An Examination of Education's Economic Influence from a Family Perspective

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Abstract. This paper holds that education, especially family, is of great significance to economic development. This study explores the relationship between family and education through the consideration of family fertility, health index and the differences between Chinese and American education. The study finds that education and family are two indispensable elements in human society: education is an important way to shape talents, and family is the most primitive and closest social unit. The close connection between the two forms a mutually reinforcing relationship, and both serve the same goal - shaping and nurturing the outstanding young generation. Education has an indirect effect on the economy by changing parents' attitudes towards childcare. Also, the paper argues that higher levels of education not only directly lead to higher productivity, but also indirectly lead to economic improvements and higher health outcomes. Using a wide range of data sources and empirical methods, the study assesses how educational attainment within family structures affects socioeconomic mobility, earning potential, and overall financial well-being.

Keywords: Education, Human capital, Economic growth, Research.

1. Introduction

For parents in the 1960s and 1970s, material investment was a kind of emptiness, and they had no similar concept in mind. At that time, food and clothing were first-class events, and not being starved to death and worthy of illness was happiness, not to mention education. Later, in the 1980s, the nine-year compulsory education of the State began to be implemented, and many parents focused on their careers, and only had to bear the low cost of books to let their children feel at ease until they graduated from junior high school, during which they mostly left them to explore quietly and had no experience to impart, so the gap between students and students was not so large. Children born two millennia later, in today's era, are profoundly different. Compared with the education of famous teachers in big cities, rural schools also have many drawbacks in learning habits, ways of thinking, and teaching quality, which makes rural and small county children feel fluster-like misfits after they try their best to cross the door of agriculture and enter the big city. Financially well-off parents will also try their best to let their children get high-quality advanced key school education, so that their children can get extracurricular guidance and deliberate guidance from excellent teachers.

Emotional investment, such as support and encouragement for children and timely communication of contradictions, seems to have no relationship with the social status and economic conditions of parents, but it is not. Sirin, an American psychologist, found in a research analysis that the academic performance of American students has a great correlation with the socioeconomic status of their families, among which the correlation between math scores is the most significant, with a correlation of up to 35% [1]. Because of differences in culture, educational concepts, etc., our country may draw slightly different conclusions, but the overall will not be too far away - children's academic performance, it is impossible to have nothing to do with the economic conditions and social status of parents. Professional and technical personnel, enterprises and senior managers, senior intellectuals and other families with higher social status, because the work is easier and higher income, and more leisure to pay attention to the emotional communication of children, it is more able to solve the conflict between parents and children in a timely manner. And those parents who are busy all day for the children's education costs and the family's living expenses not only selectively ignore the children's emotional needs and communication needs of their parents, but also scold them for being

too delicate, too cowardly, and not sensible when the children have growth problems. According to existing psychological research, under the premise of little difference in economic conditions, families with more frequent parent-child communication usually have better academic performance. This is very easy to understand, because children will encounter many problems in the growth process, whether it is from school, family, or their own reasons, when parents in time to ease their doubts, inner conflicts, they can be more focused on learning.

There are two kinds of family support for our academic support - emotional support and financial support. Family emotional support plays an integral role in fostering academic achievement not only because it benefits academic performance, but also because such support promotes mental health and increases student engagement in the classroom. The role of financial support in students attending college provides valuable assistance and can inform institutional policies and practices designed to promote their success [2].

However, academic performance is one of the crucial indicators to measure students' academic performance and educational level [3]. Family socioeconomic status is the main factor affecting academic achievement, but the relationship between family socioeconomic status and academic achievement is divert in different social and cultural backgrounds. China is the most populous developing country with a large number of students in basic education [1]. Overall, there was a moderate correlation between socioeconomic status and academic achievement. The analysis shows that over the past few decades, the relationship between socioeconomic status and academic achievement has gradually receded [4]. The correlation between socioeconomic status and language achievement (i.e., language and English) is stronger than the correlation between science and math achievement and general achievement. However, the study does not provide an accurate picture of the relationship between socioeconomic status and academic performance in China, as academic performance is also linked to students' own efforts. There will always be hard-working and lazy students, regardless of their family's financial situation. It's really hard to assess. Therefore, it is difficult to know exactly the relationship between socioeconomic status and academic achievement.

2. Discussion

2.1. Direct Economic Impact

To begin with, in developing countries, the education level of parents is often positively associated with their children's education level and health status. Educated parents tend to be more rational when it comes to family planning, preferring plans with small families. Every developed country has done this, and some have done it remarkably well for a short time. Taiwan, for example, has a lower birth rate than the United States. Birth rates are also declining in Hong Kong, Mexico and Poland [5]. According to Becker's quantity and quality substitution theory, family size may have an impact on academic achievement because there may be a trade-off between the number and quality of children. These models then predicted that as family size increased, there was a negative effect on the quality of the child. In this way, parents are more likely to have the time and energy to pay attention to their children's education, provide better educational resources, encourage children to develop in various aspects, and become talents to adapt to social and economic development. In countries with high population pressure, the improvement of women's education level will increase their opportunity cost of bearing children, thus delaying the age of marriage, reducing the fertility rate and alleviating the national population pressure. The improvement of women's education increases their labor skills and enables them to earn higher wages, increasing household income and promoting economic development. For example, it is estimated that for every additional child in a family, the time to complete education decreases by an average of 0.034 years [6]. Therefore, family size and the scarcity of parental resources are negatively correlated with the educational opportunities of each child.

In the long run, the fertility level of a country or region is closely related to the quantity of labor supply. Historically, there has been a negative correlation between women's fertility and female labor force participation in almost all advanced economies. Compared with foreign research on the impact

of fertility on labor supply, domestic research results are relatively more abundant. Wang Dewen believes that with the continuous emergence of low fertility rate in China, the slow increase of population will cut down the growth rate of labor supply and accelerate population aging [7]. The transition from a decline in the relative share of the working-age population to a decline in the absolute number will lead to an increase in the labor market wage rate in the background of the fast economic growth, which will further fortify labor costs and pension burdens. In the future, to maintain the trend of sustained growth of China's economy, to a large extent, depends on whether to accelerate the accumulation of human capital, improve the social labor force and change the mode of economic growth [8].

It is well known that the Chinese government relaxed its family planning policy at the end of 2016, allowing some couples to have a second child. Recently, the more relaxed three-child policy has once again attracted people's attention. With the acceleration of urbanization, the problem of children's education has become increasingly prominent. How to ensure that every child can get good educational resources is a problem faced by many families. In the decision to have a third child, parents need to carefully consider whether they can afford to provide a quality education for each child, which requires more time, energy and money investment. When choosing whether to have a third child, families should also take into account national and social factors. China is facing problems such as an aging population and labor shortage, and having a third child can alleviate these problems to a certain extent and contribute to the sustainable development of the country's economy [9]. At the same time, the government should also provide corresponding policies and social support to help families overcome the difficulties and challenges of having a third child.

Kalemli-Ozcan argued that the rising infant survival rate increased parents' incentive to invest in surviving children, and reduced parents' demand for preventive savings [4]. The fertility decision also shifted from the quantity of births to the quality of births. This encourages a greater preference for improving the quality of births by reducing the number of births, which further reduces the fertility rate. The results show that households spend much more on human capital per child when fertility is low, and if human capital has a strong enough effect on productivity in a quantity-quality trade-off, a slowdown in fertility can adequately raise economic growth rates through an increase in human capital investment.

2.2. Indirect Economic Impact

Besides, families with higher education often have better health outcomes, reduced dependency on welfare, and increased savings, which indirectly influences their economic stability. Health is the foundation of economic development, and healthy people are more productive. Not only are healthy people in better physical shape, but their brains are clearer, more creative, and better able to cope with challenges and stress. In addition, healthy people are more able to work and produce, and they are able to devote more time and energy to completing work tasks, which increases productivity and economic efficiency. Therefore, healthy people can make a greater contribution to the economic development of the country.

From a development perspective, health levels directly influence the quantity and quality of labor supply across the economy. And people buy medical treatment services not to expense the products themselves, but to bring themselves fitter lives. This also fully shows that a good health level is a prerequisite for the optimal development of production potential, and the improvement of productivity also shows a high sensitivity to the change of human capital accumulation [6]. In other words, under the premise of measuring economic policies, we must consider the impact of potential economic events on economic growth, which means that there is an inevitable relationship between health factors and economic growth. However, from another perspective, although scientific studies have shown that there is an important relationship between health and economic productivity, the final results are also different due to different types of indicator selection and research methods, and this association changes with different income levels among different individuals. In general, the health of

the less well-off reduces wage and income differentials, which in turn enhances the quality of life as higher quality goods are consumed, and ultimately enhances human capital.

A new study by Rutgers University researchers published in the Southern Economic Journal shows that despite differences in family income and health insurance, parents with more than a high school education invest more resources in family health care, thereby reducing the risk of family members' health due to inadequate medical resources [5]. They found that having parents with more than 12 years of education was strongly associated with increased spending on family health costs and a decline in adverse health conditions, including high blood pressure, diabetes and asthma [10]. The results show that the more educated parents are, the more they spend on health care for their children and the elderly, and the larger the outlays for outpatient care for these two family members.

The study confirmed an important association between parental education and family access to and use of health services. The results support the Grossman health Needs Model. In this model, health is a "good" state that benefits from genetic factors on the one hand and additional health care spending on the other. Over time, people's health also declines. It follows that the key role and linkages between the education of core family members, especially parents, and investment in family health are important. Thus, the more educated the parents, the healthier the family.

Furthermore, the above two points also make me think about the economic impact caused by the differences between Chinese and American families. The error correction model (ECM) based on the Feder model examines the differences in the indirect contribution of education to economic growth and the efficiency of the education sector between China and the United States [8].

The results show that the total contribution of China's education to economic growth is much bigger than that of the United States, but the efficiency of China's education sector is very low, leading to the indirect contribution is not obvious [2]. The productivity of the education sector in both China and the United States is lower than that of the non-education sector, but the productivity of the education sector in China is far lower than that of the United States, and the gap between the efficiency of the education sector and the non-education sector in China has further widened in recent years.

Personally speaking, this confirms what Chinese students like me are going through. Chinese students grow up learning how to solve math problems, not social problems. In an ordinary Chinese family, it is almost impossible for children to have an internship. And Chinese parents are spending more money on their children's tutoring than they ever imagined. In my opinion, this is only to solve the parents' own anxiety, not to solve the children's problems in learning. From beginning to end, the most we learned was how to do the problem. I think this is why the efficiency of China's education sector is low relative to that of the United States.

This is why the unemployment rate in China is so high now: people with high education are unwilling to do jobs that do not pay well enough, and people with low education cannot find suitable jobs. Under such circumstances, many people can hardly afford their own financial situation, let alone have children. This has led to a sharp decline in China's fertility rate over the past two years. This directly corresponds to the first point I mentioned -- the fertility problem. The lower the fertility rate, the higher the education level per capita.

In this sense, China's current situation may be a transitional phase. In the next decade or so, China's per capita education level will probably improve a lot - because there are far fewer children. So, I don't think we can completely deny the current stage of education in China, because it may be a turning point relative to the future.

On the other hand, my understanding of the American education system is not perfect, but I think its advantage lies in its focus on cultivating children's interests and planning for the future. In the American education environment, students will not have so much pressure, the curriculum is rich and diverse, giving them enough choices. And the most important thing, they pay attention to cultivate the quality of students in the process of education. This may be why education in the United States is more efficient, and thus indirectly contributes more to boosting the economy.

3. Conclusion

It concludes that the family is the primary promoter of any social values. Families drive much of the economy, but so do lower fertility rates and better health as a result of higher education. In addition, education between China and the United States has different economic implications due to differences in social structure and differences in family philosophy. The result of this study reveals the problems in education and warn parents of the significance and essentials of education. If this research can be popularized, the government may make some pro-education policies, such as improving the allocation and utilization efficiency of educational resources, supporting educational innovation and research and development, to benefit the majority of students. Once education is improved, the quality of the population will be improved, and more labor force will be trained, and production efficiency will be increased. Therefore, vigorously developing education is the core of promoting the economy. I am also thinking about the educational differences between families of different classes in China and the United States, and the educational differences brought about by families of different classes in China. These factors may also explain education's boost to the economy. Finally, the outlook of our country's education field - the future education should be individualized education, different people suitable for different jobs, cannot be the same; Give full play to people's subjective initiative; To do a good job in national education and cultivate talents in all aspects also requires forward-looking plans, so as to meet the needs of social development.

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