
SPECIAL SEMINAR

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“Information, Counseling or Conditional Cash Transfers: How Can China Increase Matriculation into High School in Poor, Rural Areas?”

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About the speaker: Prashant Loyalka is a specialist in the economics of education whose research focuses on policy and program evaluation in China. His recent work explores: ways to improve the educational outcomes of disadvantaged populations; the quality and equity of access to upper secondary and higher education; and issues related to education and health. He was trained at Stanford, earning a Ph.D. in international comparative education in 2009; before that he earned bachelor's and masters degrees in economics.

Abstract: A major challenge for China's economy in the coming years will be to increase the supply of skilled labor with higher levels of formal education. Recognizing this need, policymakers have worked to universalize lower secondary education and expand opportunities to go to high school and college. Recent studies, however, have shown that only around half the students from poor, rural areas finish junior high school and enter upper secondary school.

The purpose of this study is to explore ways to increase the rate at which students in poor, rural areas go to high school. To meet this objective, we first conducted a baseline survey of almost 20,000 grade 1 students in 132 junior high schools in poor counties in Hebei and Shaanxi provinces. In the survey, we documented students' educational performance and factors that may shape their future educational choices. We next conducted a cluster randomized control trial (RCT) in which we assigned the schools to two treatment arms and one control arm. In the first treatment arm, professional counselors taught teachers how to provide students with information on the returns and costs of higher levels of schooling. In the second treatment arm, teachers were taught how to provide students with career counseling. In a second RCT, we provided two of the four poorest students with conditional cash transfers (CCTs) to cover high school tuition (conditional on their attending high school). We also examined the effects of interactions between CCTs and information/counseling. In all of our analyses, we examined the impact on dropout rates, math achievement, and self-reported plans to go to high school.

According to our analyses, the CCT treatment significantly increased the share of students planning to go to high school but not the dropout rate or math scores. Neither information nor counseling affected student outcomes. We also find no evidence of interaction effects between CCT and information/counseling. In our analysis of the causal chain, we try to identify why our treatments had mostly negligible effects on outcomes. We conclude that both financial constraints and poor educational quality contribute to high levels of dropout, negligible treatment effects, and low educational aspirations among students.