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Editor: Gabriel Heller Sahlgren

Table of Contents

Editor's Pick.....	3
Effects of Policy and Practice – Developed World.....	5
Effects of Policy and Practice – Developing World.....	8
General Education	9

Editor's Pick

Charter High Schools' Effects on Long-Term of Attainment and Earnings

Working Paper

(http://mathematica-mpr.com/publications/pdfs/education/charter_long-term_wp.pdf)

By: Kevin Booker, Tim Sass, Brian Gill, and Ron Zimmer

Charter schools are a controversial topic in America. Since their start in 1992, they now serve about 2 million pupils with the number of schools totalling more than 6,000 in 40 states. But do they work? Research thus far has focused heavily on test scores, although some have also evaluated the effects on graduation rates and college attendance. The most rigorous studies are mixed in regards of test scores, with some finding positive effects, some finding null effects, and some finding negative effects, depending on which pupil population is analysed. On average, however it seems clear that charter schools are *not* better than traditional public schools (at least so far).

But in terms of longer-term educational attainment, most studies find positive effects, suggesting that charter schools may improve 'soft' skills that are not captured by test scores, which help pupils reach higher levels of academic attainment. But this is not necessarily the case. If charter schools do not raise test scores, the positive impact on graduation and university attendance may instead be due to schools setting lower graduation standards instead of raising quality.

Until now, there was little way of knowing which one of these scenarios was true. In a new, so far unreleased paper, Kevin Booker and colleagues go farther than previous studies, and analyse the impact of attending a charter high school in Florida and Chicago on the likelihood to persist in university for at least two years, as well as earnings.

The authors analyse pupils who were enrolled in charter schools in eighth grade, some of which later left and went back to the public school sector. These constitute the 'control' group, whereas the ones who continue in charter schools constitute the 'treatment' group. The authors control for observable characteristics, such as demographic background and previous test scores, and also present robustness tests based on an 'instrumental-variable model', which attempts to deal with reverse causality further. Since they have data for the pupils up until they are about 23-25, the authors can analyse both university completion rates and earnings in adulthood (but the latter only in Florida).

The results are intriguing. In both Chicago and Florida, the effect on high school graduation and university enrolment is positive. In terms of university

persistence, the impact is positive, but it is only statistically significant in Florida. The estimates suggest that pupils attending charter high schools are 13 percentage point more likely to persist at least two years compared to pupils in traditional public high schools. The point estimate in Chicago is 7 percentage point, but, again, it is not statistically significant. Nevertheless, overall, this suggests that charter schools can have significant effects on university persistence.

As noted, the authors can only evaluate the effects on earnings in Florida. The estimates suggest that pupils who attended a charter high school have 12.7 per cent higher earnings 10-12 years after they were enrolled in eighth grade. These are strong effects, suggesting that charter schools in Florida do indeed produce better 'soft' skills, which in turn produce better labour market performance. The findings are especially striking since previous studies in the same areas have found no impact on pupil test scores.

Overall, therefore, this study is a very important contribution – it clearly suggests that analysing test score outcomes is not sufficient for understanding the true impact of charter schools. This also has implications for studies analysing the impact of other market-based reforms, which normally focus on short- or medium-term effects. Market reforms in education may have long-run positive effects, even if they do not improve test scores, and this is crucial to take into account.

Effects of Policy and Practice – Developed World

Does Private Tutoring Work? The Effectiveness of Private Tutoring: A Non-Parametric Bounds Analysis

Education Economics (Online 14 April 2014)

(<http://www.tandfonline.com/doi/full/10.1080/09645292.2014.908165#.U1cm8frYo8>)

(http://repec.business.uzh.ch/RePEc/iso/leadinghouse/0096_lhwpaper.pdf)

By: Stefanie Hof

Private tutoring has become popular throughout the world. However, evidence for the effect of private tutoring on students' academic outcome is inconclusive; therefore, this paper presents an alternative framework: a nonparametric bounds method. The present examination uses, for the first time, a large representative data-set in a European setting to identify the causal effect of self-initiated private tutoring. Under relatively weak assumptions, the paper finds some evidence that private tutoring improves students' outcome in reading. However, the results indicate a heterogeneous and nonlinear effect of private tutoring, e.g. a threshold may exist after which private tutoring becomes ineffective or even detrimental.

The Value of Charter Schools: Evidence from Housing Prices

Unpublished Manuscript

(www.aefpweb.org/sites/default/files/webform/39th/imberman_orourke_naretta_201-2.pdf)

By: Scott Imberman, Michael Naretta, and Margaret O'Rourke

While there is substantial evidence on the effectiveness of charter schools on student outcomes, far less is known about how the public more generally values these schools. Using housing sale price data in Los Angeles County from 2008 to 2011, this paper estimates the impact of having charter schools nearby on housing prices. Even though the charters in the data typically do not have catchment areas, nearby charter schools could impact housing prices if people value having alternative schooling options near their homes or if charters affect how neighbourhood schools perform. Nonetheless, using an identification strategy that relies on census block fixed-effects and variation in charter penetration over time, the authors find little evidence that the availability of charter schools affects housing prices.

Getting Parents Involved: A Field Experiment in Deprived Schools

Review of Economic Studies (vol 81:1, 2014)

(<http://restud.oxfordjournals.org/content/81/1/57.short>)

(www.sofi.su.se/polopoly_fs/1.134443.1368213482!/menu/standard/file/2013_Guyon.pdf)

By: Francesco Avvisati, Marc Gurgand, Nina Guyon, and Eric Maurin

This article provides evidence that schools can influence parents' involvement in education, and this has causal effects on pupils' behaviour. Furthermore, it shows how the impact of more involved parents on their children is amplified at the class level by peer group interaction. We build on a large-scale controlled experiment run in a French deprived educational district, where parents of middle-school children were invited to participate in a simple program of parent-school meetings on how to get better involved in their children's education. At the end of the school year, we find that treated families have increased their school-and home-based involvement activities. In turn, pupils of treatment classes have developed more positive behaviour and attitudes in school, notably in terms of truancy and disciplinary sanctions (with effects-size around 15% of a standard deviation). However, test scores did not improve under the intervention. Our results suggest that parents are an input for schooling policies and it is possible to influence important aspects of the schooling process at low cost.

The Effects of Tuition Fees on Transition from High School to University in Germany

Economics of Education Review (Online, 12 April 2014)

(<http://www.sciencedirect.com/science/article/pii/S0272775714000399>)

(http://www.cesifo-group.de/ifoHome/publications/working-papers/CESifoWP/CESifoWPdetails?wp_id=19088751)

By: Kerstin Bruckmeier and Berthold U. Wigger

This paper studies whether the introduction of tuition fees at public universities in some German states had a negative effect on enrolment, i.e., on the transition of high school graduates to public universities in Germany. In contrast to recent studies, the paper does not find a significant effect on aggregate enrolment rates. The study differs from previous studies in three important ways. First, it takes full account of the fact that tuition fees were both introduced and abolished in the German states at different points in time. Second, it considers control variables, which are absent in previous studies but turn out to have a significant

impact on the evolution of enrolment rates. Third, the papers allows for state-specific effects of tuition fees on enrolment rates. The study concludes that there is no evidence for a general negative effect of the recent introduction of tuition fees on enrolment in Germany.

Implications of Public School Choice for Residential Location Decisions

Urban Affairs Review (Online, 20 April 2014)

(<http://uar.sagepub.com/content/early/2014/04/17/1078087414529120.abstract>)

By: Todd Ely and Paul Teske

A growing empirical literature demonstrates the effects of introducing public school choice on housing values. The weakening of the connection between home location and school location has implications for urban and suburban communities. This article contributes to the understanding of how public school choice is related to the residential location decisions of parents. Using a nationally-representative sample, the paper demonstrates that where public school choice is reported to be available, the probability that parents choose a residence based on the assigned schools is 6.5 percentage points lower. Parents are actively incorporating the option to choose schools into the decision of where to live and report relatively high levels of parental satisfaction with those schools. At the same time, roughly, one out of every eight children engaged in school choice attends a school that was not their family's first choice and report substantially lower levels of school satisfaction. This mismatch between schools and students may limit the likelihood that more families will eschew traditional residential school choice.

Effects of Policy and Practice – Developing World

Does Promoting School Attendance Reduce Child Labour? Evidence from Burkina Faso's BRIGHT Project

Economics of Education Review (Vol. 39, April 2014)

(<http://www.sciencedirect.com/science/article/pii/S0272775713001556>)

(<http://ftp.iza.org/dp6601.pdf>)

Using data from BRIGHT, an integrated program that aims to improve school participation in rural communities in Burkina Faso, this paper investigates the impact of school subsidies and increased access to education on child work. Regression discontinuity estimates demonstrate that, while BRIGHT substantially improved school participation, it did not reduce – in fact may have increased – children's participation in economic activities and household chores. This combination of increased school participation and work can be explained by the introduction of a simple non-convexity in the standard model of altruistic utility maximizing households. If education programs are implemented to achieve a combination of increased school participation *and* a reduction in child work they may either have to be combined with different interventions that effectively reduce child work or they may have to be tuned more carefully to the incentives and constraints the child labourer faces.

General Education

Skill Premia and Intergenerational Education Mobility: The French Case

Economics of Education Review (vol. 39, April 2014)

(<http://www.sciencedirect.com/science/article/pii/S0272775713001714>)

(<http://www.ecineq.org/milano/WP/ECINEQ2013-313.pdf>)

By: B. Ben-Halima, N. Chusseau, and J. Hellier

In the case of France, this article analyses the changes in the wage value of each education level and the impact of parents' education and income upon the education attainment of children, sons and daughters. It finds a critical decline in the skill premium of the Baccalauréat ('bac') in relation to the lowest educational level, and an increase in the skill premia of higher education degrees in relation to the bac, which is however not large enough to erase the decrease in all the skill premia relative to the lowest education. The paper also finds a significant rise in the impact of family backgrounds upon education from 1993 to 2003, i.e., a decrease in intergenerational education mobility, which primarily derives from higher impact of parental incomes. Finally, the gender wage gap is particularly large for the lowest and the highest education degrees, and intergenerational persistence is greater for sons than for daughters.