

The Persistence of Higher Education Choices

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Abstract :

Many studies have investigated the factors that might explain students' higher education application behavior. These can broadly be categorised as financial factors (e.g., cost of tuition / financial aid, geographic distance, etc.) and behavioral factors (e.g., perceptions about the returns of education, lack of information, low aspirations, inaccurate perception about ability, etc.). In this paper we want to contribute to our understanding of behavioral factors by studying the extent to which, within the same high school, the higher education choices made by a given cohort of students affect the choices made by the following cohort. As such, a shock to the type of institutions to which a cohort is admitted could have long lasting effects on the application behavior of subsequent cohorts (within the same high school) through increased awareness or raised aspirations. Our preliminary results suggest that higher education choices are highly persistent across cohorts within the same school. We thus attempt to investigate the causal effect of having a student admitted to an elite track institution in the previous cohort on one's own application to such selective institutions. In the spirit of Estrada et al. (2022), our identification strategy compares high schools where a student was marginally admitted to an elite track versus high schools where a student was marginally not admitted.