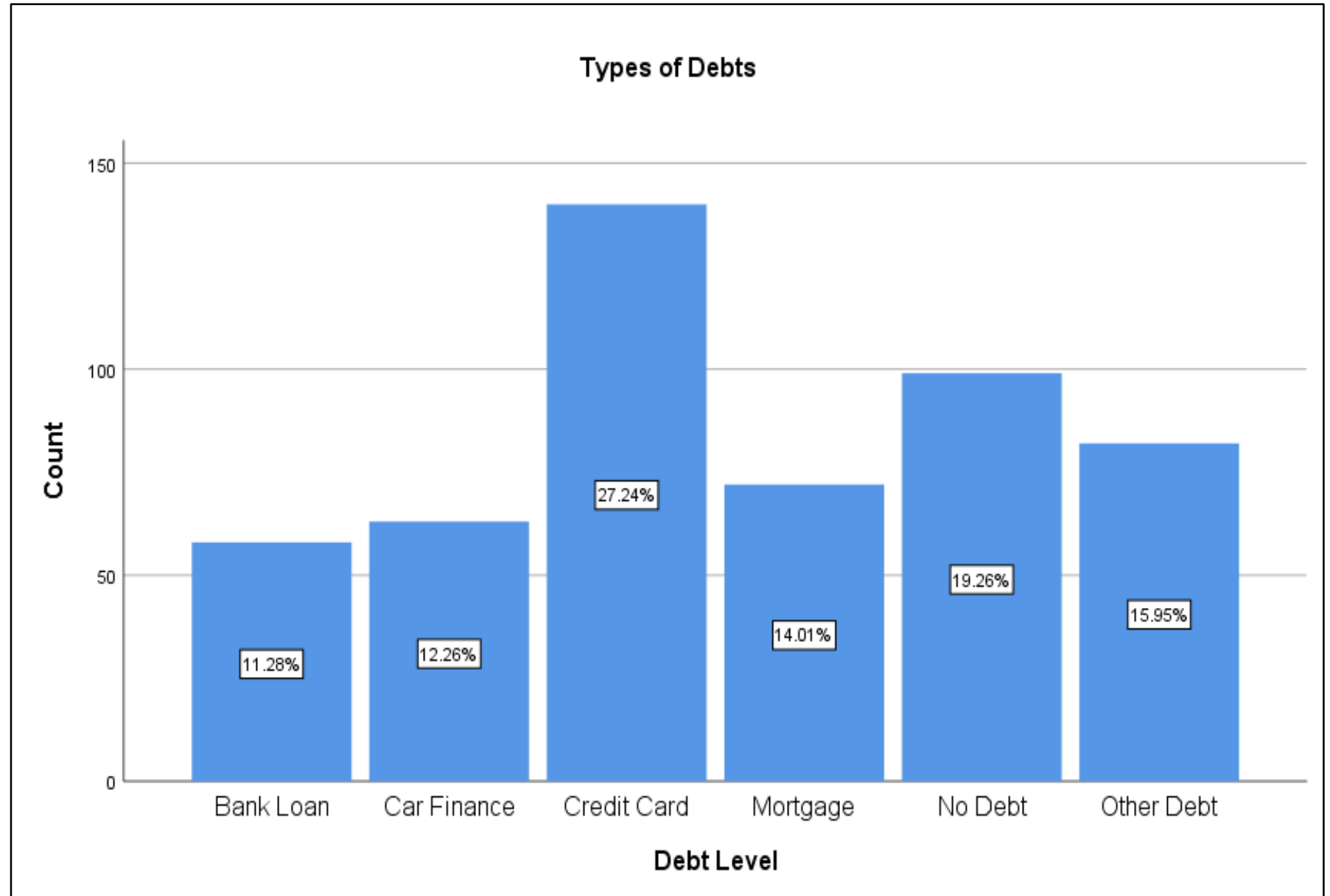
No of Children in The Household



How many rooms do your household use for sleeping?

		Number of children in the household					Total
		No Child	1-Child	2-Children	3-Children	4-Children	
Number of Sleeping Rooms	1-Room	30	4	5	2	0	41
	2-Rooms	27	34	43	22	2	128
	3-Rooms	16	13	33	27	14	103
	4-Rooms	7	5	15	14	8	49
	More than 4-Rooms	4	0	5	3	0	12
Total		84	56	101	68	24	333

High Debt Burden



Lived-Experiences Interviews

Lived-Experiences Interviews. (Labor Market Outcomes)

- Daniel: “[...] *I applied to over a hundred Universities for a faculty position immediately after my graduation. I was shortlisted for interviews in about thirty of the Universities, but I was not successful. I had to remove my PhD qualification from my CV to be able to land this job. It is very frustrating to know that after spending so much money on University tuition fees, I had to jettison the certificate to take on menial jobs to support your family*”.



Lived-Experiences Interviews. (Labor Market Outcomes)

• **Abina:** [...] *“I had applied for other roles since after the accounting position interview, but I always got the on this occasion rejection email. I had to take up a care assistance position to earn some income. I will keep trying to improve my skillsets to be able to get a better job. I am thinking of enrolling on the ACCA programme. That may improve my chances of securing a good job”.*



EMPIRICAL DATA ANALYSIS

Ordinal Regression Analysis

$H_0 =$ *Educational attainment has a statistically significant positive effect on income*

$H_1 \neq$ *Educational attainment has no positive effects on income*

Ordinal Regression Results

Location Parameters

Variables	Estimated Coefficients	Proportional Odds Ratios
<i>Education 1 = No Formal Education</i>	-0.34 (0.58)	0.72
<i>Education 2 = Primary School Certificate</i>	-2.21** (0.84)	0.11***
<i>Education 3 = Secondary School Certificate</i>	-2.15*** (0.54)	0.12***
<i>Education 4 = College Educated</i>	-1.11*** (0.24)	0.33***
<i>Education 5 = Graduate Degree</i>	-0.72*** (0.17)	0.49***
<i>Employment_Status 1 = Employed</i>	-0.64 (0.77)	0.53
<i>Employment_Status 2 = Self – Employed</i>	-0.41 (0.84)	0.67

Thanks for Listening.
Questions?