

Powerful Parental Preferences

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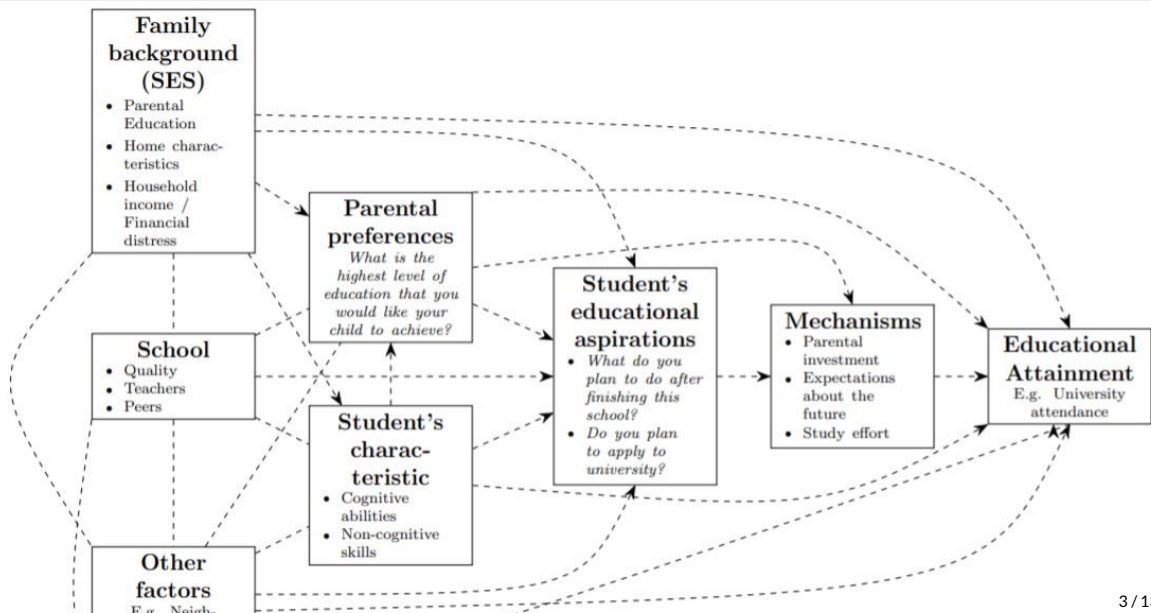
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WORK IN PROGRESS

Literature review

- Parental expectations and aspirations: what parents think and hope their child will do in the future (Saha, 1997; Jacob and Wilder, 2010)
- Parental investments: strongly associate with parental preferences, and strongly predict life outcomes (Cooksey and Fondell, 1996; Carneiro et al., 2013; Attanasio et al., 2019)
- Family background affect parental and student educational aspirations (Schoon and Parsons, 2002; Schoon et al., 2007; Willitts et al., 2005)
- Parental and student aspiration are utmost important in predicting educational outcomes (Polidano et al., 2013; Chowdry et al., 2011)

Literature review



Novelty of our paper

- Show that parental preferences are very strong predictors of educational outcomes

Empirical method: Post Double Selection (PDS) Lasso

(Ahrens et al. (2019), Belloni et al. (2012, 2011, 2014b,a, 2016))

$$C_i = \alpha P_i + X_i' \gamma + \xi_i$$

1. Select set of controls that predict the treatment variable P_i (parental preferences)
2. Select set of controls that predict outcome variable C_i (college attendance)
3. Estimate the effect of treatment on outcome α with the union of the control variables selected in step 1 and 2
 - With lasso, those control variables are selected which make the best *out-of sample* prediction for the actual dependent variable.
 - Lasso 'penalizes' heavily the inclusion of new variables, so number of variables is limited.

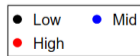
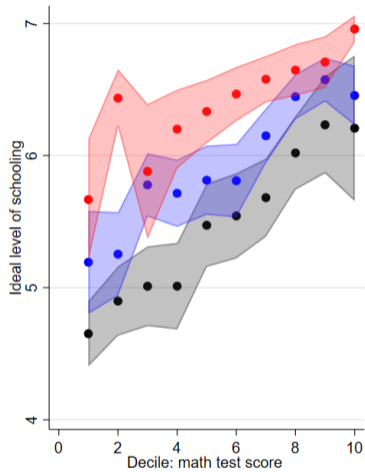
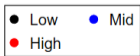
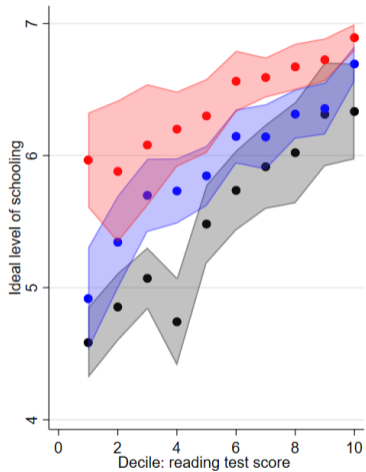
Data

- Life Course Survey (Életpálya)
- The sample of 10,000 adolescents who completed the Hungarian National Assessment of Basic Competencies in the 8th grade in May 2006.
- 6 waves, panel data from about 7600 students (due to attrition).
- Parents' aspirations:
 - **Ideal:** What is the highest level of education that you would like your child to achieve?
 - **Minimum:** What is the level of education that you consider your child should attain?

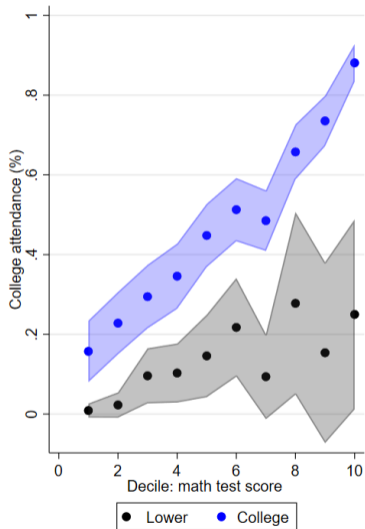
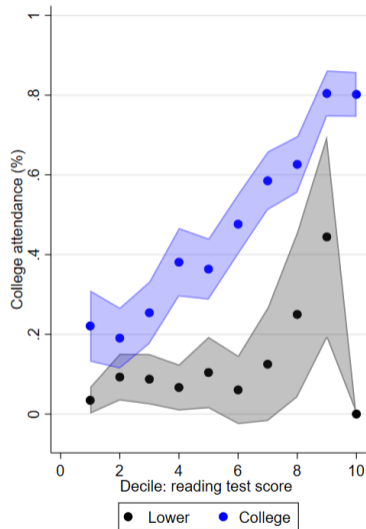
Data - 2

- Very rich data set, 4910 distinct questions, not all relevant for us.
- **Family background.** Usual information (parental education, household income) and many more, e.g. education of the grandparents. Importantly, **HOME** (Home Observation for Measurement of the Environment) scale, 27 questions, cognitive and emotional.
- **Individual characteristics.** Babyhood (birth weight, length of breastfeeding), childhood (if the parents read tales, if they played board games), health (all major diseases), self-evaluation, future expectations, (un)healthy habits (smoking, drug use), friends.
- **School environment.** School performance, schooling history, class characteristics (e.g. in terms of SES), extracurricular activities etc. [▶ Structure of data collection](#)

Parental aspirations (by level of parental education)



Probability of college attendance (by parental aspirations)



| | base (1) | exog (2) | (2)+cogn (3) | (3) noncogn (4) | + (4) + school quality (5) |
|--|---------------------|---------------------|---------------------|-----------------------|-------------------------------------|
| Ideal education for child: university (2006) | 0.456*** [0.026] | 0.317*** [0.028] | 0.212*** [0.029] | 0.212*** [0.029] | 0.135*** [0.029] |
| Parents' education | | yes | yes | yes | yes |
| Financial background | | yes | yes | yes | yes |
| Home environment | | yes | yes | yes | yes |
| Cognitive (test scores) | | | yes | yes | yes |
| Noncognitive traits | | | | yes | yes |
| School quality | | | | | yes |
| Observations | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 |
| R2 | | | | | |
| Clusters | 631 | 631 | 631 | 631 | |
| Selected controls | 0 | 7 | 9 | 9 | |
| Dictionary size | 0 | 114 | 116 | 123 | |

| | base | exog | (2)+cogn | (3) noncogn | + (4) + school quality | (4) + school FE |
|--|---------------------|---------------------|---------------------|---------------------|------------------------------|---------------------|
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Ideal education for child: university (2006) | 0.456*** [0.026] | 0.317*** [0.028] | 0.212*** [0.029] | 0.212*** [0.029] | 0.135*** [0.029] | 0.136*** [0.033] |
| Parents' education | | yes | yes | yes | yes | yes |
| Financial background | | yes | yes | yes | yes | yes |
| Home environment | | yes | yes | yes | yes | yes |
| Cognitive (test scores) | | | yes | yes | yes | yes |
| Noncognitive traits | | | | yes | yes | yes |
| School quality | | | | | yes | |
| School FE | | | | | | yes |
| Student's aspirations | | | | | | |
| Expectations | | | | | | |
| Effort | | | | | | |
| Observations | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 |
| R2 | | | | | | 0.626 |
| Clusters | 631 | 631 | 631 | 631 | 631 | |
| Selected controls | 0 | 7 | 9 | 9 | 9 | |
| Dictionary size | 0 | 114 | 116 | 123 | 139 | |

| | base | exog | (2)+cogn | (3) noncogn | + (4) + school quality | (4) + school FE | (5) + Stu- dent as- pirations (7) |
|---|---------------------|---------------------|---------------------|---------------------|------------------------------|---------------------|--|
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Ideal education for child: university (2006) | 0.456*** [0.026] | 0.317*** [0.028] | 0.212*** [0.029] | 0.212*** [0.029] | 0.135*** [0.029] | 0.136*** [0.033] | 0.057** [0.025] |
| Parents' education | | yes | yes | yes | yes | yes | yes |
| Financial background | | yes | yes | yes | yes | yes | yes |
| Home environment | | yes | yes | yes | yes | yes | yes |
| Cognitive (test scores) | | | yes | yes | yes | yes | yes |
| Noncognitive traits | | | | yes | yes | yes | yes |
| School quality | | | | | yes | | yes |
| School FE | | | | | | yes | |
| Student's aspirations Expectations Effort | | | | | | | yes |
| Observations | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 | 1,709 |
| R2 | | | | | | 0.626 | |
| Clusters | 631 | 631 | 631 | 631 | 631 | | 631 |
| Selected controls | 0 | 7 | 9 | 9 | 9 | | 10 |
| Dictionary size | 0 | 114 | 116 | 123 | 139 | | 140 |

Thank You for Your Attention!