

The paper studies differences in education technology and their effects on income distributions. Our overlapping generations economy has the following features: (1) consumers are heterogeneous with respect to ability and parental human capital; (2) intergenerational transfers take place via parental education and public investments in education financed by taxes (possibly, with a level determined by majority voting). We explore several variations in the production of human capital, some attributed to 'home-education' and others related to 'public-education', and indicate how various types of technological changes affect the intergenerational income inequality along the equilibrium path.