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## Own Motivation, Peer Motivation, and Educational Success

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DISCUSSION PAPER SERIES

IZA DP No. 13872

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*Lund University, CESifo, DIW Berlin and IZA*

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## ABSTRACT

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# Own Motivation, Peer Motivation, and Educational Success\*

I study how motivation shapes own and peers' educational success. Using data from Project STAR, I find that academic motivation in early elementary school, as measured by a standardized psychological test, predicts contemporaneous and future test scores, high school GPA, and college-test taking over and above cognitive skills. Exploiting random assignment of students to classes, I find that exposure to motivated classmates causally affects contemporaneous reading achievement, a peer effect that operates over and above spillovers from classmates' past achievement and socio-demographic composition. However, peer motivation does not affect longer-term educational success, likely because it does not change own motivation.

**JEL Classification:** I21, J13, J24

**Keywords:** motivation, personality, peer effects, Project STAR

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# 1 Introduction

A growing literature in economics documents the importance of personality for individuals' educational and labor market success (Borghans et al., 2008; Almlund et al., 2011; Heckman, Jagelka, and Kautz, 2019). Much of this research has focused on preference parameters, such as patience and risk-taking, and personality traits, such as the ones captured by the widely-used Big Five taxonomy. In contrast, other facets of personality such as motivation, which features prominently in psychological research (e.g. Roberts, 2006), have so far received less attention by economists.<sup>1</sup> Moreover, despite extensive evidence that the social environment matters for performance in school and in the workplace (e.g. Mas and Moretti, 2009; Sacerdote, 2011), only very few studies have examined how individuals are affected by the personality of their peers.

In this paper, I extend the research on how personality shapes educational success by studying the role of motivation. I make two key contributions. First, I show that children's academic motivation, as measured by a standardized psychological test in early elementary school, predicts achievement in elementary and middle school, high school GPA, and the taking of a college entrance test around age 18 over and above cognitive skills. Second, I document spillovers of personality in the social environment: students who are exposed to more motivated classmates score higher on a standardized reading test in elementary school, a peer effect that operates over and above spillovers from classmates' past achievement and socio-demographic composition.

The empirical analysis uses data from the Tennessee Student-Teacher Achievement Ratio experiment (Project STAR), a study of class size effects that followed a single cohort of children who started kindergarten in one of 79 participating schools in 1985. These data are uniquely suited for my purposes for two reasons. First, the experiment measured students' academic motivation in grades 1 through 3 using a standardized psychological test, and the longitudinal data allow me to relate this measure to a host of short- and longer-term outcomes. Second, some children joined the study cohort at participating schools in second and third grade and were randomly assigned to classes upon entry. This generated exogenous, measurable variation in the (predetermined) motivation of their classmates, which I can use to estimate causal spillover effects.

In the first part of the paper, I show that children's academic motivation predicts their educational performance in the short and longer term. For example, a one standard deviation (SD) higher motivation during grades 1-3 is associated with 0.05-0.06 SD

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<sup>1</sup> Psychologists distinguish between four core domains of personality (Roberts, 2006). Motivation is part of the motives domain and is notably distinct from traits, which form their own domain. I discuss models of personality in more detail in Section 2 below.

higher reading and math scores in elementary and middle school and a 4.4 percent higher likelihood to take a college entrance exam around age 18. These associations hold even when I control for reading and math achievement in kindergarten, suggesting that they are not due to correlated academic ability. Motivation is also associated with good classroom behavior, as rated by teachers, in fourth and eighth grade, a measure which previous studies have shown to predict educational attainment and earnings among participants in Project STAR (Chetty et al., 2011; Bietenbeck, 2020).

In the second part of the paper, I examine how children’s motivation affects the learning outcomes of their peers. For this analysis, I focus on a sample of students who first entered the schools participating in Project STAR in second or third grade. These students were randomly assigned to classes within school upon entry, which allows me to avoid the selection problems that typically complicate the identification of causal peer effects. Moreover, the new classmates of these entrants had participated in the experiment in the previous school year, which lets me observe their predetermined motivation. My regressions exploit the variation in classmates’ motivation due to the random assignment of entrants to classes in order to identify spillover effects.

The results show that peer personality matters for achievement in school. Specifically, a 1 SD increase in classmates’ average motivation raises performance on a standardized reading test at the end of the school year by 0.07 SD. This estimate is robust to controlling for classmates’ past achievement and socio-demographic background, which suggests that it reflects a true personality spillover. However, peer motivation does not appear to matter beyond contemporaneous achievement, as it does not affect any of the longer-term outcomes measured after the experiment ended and classes were reorganized at the end of third grade. Interestingly, peer motivation also does not affect contemporaneous own motivation.

Which mechanism explains this pattern of results? I argue that the spillover on contemporaneous achievement is most likely due to an improved learning environment in school, as motivated peers show better classroom behavior and distract their classmates less. As for the lack of longer-term effects, previous research has found that childhood interventions are particularly successful at changing future outcomes if they affect children’s personality (e.g. Heckman, Pinto, and Savelyev, 2013). This suggests that the absence of longer-term impacts is due to the fact that peer motivation does not change own motivation. Put differently, it appears that the contemporaneous effect on reading scores by itself is simply not large enough to generate measurable longer-term impacts. I briefly discuss the implications of these findings in the conclusion.

This paper contributes to a large literature in economics and psychology that stud-

ies the importance of personality for success in life (for surveys, see [Borghans et al., 2008](#); [Almlund et al., 2011](#); [Heckman, Jagelka, and Kautz, 2019](#)). One strand of this literature documents the predictive power of different facets of personality for educational outcomes. This research has found that preference parameters, such as patience (e.g. [Golsteyn, Grönqvist, and Lindahl, 2014](#); [Cadena and Keys, 2015](#)), and personality traits, such as conscientiousness (e.g. [Poropat, 2009](#); [Gensowski, 2018](#)), grit (e.g. [Duckworth et al., 2007](#)), and locus of control (e.g. [Piatek and Pinger, 2016](#)), matter for human capital accumulation. Moreover, studies in psychology have shown that academic motivation predicts achievement (e.g. [Wong and Csikszentmihalyi, 1991](#); [Steinmayr and Spinath, 2009](#)), but typically in small samples and with short follow-up periods. In economics, [Heckman, Pinto, and Savelyev \(2013\)](#) show that the Perry Preschool program improved treated children’s achievement partly because it boosted their motivation.<sup>2</sup> I complement this research by documenting how motivation relates to short- and longer-term achievement, classroom behavior, and attainment in a large sample of children.

This paper also contributes to a large literature on peer effects in education (for surveys, see [Sacerdote, 2011](#); [Paloyo, 2020](#)). This research, which includes papers using data from Project STAR, has mostly studied spillovers from peers’ academic ability (e.g. [Lavy, Silva, and Weinhardt, 2012](#); [Sojourner, 2013](#); [Booij, Leuven, and Oosterbeek, 2017](#); [Feld and Zölitz, 2017](#); [Bietenbeck, 2020](#)) and socio-demographic composition (e.g. [Hoxby, 2000](#); [Whitmore, 2005](#); [Lavy and Schlosser, 2011](#); [Brenoe and Zölitz, 2019](#)).

Two recent studies explicitly examine spillovers from personality and are thus closely related to this paper. First, [Ballis \(2020\)](#) studies a policy-driven change in the returns to schooling for undocumented youths in the United States. She shows that U.S.-born high school peers of these youths, who did not benefit from the policy directly, performed better in school after its implementation. She interprets this effect as a spillover from undocumented youths’ increased motivation, but she cannot measure motivation in her data. Second, [Golsteyn, Non, and Zölitz \(2020\)](#) exploit detailed data on personality in a university setting to show that students perform better in the presence of persistent peers. These effects operate over and above spillovers from academic ability and socio-demographic characteristics, leading the authors to conclude that they reflect true personality spillovers. I contribute to this research by studying spillovers from motivation in elementary school. Unlike the two previous studies, I am able to estimate relatively long-term effects. Moreover, I can study how peer motivation affects own motivation; to the best of my knowledge, mine are the first estimates of

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<sup>2</sup> A separate literature in economics studies how extrinsic incentives can be used to boost motivation and school performance. See [Koch, Nafziger, and Nielsen \(2015\)](#) for an overview of this research.

spillovers from peer personality on own personality in the literature.<sup>3</sup>

The remainder of this paper is organized as follows. Section 2 summarizes the research on personality, and especially motivation, in psychology. Section 3 presents details on Project STAR and the data. In Section 4, I document how own motivation in early elementary school relates to short- and longer-term educational success. Section 5 presents estimates of spillovers from motivated peers. Section 6 concludes.

## 2 Motivation in personality psychology

Psychologists have developed a lot of different models of personality. The theoretical framework by Roberts (2006), which has been popularized in economics by Almlund et al. (2011), captures the key features of many of these models. According to this framework, the core of personality is made up by four domains: traits, motives, abilities, and narratives. Traits capture the relatively stable patterns of thoughts, feelings, and behaviors of an individual and are often represented using the well-known Big Five taxonomy.<sup>4</sup> Motives are defined as what an individual desires, needs, and strives for. Abilities capture things such as intelligence, and narratives are the stories that an individual tells herself in order to make sense of her life. Together, these four domains shape a person's identity and reputation, which in turn determine her roles in society.

This paper studies the importance of academic motivation, which falls under the motives domain. Unlike the literature on personality traits, psychological research on motivation has not converged on a common theoretical framework, system of measurement, or terminology (Murphy and Alexander, 2000; Roberts et al., 2006). Despite this heterogeneity, empirical studies have consistently found that motivation is predictive of success in life: for example, Steinmayr and Spinath (2009) document that motivation predicts school performance over and above intelligence, and Dunifon and Duncan (1998) show that having an orientation toward challenge predicts future earnings. In

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<sup>3</sup> In related unpublished work, Shure (2017) uses data on secondary-school students in Belgium and shows that students with more conscientious classmates perform better in school. Her results rely on the relatively strong assumption that conditional on controls and school fixed effects, assignment to classes is as good as random. Some other papers do not explicitly study spillovers from personality but examine impacts of peers who likely exhibit disruptive behavior, such as children exposed to domestic violence (Carrell and Hoekstra, 2010; Carrell, Hoekstra, and Kuka, 2018) and boys with female-sounding names (Figlio, 2007). In Bietenbeck (2020), I study spillovers from low-achieving kindergarten repeaters in Project STAR and argue that they may arise due to misbehavior. However, the data do not allow me to measure repeaters' behavior or personality at baseline.

<sup>4</sup> The Big Five traits are openness to experience, conscientiousness, extraversion, agreeableness, and neuroticism. Almlund et al. (2011) give an overview of different taxonomies of personality traits and their relation to the widely-studied concepts of grit and locus of control.



related work in economics, [Segal \(2012\)](#) finds that intrinsic motivation in adolescence and early adulthood, as measured by performance on a low-stakes coding speed test, predicts future earnings over and above cognitive skills.<sup>5</sup>

The apparent importance of motivation for success in life has led psychologists to study potential ways to boost motivation among students. Results show that interventions that directly aim at increasing motivation, for example by helping students set goals or by instructing teachers to relate lesson content to students' experiences, can improve motivation and achievement (see [Lazowski and Hulleman, 2016](#), for a review of this evidence). Within economics, [Heckman, Pinto, and Savellyev \(2013\)](#) similarly show that the Perry Preschool intervention raised children's academic motivation. In contrast, previous analyses of Project STAR did not find any evidence that class size affects motivation ([Word et al., 1990](#); [Schanzenbach, 2006](#)).

### 3 Project STAR: background and data

#### 3.1 Background on Project STAR

Project STAR was a randomized controlled trial designed to investigate the effect of class size on student achievement. The original experiment followed a single cohort of children at 79 schools in Tennessee from kindergarten through third grade. It started at the beginning of the 1985-86 school year, when 6,325 kindergarten students were randomly assigned to small classes (target size 13-17 students) or regular-sized classes (target size 22-25 students) within their school.<sup>6</sup> Because kindergarten was not mandatory at that time and due to normal residential mobility, 5,276 additional students joined this study cohort at participating schools during grades 1-3. These students were also randomized to classes within school upon entry, implying that the randomization pool for all participants was school-by-entry-grade. After the initial randomization, all students were supposed to stay in their assigned class type (small versus regular-sized) until the end of third grade, at which point the experiment ended. At the start of each

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<sup>5</sup> Only very few studies have examined potential correlations between motives and personality traits ([Roberts et al., 2006](#)), and this literature has yielded mixed results. Thus, [Winter et al. \(1998\)](#) find that extraversion is unrelated to two different measures of motivation among female college graduates. In contrast, [Komarraju and Karau \(2005\)](#) document a complex pattern of relationships between Big Five traits and several motivational constructs in a sample of undergraduate students, with a particularly strong correlation between conscientiousness and motivation to achieve.

<sup>6</sup> There was also a third type of class: regular-sized class with a full-time teacher's aide. Previous studies using data from Project STAR have not found any differences in treatment effects between regular-sized classes with and without a full-time teacher's aide. In the empirical analysis, I follow the convention in the literature and group these two types of classes together.

grade, teachers were also randomly assigned to classes within school.

As with any field experiment, the actual implementation of Project STAR deviated somewhat from the original plan. Thus, as children advanced from kindergarten to third grade, some students managed to move between small and regular-sized classes (for details, see [Krueger, 1999](#)). To account for this likely non-random sorting, I always define peer composition based on the initial random assignment when I estimate spillovers from motivated classmates below. Another deviation from the original study design was that a substantial number of students left the experiment either because they moved to other schools or because they were retained in grade. Later on, I provide evidence that this attrition is not driving my results.<sup>7</sup>

### 3.2 Data and variable definitions

An important feature of Project STAR is that researchers collected detailed data on participants both during the experiment and long after it ended. Most of these data are included in the Project STAR public use file, which forms the basis for my empirical analysis and which allows me to follow students from kindergarten through the end of high school. In this Subsection, I give a brief overview of the main variables I draw from this dataset, with additional details provided in [Online Appendix A](#).

*Academic motivation.* In the spring of each year from kindergarten through third grade, students' academic motivation was assessed using the Self-Concept and Motivation Inventory (SCAMIN; [Milchus, Farrah, and Reitz, 1968](#)). This is a group-administered, standardized psychological test in which students are asked to indicate pictorially their response to different situations. Specifically, students are given a prepared answer sheet that contains a number of faces ranging from sad to happy for each situation. The test administrator – in Project STAR, this was the class teacher – then reads out a series of questions starting with “What face would you wear...” and asks students to mark the appropriate face as a response. For example, students are asked “What face would you wear if you were able to read like a grown-up?” and “What face would you wear if you could make the teacher happy with your arithmetic?”<sup>8</sup> A motivation score is then calculated for each student based on her answers. This score serves as the measure of academic motivation in the empirical analysis below.

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<sup>7</sup> For additional details on the design and implementation of Project STAR, see [Word et al. \(1990\)](#), [Krueger \(1999\)](#), and [Finn et al. \(2007\)](#).

<sup>8</sup> Unfortunately, the SCAMIN is out of print at the time of writing. From my reading of the secondary literature, its questions aim to measure both subject-specific motivation in reading, writing, and math, and more general motivation to achieve in school.

Besides academic motivation, the SCAMIN also measures students' academic self-concept using a separate set of questions. Psychologists define self-concept as a person's perception of herself, which is formed through experience with her environment (Shavelson, Hubner, and Stanton, 1976). In the theoretical framework by Roberts (2006), self-concept forms part of a person's identity, which is shaped by the four core personality domains but which may itself also influence these domains via feedback processes. While self-concept is not the focus of this paper, I show in robustness checks that it does not confound my estimates for own and peer motivation.

As is usual for standardized tests for children, the SCAMIN has different test forms that are aimed at different grade levels: preschool/kindergarten, early elementary school, and late elementary school. In Project STAR, the preschool/kindergarten form was administered at the end of kindergarten and the early elementary form was administered at the end of grades 1-3. These forms differ in the questions that are asked and the number of faces that are shown on the answer sheet, such that motivation scores are not directly comparable between them.

Tests in personality psychology are often judged on various dimensions of quality, such as reliability and the ability to predict contemporaneous and future outcomes. As discussed in detail in Online Appendix A, the existing evidence points to a high quality of the SCAMIN early elementary form: for example, its test-retest reliability is similar to that found for tests measuring personality traits in children, and my results below show that its motivation score predicts a wide range of contemporaneous and future outcomes. Unfortunately, however, the preschool/kindergarten form does not meet this same high quality standard. In particular, there is some doubt about whether its questions capture only motivation, and I found in separate analyses that its motivation score does not predict contemporaneous or future outcomes, including future motivation as captured by the early elementary form (see Online Appendix A). Given these serious problems, I decided not to use the kindergarten motivation scores and to focus only on motivation in grades 1-3 as measured by the SCAMIN early elementary form.

*Achievement in reading and math.* At the end of each grade from kindergarten through third grade, participants in Project STAR wrote the grade-appropriate version of the Stanford Achievement Test. Moreover, in the spring of grades 5-8, all students who were enrolled in public schools in Tennessee wrote the Comprehensive Test of Basic Skills as part of a statewide testing program. Both tests are standardized assessments covering various subjects, and I use the reading and math scores included in the Project STAR public use file as my main measures of student achievement.

*Classroom behavior.* When STAR participants were in fourth grade, their teachers rated a subset of them on their classroom behavior. Teacher ratings for 28 behaviors were recorded on a scale from 1-5 and then consolidated into four indices. The effort index measures behaviors such as showing persistence when confronted with difficult problems. The initiative index captures things such as actively participating in classroom discussions. The discipline index measures behaviors such as being quiet versus interfering with classmates' work. The value index captures to what extent a student appreciates the school learning environment. All indices are coded such that higher values reflect better behavior. In eighth grade, math and English teachers rated a different subset of STAR participants using a similar but shorter questionnaire, and the ratings were consolidated into the same four indices. In the analysis below, I measure classroom behavior using the total of eight fourth- and eighth-grade indices.

*Educational attainment.* Most participants in Project STAR graduated from high school in 1998, and researchers collected information on the high school grade point average (GPA) and graduation status for participants attending selected high schools in 1999 and 2000. Besides this information, the public use file contains an indicator for whether a student had taken an ACT or SAT college-entrance test by 1998. This indicator is based on the administrative records of the two companies offering these tests and is the outcome of a data collection effort by [Krueger and Whitmore \(2001\)](#). It is available for the full sample of STAR participants and is a measure of college intent.

*Student characteristics.* The data contain information on the following socio-demographic characteristics of students: age, gender, race, and an indicator for whether the student was ever eligible for free or reduced-price lunch during the experiment.

## 4 Own motivation and educational success

### 4.1 Sample selection and summary statistics

In this Section, I study the importance of children's academic motivation for their own educational success. For this purpose, I select the sample that maximizes the number of children observed with this personality measure. Of the total number of 11,601 students in Project STAR, 9,932 participated in the experiment at some point during grades 1-3, with the others dropping out after kindergarten. 9,072 of these participants are observed with a motivation score in at least one of these grades and are included in what I will refer to as the own motivation sample. The missing information for the

other, excluded 860 students is mostly due to data processing issues (see [Word et al., 1990](#)).

In my analysis, I am interested in the predictive power of the relatively stable part of children’s motivation. I therefore construct my main independent variable as the average motivation of each student during grades 1-3. Specifically, I first standardize the motivation scores for each grade to have mean 0 and SD 1. I then average the available scores for each student across grades and standardize the resulting composite again. This lets me interpret regression coefficients as the predicted change in the outcome if academic motivation in early elementary school increases by 1 SD. Averaging across grades in this way is also beneficial because it reduces measurement error.

The regressions below relate children’s academic motivation to four sets of outcomes. First, I consider achievement in early elementary school as measured by average test scores across grades 1-3 in reading and math. Second, I study achievement in middle school as measured by average test scores across grades 5-8 in reading and math. Third, I examine children’s longer-term educational success as captured by their high school GPA, high school graduation, and taking of an ACT or SAT test. Finally, I study classroom behavior as captured by the eight indices constructed from teacher ratings in fourth and eighth grade. To facilitate interpretation, I standardize all measures of achievement and classroom behavior to have mean 0 and SD 1.

Table 1 shows summary statistics for the own motivation sample. Due to the fact that Project STAR oversampled schools in poor neighborhoods, students are disproportionately likely to be black and eligible for free or reduced-price lunch. 82 percent of students graduated from high school and 38 percent took an ACT or SAT test around the age of 18. Note that not all students are observed with all outcomes due to different data collection procedures and sample attrition, see Online Appendix A for details.

## 4.2 Regression specification

To test whether academic motivation in early elementary school predicts educational success, I estimate ordinary least squares regressions of the following form:

$$y_{is} = \alpha + \beta \text{MOTIV}_i^{G1-G3} + X_i \gamma + \lambda_s + \varepsilon_{is}, \quad (1)$$

where  $i$  denotes students and  $s$  denotes school-by-entry-grade cells, that is, the Project STAR randomization blocks.  $y_{is}$  is the outcome of interest.  $\text{MOTIV}_i^{G1-G3}$  is student  $i$ ’s average academic motivation across grades 1-3.  $X_i$  is a vector of socio-demographic

characteristics shown in Table 1.<sup>9</sup>  $\lambda_i$  is a vector of school-by-entry-grade dummies, which account for differences between students entering the various schools participating in Project STAR in different grades. Finally,  $\varepsilon_{is}$  is the error term. In all regressions, I cluster standard errors at the level of school-by-entry-grade.

### 4.3 Main results

Panel A of Table 2 reports estimates based on Equation 1 and reveals that motivation in early elementary school is predictive of both contemporaneous and later educational success. In particular, a 1 SD higher motivation score is associated with 0.05 SD (0.06 SD) higher reading (math) scores in early elementary and middle school and a 0.3 points increased high school GPA, which is measured on a scale from 0-100. Strikingly, motivation in early elementary school also predicts college intent more than ten years later, as students with a 1 SD higher motivation score are 1.7 percentage points (4.4 percent) more likely to take an ACT or SAT test around age 18.

An important question is whether the estimates shown in Panel A reflect impacts of motivation or whether they are due to underlying academic ability, which likely correlates with both motivation and educational success. In Panel B, I address this question by adding controls for reading and math achievement in kindergarten to the regressions as proxies for academic ability. Interestingly, this leaves the results largely unchanged compared to Panel A. This suggests that the estimates in Table 2 indeed capture effects of motivation and not just impacts of correlated academic ability.<sup>10</sup>

Table 3 presents results for teacher-rated classroom behavior and reveals that motivation is predictive of all observed measures of good behavior. For example, Panel A shows that a 1 SD higher motivation score is associated with 0.11 SD higher effort and 0.09 SD higher discipline in fourth grade. The associations are slightly weaker for the eighth-grade measures, which could reflect either fade-out or the fact that the questions on which teachers rated students were slightly different in that grade. Panel B reveals that the estimates for both grades are robust to controlling for achievement in kinder-

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<sup>9</sup> As can be seen in Table 1, there are some missing values in these control variables. In order not to reduce sample size unnecessarily, in all regressions in this paper I impute missing values in controls at the sample mean and include separate dummies for missing values on each control variable. Results are virtually identical if I instead exclude students with missing information on socio-demographic characteristics from the sample.

<sup>10</sup>I make this argument more formally in Online Appendix Table B.1, where I use the method proposed by Oster (2019) to assess how large omitted variable bias due to factors such as academic ability would have to be in order to drive the coefficients in Table 2 to zero. I find that selection on unobservables would have to be several times larger than selection on achievement in kindergarten in order to explain away the coefficient on motivation in the regressions.

garten. Taken together, the results in this table confirm that the SCAMIN motivation score captures a dimension of personality that is reflected in actual behaviors. This finding is interesting in its own right but also because previous studies have shown that these behaviors predict later educational attainment and earnings among participants in Project STAR (Chetty et al., 2011; Bietenbeck, 2020).

#### 4.4 Further results

I now summarize results from some additional analyses. First, Online Appendix Table B.2 shows estimates of the relationship between motivation and educational success separately for different groups of students. The results reveal that for most outcomes, the predicted improvement due to a 1 SD higher motivation is larger for girls than for boys, larger for black students than for non-black students, and larger for free-lunch students than for non-free-lunch students. Second, Online Appendix Table B.3 presents results from sensitivity checks, which reveal that the associations between motivation and educational success presented in Table 2 are robust to restricting the sample to students observed with achievement in kindergarten<sup>11</sup> and to controlling for students' academic self-concept in grades 1-3 as measured by the SCAMIN.

## 5 Peer motivation and educational success

### 5.1 Sample selection and summary statistics

In this Section, I study how exposure to motivated peers affects children's educational success. Specifically, I estimate causal spillover effects on students who first entered Project STAR in second or third grade. The new classmates of these entrants had participated in the experiment and written the SCAMIN test in the previous (first or second) grade, which allows me to observe their academic motivation. As students in Project STAR were randomly assigned to classes within school upon entry, this means that there is random and observable variation in the motivation of second- and third-grade entrants' classmates, which I use to estimate spillover effects.

A total of 2,962 students entered Project STAR in second or third grade. For 2,868 of these students, I observe the motivation of at least some of their new classmates, and these entrants constitute what I will refer to as the peer motivation sample. I

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<sup>11</sup>Measures of kindergarten achievement are available only for those students who participated in Project STAR in kindergarten. As described in the notes to Table 2, in the main regressions I impute missing values in kindergarten achievement for the other students who joined the experiment after kindergarten at the sample mean.

construct peer motivation as the average motivation of entrants’ classmates measured at the end the previous school year, thus ensuring that peer motivation is predetermined relative to the assignment of entrants to classes. In a similar fashion, I also construct averages of classmates’ socio-demographic characteristics and their reading and math achievement in the previous grade, which I use as controls in some regressions. To facilitate interpretation of results, I standardize peer motivation and peer achievement to have mean 0 and SD 1.

In line with the bulk of the previous research on peer effects, the main specifications focus on spillover effects on contemporaneous outcomes. Specifically, I estimate how exposure to motivated peers affects entrants’ reading and math achievement at the end of their first year in Project STAR. In additional analyses, I also examine impacts on longer-term outcomes, including reading and math achievement in middle school, high school graduation and GPA, and college-test taking. For ease of interpretation, I standardize all achievement outcomes to have mean 0 and SD 1.

Table 4 shows summary statistics for the peer motivation sample. Compared to the larger own motivation sample used in Section 4, the students in this sample are even more disadvantaged: for example, they are more likely to be eligible for free or reduced-price lunch (66 versus 60 percent) and less likely to graduate from high school (73 vs 82 percent) and to take an ACT or SAT test (26 versus 38 percent). Note that like with the own motivation sample, not all students are observed with all outcomes due to limited data collection or attrition from the sample. Later on, I show in a robustness check that this missing data problem is not driving my results.

## 5.2 Regression specification

I estimate regressions of the following form:

$$y_{ics} = \delta \overline{\text{MOTIV}}_c^{G-1} + \phi \text{SMALL}_c + X_i \eta + \bar{Z}_c \rho + \omega_s + \mu_{ics}, \quad (2)$$

where  $i$  denotes students,  $c$  denotes classes, and  $s$  denotes school-by-entry grade cells.  $y_{ics}$  is the outcome of interest.  $\overline{\text{MOTIV}}_c^{G-1}$  is the average motivation of students in class  $c$  who participated in Project STAR in the previous grade ( $G - 1$ ).  $\text{SMALL}_c$  is a dummy for assignment to a small class, the original treatment of interest in Project STAR.  $X_i$  is a vector of student socio-demographic characteristics and  $\bar{Z}_c$  is a vector of peer characteristics shown in Table 4. Finally,  $\omega_s$  is a vector of school-by-entry-grade dummies that accounts for fixed differences between randomization pools and  $\mu_{ics}$  is the error term. For all regressions, I compute standard errors that allow for clustering



at the level of school-by-entry-grade.

Equation 2 corresponds to a linear-in-means model, which is the most widely estimated model of peer effects (Sacerdote, 2011). The main coefficient of interest,  $\delta$ , captures the causal impact of exposure to motivated peers under the assumption that variation in peer motivation is random within school-by-entry-grade cells, an assumption that I support with empirical evidence below. Since peer motivation is correlated with other peer characteristics, an obvious question is whether  $\delta$  captures spillovers from motivation or from such other characteristics. I address this question by controlling for peer achievement and peer socio-demographic characteristics in some of my regressions. If the estimates are robust to the inclusion of these controls, this suggests that  $\delta$  indeed captures spillovers from peer motivation, rather than from correlated observed and unobserved factors (Altonji, Elder, and Taber, 2005; Oster, 2019).

### 5.3 Evidence on random assignment

Previous studies using data from Project STAR provide detailed evidence that students were randomly assigned to classes within school upon entry, see especially Chetty et al. (2011) and Sojourner (2013). Here, I complement this evidence by showing that peer motivation is unrelated to predetermined characteristics of students entering the experiment in second or third grade.

Table 5 reports results from regressions like in Equation 2 in which the dependent variables are students' predetermined socio-demographic characteristics (columns 1-4). As a further dependent variable, I constructed a measure of predicted achievement that combines these socio-demographic characteristics such that they optimally predict students' reading and math scores (column 5).<sup>12</sup> Panel A shows estimates from separate regressions for peer motivation and, to further buttress the results, peer achievement in reading and math. Panel B shows estimates from specifications in which these three peer variables enter simultaneously instead. Across all regressions, most of the coefficients on the peer variables are close to zero and not statistically significant at conventional levels. In the regressions in Panel B, the coefficients are also jointly insignificant. This strongly suggests that second- and third-grade entrants in Project STAR were indeed randomized to classes within school upon entry.

In Online Appendix B, I present two further pieces of evidence in favor of random assignment. First, following Chetty et al. (2011), Online Appendix Table B.4 shows

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<sup>12</sup>Specifically, I predict achievement from a regression of the averaged reading and math score at the end of students' first year in Project STAR on the four socio-demographic characteristics and school-by-entry-grade fixed effects.

that class dummies do not jointly predict predetermined characteristics of entrants, as should be the case if they were randomized into classes. Second, following [Feld and Zölitz \(2017\)](#), I ran separate regressions of these characteristics on class dummies for each school-by-entry-grade cell. After each regression, I conducted an F test for the joint significance of the class dummies and collected the p-value. Under random assignment, these p-values should be distributed roughly uniformly, and Online Appendix Figure [B.1](#) shows that this is indeed the case. Moreover, the shares of p-values below certain confidence levels should be close to this level (for example, about five percent of p-values should be below 0.05), and Online Appendix Table [B.5](#) confirms this. This evidence provides strong additional support for the assumption that second- and third-grade entrants were randomly assigned to classes within school in Project STAR.

#### 5.4 Effects on contemporaneous achievement

Table [6](#) reports estimates of the effect of exposure to motivated peers on achievement in reading and math at the end of entrants' first year in Project STAR. Column 1 shows that having classmates with a 1 SD higher average motivation raises own reading scores by 0.077 SD. Column 4 shows an effect on math scores that is also positive but smaller at 0.034 SD and not statistically significant at conventional levels.

Columns 2 and 5 add controls for peer achievement to these specifications. If spillovers from motivated peers were mainly due to correlated peer ability, we would expect to see a reduction in the size of the coefficient on peer motivation in these regressions. However, the estimates are largely unchanged, suggesting that this is not the case. Columns 3 and 6 show that the results are also robust to controlling for classmates' socio-demographic characteristics, spillovers from which have been studied extensively in the previous literature (e.g. [Hoxby, 2000](#); [Whitmore, 2005](#); [Lavy and Schlosser, 2011](#)). In this most demanding specification, a 1 SD increase in peer motivation is estimated to raise own reading scores by 0.071 SD. For comparison, the estimated effect of a 1 SD increase in peer reading achievement is 0.147 SD in the same regression.

The fact that the estimates in Table [6](#) change only very little when controls for other peer variables are added to the regressions suggests that they capture a true personality spillover from classmates' motivation, rather than a spillover from correlated unobserved factors. I provide formal evidence in support of this argument in Online Appendix Table [B.6](#), where I use the method developed by [Oster \(2019\)](#) to assess how large omitted variable bias would have to be in order to drive the estimated effect of peer motivation on reading scores to zero. I find that under standard assumptions, selection on unobservables would have to be more than twice as large as selection on observed

peer achievement and socio-demographic characteristics to explain away the effect. As that is relatively unlikely (Oster, 2019), this finding supports the interpretation of my estimates as capturing spillovers from peer motivation.

In additional analyses, I examine potential heterogeneities and non-linearities in the effect of peer motivation on achievement. I briefly summarize the results in what follows. First, Figure 1 visualizes the estimates from Table 6 and reveals that the effect of peer motivation on reading scores is roughly linear. Second, Online Appendix Table B.7 shows that the effect is larger for boys than for girls, but that it does not differ much by race or by eligibility for free lunch. Third, Online Appendix Table B.8 reports estimates from specifications in which peer motivation is interacted with the small-class dummy and specifications in which the sample is restricted to students in regular-sized classes. The regression estimates point toward a larger effect of peer motivation on achievement in regular-sized classes, although differences by class size are never statistically significant at conventional levels.

Finally, in Online Appendix Table B.9 I move beyond the linear-in-means model of peer effects and investigate how exposure to peers with very high motivation (“shining lights”) and exposure to peers with very low motivation (“bad apples”) affects achievement. To that end, I replace the average peer motivation in Equation 2 with the shares of classmates with top-tercile and bottom-tercile motivation scores. The main take-away from these estimates is that having a high share of classmates with bottom-tercile motivation significantly reduces reading achievement, whereas the impact of classmates with top-tercile motivation is positive but smaller in absolute value and not statistically significant at conventional levels.

## 5.5 Effects on own motivation and self-concept

An intriguing idea is that peer motivation might influence children’s own personality. In Table 7, I explore such spillovers by estimating the effect of peer motivation on entrants’ own motivation and self-concept at the end of their first year in Project STAR. To the best of my knowledge, these are the first estimates of spillovers from peer personality on own personality in the literature. The estimated effect of peer motivation in both regressions is very close to zero, showing that peer motivation does not affect own motivation or self-concept, at least as measured by the SCAMIN.

## 5.6 Effects on longer-term educational success

Given that peer motivation raises contemporaneous achievement, an obvious question is whether it also affects students' longer-term educational success. Table 8 shows that this appears not to be the case: there is little indication that peer motivation affects middle school test scores, high school outcomes, or college-test taking. When interpreting these estimates, it is important to realize that they likely capture the effects of a relatively short exposure to more motivated peers during elementary school. Specifically, when Project STAR ended after third grade, students were redistributed to ordinary classes. While I do not observe class composition beyond third grade, this re-shuffling probably meant that later peer motivation was at most weakly related to peer motivation in second or third grade. In turn, this implies that there is no mechanical longer-term impact of peer motivation in early elementary school due to classmates staying together, and consequently the estimates in Table 8 capture the effects of differential exposure to more motivated peers for only one or two years.

## 5.7 Mechanisms

The results above show that peer motivation raises contemporaneous reading achievement, but that it does not affect longer-term educational success. Peer motivation also does not change own motivation and self-concept. In what follows, I briefly discuss the potential mechanisms underlying these findings.

First, it is important to note that the pattern of impacts is consistent with previous studies on childhood interventions, which have found that treatments are particularly successful at changing longer-term outcomes if they affect children's personality (e.g. Heckman, Pinto, and Savelyev, 2013), and with earlier papers on peer effects, which have argued that school peers influence children's long-term educational and labor market success mainly via their impact on non-cognitive skills (e.g. Carrell, Hoekstra, and Kuka, 2018; Bietenbeck, 2020). This suggests that the absence of longer-term impacts of peer motivation in the analysis above is due to the lack of an effect on own personality. Put differently, it appears that the contemporaneous impact on reading scores by itself is simply not large enough to generate measurable long-term effects.

Second, given that peer motivation does not affect own motivation and self-concept, what explains the rise in reading scores? Perhaps the most likely mechanism is that having more motivated peers leads to an improved learning environment in the classroom. As shown in Section 4, motivated students are more disciplined and generally show better behavior in the classroom according to their teachers. This implies that

entrants whose peers are more motivated likely experience less distraction from them, which in turn could account for the documented increase in reading scores.

## 5.8 Robustness

I now summarize the results from robustness checks that address several potential concerns about my results. First, I study effects on many different outcomes, which raises the possibility that the only statistically significant effect on contemporaneous reading achievement represents a chance finding. To mitigate this threat, Online Appendix Table B.10 reports estimates of the effect of peer motivation on word study skills, which are closely related to reading skills and which were also assessed by the Stanford Achievement Test.<sup>13</sup> The results show that a 1 SD increase in peer motivation raises word study skills scores by a highly statistically significant 0.081 SD, an effect that is almost identical in size to the impact on reading scores. I moreover confirmed that the effects of peer motivation on reading scores and word study skills scores remain statistically significant when I correct for multiple hypothesis testing using the method developed by Romano and Wolf (2005a,b), see Online Appendix Table B.11.

Second, not all outcomes are observed for all students in the sample, which opens up the possibility that my results are biased by selective attrition. To address this threat, Online Appendix Table B.12 shows estimates of the effect of peer motivation on indicators for being observed with each of the outcomes studied in Tables 6 and 8. The coefficients from the regressions of contemporaneous achievement and most longer-term outcomes are close to zero and not statistically significant at conventional levels, showing that the likelihood of being observed with these outcomes does not systematically vary with peer motivation.<sup>14</sup> This finding strongly suggests that selective attrition is not driving my results.

Third, academic motivation is usually not observed for all classmates of entrants, partly due to data processing issues (see Word et al., 1990). This introduces measurement error, which could bias my estimates. To mitigate this concern, Online Appendix Table B.13 shows results from regressions in which the sample is restricted to entrants

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<sup>13</sup>The correlation coefficient between reading scores and word study skills scores is 0.88. For completeness, Online Appendix Table B.10 also shows the effect on listening skills, the fourth and final skills domain assessed by the Stanford Achievement Test in both second and third grade (the correlation coefficient between reading scores and listening scores is 0.64). I do not include word study skills and listening skills in the main analysis for conciseness and in order to keep in line with the previous literature on Project STAR, which has focused almost exclusively on reading and math.

<sup>14</sup>There is a marginally statistically significant negative effect on being observed with middle school test scores. This could potentially explain the negative (but insignificant) point estimates of peer motivation on middle school reading and math achievement in Table 8.

for whom information on personality is available for most classmates. The effect of peer motivation on reading scores in these regressions is very similar to the one reported in Table 6, although the estimate is less precise due to the lower number of observations. Finally, Online Appendix Table B.14 shows that results are robust to controlling for peer self-concept as measured by the SCAMIN.

## 6 Conclusion

A growing literature in economics has studied the importance of personality for educational success, but has mostly focused on preference parameters and personality traits. Moreover, despite extensive evidence that the social environment matters for performance in school, only very few studies have examined spillovers from classmates' personality. In this paper, I contribute to this research by showing that motivation, an important facet of personality, matters for own and peers' educational success.

In the first part of the paper, I show that academic motivation in early elementary school, as measured by a standardized psychological test, is predictive of contemporaneous and future achievement in reading and math, high school GPA, and college-test taking around age 18. These associations hold even when I control for achievement in kindergarten, which suggests that they are not due to correlated academic ability. In the second part of the paper, I show that exposure to motivated peers causally affects reading achievement in elementary school. This peer effect operates over and above any spillovers from classmates' past achievement and socio-demographic composition, which suggests that it reflects a true personality spillover. I also show that peer motivation does not affect own motivation, a finding that likely explains the lack of any longer-term impacts of short-term exposure to motivated peers.

Previous research in economics has shown that personality is malleable especially during childhood (Kautz et al., 2014) and that targeted programs can effectively change facets of personality such as patience (Alan and Ertac, 2018), grit (Alan, Boneva, and Ertac, 2019), prosociality (Kosse et al., 2020), and socio-emotional skills (Sorrenti et al., 2020). Moreover, studies in psychology have documented that interventions such as helping students set goals or instructing teachers to relate lesson content to students' experiences can improve their motivation and achievement (Lazowski and Hulleman, 2016). An important implication of my findings is that the benefits of such interventions extend beyond the targeted students, as the generated improvements in these facets of personality will spill over onto their peers.

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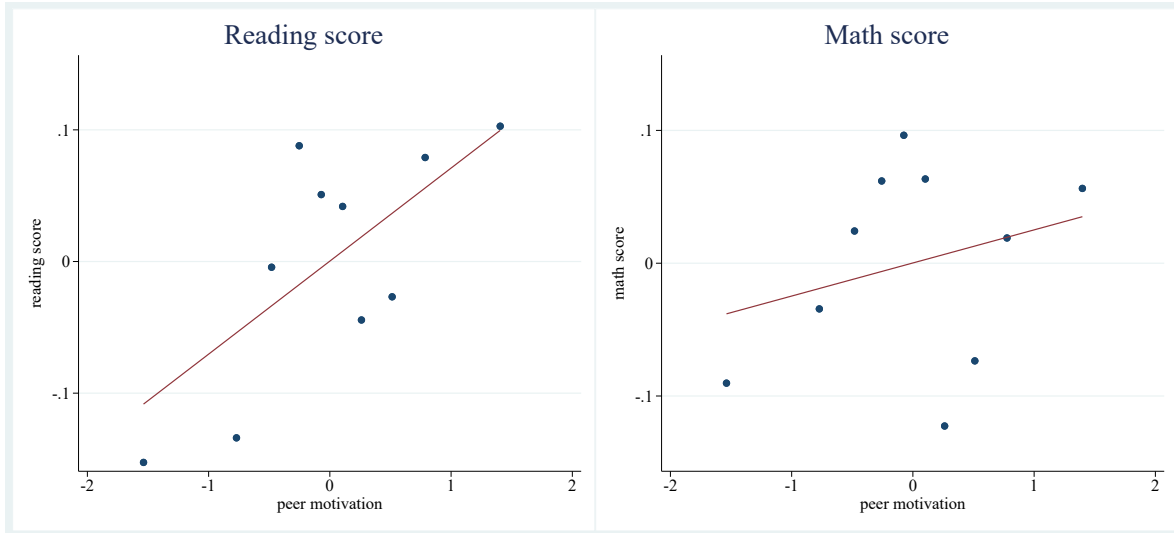


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## Figures and Tables

Figure 1: Peer motivation and entry-grade achievement



*Notes:* The figure shows estimates of the effect of peer motivation on achievement in reading and math at the end of entrants' first year in Project STAR. To construct these plots, I first residualize achievement scores and peer motivation on the controls included in the specifications in columns 3 and 6 of Table 6. I then group residualized peer motivation into ten equal-sized bins and plot the mean of the residualized achievement scores for each bin. The regression line in each plot is based on the underlying individual-level data and thus visualizes the corresponding regression in Table 6.

Table 1: Summary statistics for the own motivation sample

	Mean	SD	N
<i>Socio-demographic characteristics</i>			
Male	0.53	0.50	9,072
Black	0.35	0.48	9,054
Free lunch	0.60	0.49	8,978
Age in 1985	5.75	0.57	9,065
<i>Achievement in kindergarten</i>			
Reading score	0.00	1.00	4,174
Math score	0.00	1.00	4,218
<i>Academic motivation</i>			
Motivation in grades 1-3	0.00	1.00	9,072
<i>Educational outcomes</i>			
Reading scores in grades 1-3	0.00	1.00	8,530
Math scores in grades 1-3	0.00	1.00	8,678
Reading scores in grades 5-8	0.00	1.00	7,497
Math scores in grades 5-8	0.00	1.00	7,493
High school GPA (0-100)	83.50	7.57	3,360
High school graduation	0.82	0.39	4,368
Took ACT/SAT	0.38	0.48	9,072
<i>Classroom behavior</i>			
Effort in grade 4	0.00	1.00	2,212
Initiative in grade 4	0.00	1.00	2,212
Discipline in grade 4	0.00	1.00	2,212
Value in grade 4	0.00	1.00	2,212
Effort in grade 8	0.00	1.00	2,693
Initiative in grade 8	0.00	1.00	2,693
Discipline in grade 8	0.00	1.00	2,693
Value in grade 8	0.00	1.00	2,693

*Notes:* The table shows means and standard deviations and the number of students observed with each variable for the 9,072 students included in the own motivation sample.

Table 2: Own motivation and educational success

	Grades 1-3		Grades 5-8		High school		College
	reading scores (1)	math scores (2)	reading scores (3)	math scores (4)	GPA (5)	graduation (6)	took ACT/SAT (7)
<i>Panel A: baseline specification</i>							
Motivation in grades 1-3	0.050*** (0.011)	0.056*** (0.012)	0.054*** (0.014)	0.056*** (0.013)	0.292* (0.149)	0.008 (0.007)	0.017*** (0.005)
Observations	8,530	8,678	7,497	7,493	3,360	4,368	9,072
<i>Panel B: specification with controls for achievement in kindergarten</i>							
Motivation in grades 1-3	0.043*** (0.010)	0.049*** (0.010)	0.049*** (0.012)	0.051*** (0.012)	0.269** (0.133)	0.008 (0.007)	0.015*** (0.004)
Observations	8,530	8,678	7,497	7,493	3,360	4,368	9,072

*Notes:* The table shows estimates from regressions of the outcome variables indicated in the column headers on students' academic motivation, averaged across grades 1-3. All regressions in Panels A and B control for school-by-entry-grade fixed effects, dummies for male, black, and eligibility for free or reduced-price lunch, and age. Regressions in Panel B additionally control for reading and math achievement in kindergarten. For students with missing information on kindergarten achievement, test scores are imputed at the sample mean, with regressions controlling for two separate dummies indicating imputation of kindergarten reading and math achievement. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table 3: Own motivation and classroom behavior

	Grade 4				Grade 8			
	effort (1)	initiative (2)	discipline (3)	value (4)	effort (5)	initiative (6)	discipline (7)	value (8)
<i>Panel A: baseline specification</i>								
Motivation in grades 1-3	0.105*** (0.027)	0.084*** (0.026)	0.090*** (0.028)	0.112*** (0.031)	0.062*** (0.022)	0.039* (0.023)	0.066*** (0.024)	0.079*** (0.024)
Observations	2,212	2,212	2,212	2,212	2,693	2,693	2,693	2,693
<i>Panel B: specification with controls for achievement in kindergarten</i>								
Motivation in grades 1-3	0.113*** (0.026)	0.093*** (0.025)	0.094*** (0.029)	0.116*** (0.030)	0.068*** (0.021)	0.045** (0.021)	0.068*** (0.024)	0.081*** (0.024)
Observations	2,212	2,212	2,212	2,212	2,693	2,693	2,693	2,693

*Notes:* The table shows estimates from regressions of the outcome variables indicated in the column headers on students' academic motivation, averaged across grades 1-3. All regressions in Panels A and B control for school-by-entry-grade fixed effects, dummies for male, black, and eligibility for free or reduced-price lunch, and age. Regressions in Panel B additionally control for reading and math achievement in kindergarten. For students with missing information on kindergarten achievement, test scores are imputed at the sample mean, with regressions controlling for two separate dummies indicating imputation of kindergarten reading and math achievement. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table 4: Summary statistics for the peer motivation sample

	Mean	SD	N
<i>Socio-demographic characteristics</i>			
Male	0.55	0.50	2,861
Black	0.42	0.49	2,766
Free lunch	0.66	0.47	2,730
Age in 1985	6.01	0.70	2,845
<i>Peer motivation and other peer characteristics</i>			
Peer motivation	0.00	1.00	2,868
Peer reading achievement	0.00	1.00	2,841
Peer math achievement	0.00	1.00	2,850
Peer share male	0.51	0.11	2,868
Peer share black	0.42	0.43	2,868
Peer share free lunch	0.61	0.30	2,868
<i>Entry-grade achievement</i>			
Reading score	0.00	1.00	2,185
Math score	0.00	1.00	2,196
<i>Entry-grade own personality</i>			
Own motivation	0.00	1.00	2,276
Own self-concept	0.00	1.00	2,276
<i>Longer-term educational outcomes</i>			
Reading scores in grades 5-8	0.00	1.00	2,118
Math scores in grades 5-8	0.00	1.00	2,119
High school GPA (0-100)	81.50	7.46	665
High school graduation	0.73	0.44	1,018
Took ACT/SAT	0.26	0.44	2,868

*Notes:* The table shows means and standard deviations and the number of students observed with each variable for the 2,868 students included in the peer motivation sample.

Table 5: Balancing tests for peer motivation and peer achievement

	Male	Black	Free lunch	Age	Pred. achievement
	(1)	(2)	(3)	(4)	(5)
<i>Panel A: separate regressions for each peer variable</i>					
Peer motivation	0.002 (0.012)	-0.007 (0.006)	-0.005 (0.009)	-0.023 (0.017)	0.025 (0.017)
Peer reading achievement	0.017 (0.015)	-0.008 (0.009)	-0.014 (0.021)	-0.024 (0.023)	0.034 (0.028)
Peer math achievement	0.024 (0.015)	-0.012 (0.010)	-0.028* (0.016)	-0.020 (0.028)	0.042 (0.030)
<i>Panel B: joint regressions for all peer variables</i>					
Peer motivation	0.002 (0.012)	-0.007 (0.006)	-0.004 (0.010)	-0.022 (0.016)	0.024 (0.017)
Peer reading achievement	-0.000 (0.021)	0.002 (0.010)	0.009 (0.029)	-0.015 (0.029)	0.006 (0.035)
Peer math achievement	0.024 (0.021)	-0.013 (0.012)	-0.033 (0.020)	-0.009 (0.036)	0.037 (0.037)
p-value (joint significance)	0.44	0.37	0.22	0.42	0.33
Observations (both panels)	2,861	2,766	2,730	2,845	2,868

*Notes:* The table shows estimates of regressions of students' socio-demographic characteristics on the characteristics of their classmates. Estimates are based on the peer motivation sample. Predicted achievement in column 5 is constructed from a regression of the averaged reading and math score at the end of students' first year in Project STAR on the four socio-demographic characteristics and school-by-entry-grade fixed effects. In Panel A, each coefficient comes from a separate regression of the outcome indicated in the column header on the peer variable indicated in the row. In Panel B, coefficients are instead based on a single regression in which all peer variables enter jointly. The p-value reported in Panel B comes from an F test for the joint significance of the three peer variables. All regressions in both panels control for school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .



Table 6: Peer motivation and entry-grade achievement

	Reading score			Math score		
	(1)	(2)	(3)	(4)	(5)	(6)
Peer motivation	0.077*** (0.023)	0.073*** (0.023)	0.071*** (0.023)	0.034 (0.032)	0.029 (0.031)	0.025 (0.032)
Peer achievement controls	No	Yes	Yes	No	Yes	Yes
Peer demographic controls	No	No	Yes	No	No	Yes
Observations	2,185	2,185	2,185	2,196	2,196	2,196

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading (columns 1-3) and math (columns 4-6) at the end of students' first year in Project STAR. Estimates are based on the peer motivation sample. All regressions control for own socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Regressions in columns 2, 3, 5, and 6 additionally control for averages of classmates' reading and math achievement in the previous school year, and regressions in column 3 and 6 additionally control for averages of classmates' socio-demographic characteristics. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table 7: Peer motivation and own motivation and self-concept

	Motivation score (1)	Self-concept score (2)
Peer motivation	-0.004 (0.028)	0.001 (0.027)
Observations	2,276	2,276

*Notes:* The table shows estimates of the effect of peer motivation on own motivation and self-concept at the end of students' first year in Project STAR. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Table 8: Peer motivation and longer-term educational success

	Grades 5-8		High school		College
	reading scores (1)	math scores (2)	GPA (3)	graduation (4)	took ACT/SAT (5)
Peer motivation	-0.023 (0.020)	-0.024 (0.022)	-0.457 (0.422)	-0.031* (0.017)	-0.009 (0.009)
Peer achievement controls	Yes	Yes	Yes	Yes	Yes
Peer demographic controls	Yes	Yes	Yes	Yes	Yes
Observations	2,118	2,119	665	1,018	2,868

*Notes:* The table shows estimates of the effect of peer motivation on the outcome variables indicated in the column headers. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

– ONLINE APPENDIX –

## A Data appendix

In this appendix, I provide additional details about the Project STAR data. The appendix is very similar, and in parts identical, to the data appendix prepared for a previous paper, in which I use data from the same experiment (Bietenbeck, 2020).

Project STAR was planned and implemented by a consortium of researchers from four universities and various state institutions in Tennessee. The experiment ran from the beginning of kindergarten until the end of third grade, but some researchers continued to collect data on participating students in the years afterwards, see Finn et al. (2007) for details. The Project STAR public use file, which is the basis for the empirical analysis in this paper, combines these data such that students can be followed throughout their scholastic careers until the end of high school. In what follows, I present the main independent and dependent variables that I draw from this dataset.

*Academic motivation.* As described in the main text, students participating in Project STAR were assessed on their academic motivation and self-concept using the Self-Concept and Motivation Inventory (SCAMIN; Milchus, Farrah, and Reitz, 1968) in the spring of each year from kindergarten through third grade. The group-administered, standardized psychological test asks students to indicate pictorially their response to different situations. Based on the answers, a motivation score and a self-concept score are calculated for each student. These scores are included in the public use file.

Tests in personality psychology are often judged by their levels of content-related, construct-related, and criterion validity (Borghans et al., 2008). Content-related validity concerns qualitative judgments by experts about whether a test adequately represents the psychological construct of interest. Construct-related validity refers to the degree to which a test actually measures what it claims to measure and is often assessed using factor analysis. Criterion validity concerns the ability of a test to predict contemporaneous and future outcomes. Finally, another important measure of test quality is reliability, as captured for example by test-retest correlations.

Several previous studies and my own analysis of data from Project STAR indicate a high quality of the SCAMIN early elementary form, which was administered in grades 1-3. Thus, Finn and Cox (1992) point out its strong content validity due to the careful and structured approach taken when creating questions. McIntire and Drummond (1976) show that the motivation score based on the early elementary form correlates with a conceptually related score from the more widely used Coopersmith Self-Esteem Inventory Scales, providing some evidence of construct validity. My results in Section

4 establish criterion validity, as they show that motivation scores predict a wide range of contemporaneous and future outcomes.

Regarding the reliability of the early elementary form, Drummond and McIntire (1975) calculate five-months test-retest correlations of motivation scores of 0.37 and 0.51 in samples of first and second grade students, respectively. Using data from Project STAR, I find a one-year test-retest correlation of 0.31 for both first-grade and second-grade motivation scores. These values are broadly similar to test-retest correlations found for personality traits in children: for example, Measelle et al. (2005) document one-year test-retest correlations for Big Five traits ranging from 0.33 to 0.59 in children aged six to seven, and a meta study by Roberts and DelVecchio (2000) finds an average test-retest correlation of 0.43 for Big Five Traits in children aged six to eleven.

The available evidence paints a different picture of the quality of the SCAMIN preschool/kindergarten form, which was administered in the spring of kindergarten. Thus, Davis, Sellers, and Johnston (1988) analyzed the form's questions using factor analysis and found that they could recover the motivation and self-concept subscales only after disregarding some of the questions, which casts doubt on its construct validity. Moreover, Online Appendix Table A.1 shows that kindergarten motivation scores do not predict any of the measures of educational success studied in the paper, indicating that it has very low (or indeed no) criterion validity.

As for reliability, Davis and Johnston (1987) found three-week test-retest correlations for kindergarten motivation scores of 0.45-0.58 in a sample of 167 kindergarten students. However, Online Appendix Table A.2 shows that kindergarten motivation scores are slightly *negatively* correlated with motivation scores in later grades in the larger sample of Project STAR. As the later scores based on the early elementary form are supposed to measure the same underlying construct (academic motivation), this casts serious doubt on the reliability of the motivation scores based on the preschool/kindergarten form. Given the breadth and severity of these problems, I decided not to use the kindergarten motivation scores in my analysis.

*Test scores.* At the end of each school year from kindergarten through third grade, students in Project STAR wrote the grade-specific version of the Stanford Achievement Test. From fifth grade through eighth grade, students who were still residing in Tennessee took the Comprehensive Test of Basic Skills (CTBS) as part of a statewide testing program.<sup>15</sup> Both tests are standardized multiple-choice assessments with com-

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<sup>15</sup>An unrepresentative subsample of students took the CTBS also in fourth grade, see Finn et al. (2007). Due to the selective nature of this subsample, I chose not to analyze fourth-grade test scores.

ponents in reading and math. The second- and third-grade versions of the Stanford Achievement Test further include tests of word study skills and listening skills.

The public use file contains Stanford Achievement Test scores for all students who took these tests. However, it contains CTBS scores only for students who were on grade level, i.e. students who attended grade 5/6/7/8 in 1991/1992/1993/1994, respectively. This implies that test scores are not observed for a number of students who had been retained in grade by those years.<sup>16</sup> Diane Schanzenbach generously provided me with a different version of the Project STAR data, which contains CTBS scores for students who attended grades 5-8 in Tennessee in any year between 1990 and 1997. Test scores are provided as scale scores, which are comparable across grade levels (Finn et al., 2007). In order to increase sample size, I define test scores for a given grade level as scores obtained in the school year in which participating students were supposed to be in that grade (e.g., eighth-grade scores are defined as scores obtained in 1994, even though some students were attending seventh grade in that year).

*Classroom behavior.* In November 1989, fourth-grade teachers of a subset of former participants in Project STAR were asked to rate their students on their behavior. Specifically, teachers completed a questionnaire that asked them how often each student had engaged in 31 different behaviors over the last two to three months. Ratings were recorded on a scale from 1 (“never”) to 5 (“always”), and ratings of 28 of these behaviors were consolidated into four indices. The effort index includes items such as whether a student is persistent when confronted with difficult problems, whether she completes her homework, and whether she gets discouraged easily when encountering an obstacle in schoolwork. The initiative index is based on such items as whether a student participates actively in classroom discussions, whether she does more than just the assigned work, and whether she often asks questions. The discipline index captures such characteristics as whether a student often acts restless, whether she needs reprimanding, and whether she interferes with peers’ work. The value index measures how much a student appreciates the school learning environment.<sup>17</sup>

During the 1993-94 school year, eighth-grade math and English teachers of a different subset of participants were asked about student behaviors on a similar but shorter

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<sup>16</sup>Note that students who were retained in grade at any point between kindergarten and third grade dropped out of the STAR cohort and therefore did not write the subsequent Stanford Achievement Tests. However, these students did write the CTBS in later grades as long as they stayed in Tennessee.

<sup>17</sup>Note that what the paper refers to as the “discipline index” is the inverse of the “index of non-participatory behavior” in the original data. See Finn et al. (2007) for a complete listing of the behaviors included in each of the indices.

questionnaire. Thirteen of these behaviors were again consolidated into four indices measuring each student's effort, initiative, discipline, and value. For my analysis, I averaged the eighth-grade indices across math and English for each student.

*High school GPA and graduation.* Most students in Project STAR graduated from high school in 1998, and transcripts were gathered from selected high schools in 1999 and 2000. High schools were chosen for data collection based on the likelihood that participants would attend them given the locations of students' last known middle schools. Course grades from transcripts were transferred to a scale from 0-100 if necessary, and separate GPAs for math, science, and foreign languages were computed and are available in the public use file. The empirical analysis in this paper uses overall GPA, defined as the average of the these three subject-specific GPAs, as an outcome variable.

Information on high school graduation was also derived from the transcripts and cross-checked with data from the Tennessee State Department of Education in ambiguous cases. Nevertheless, graduation status could not be determined with certainty for all students. In these cases, the data collectors made a best guess whether a student "probably graduated" or "probably dropped out" based on the available course grades, information on attendance, and additional information from the Tennessee State Department of Education. The variable used in the empirical analysis codes students who graduated, students who probably graduated, and students who received a General Educational Development certificate as graduates, and students who dropped out and students who probably dropped out as dropouts.

*College-test taking.* ACT/SAT-test taking was recorded by [Krueger and Whitmore \(2001\)](#), who matched all students in Project STAR to the administrative records of the two companies responsible for these tests in 1998. The outcome variable used in the empirical analysis is an indicator that takes value 1 if a student took either of these college entrance exams in 1998 and 0 otherwise.



Online Appendix Table A.1: Kindergarten motivation and educational success

	Kindergarten		Grades 1-3		Grades 5-8		High school		College
	reading score (1)	math score (2)	reading scores (3)	math scores (4)	reading scores (5)	math scores (6)	GPA (7)	graduation (8)	took ACT/SAT (9)
Motivation in KG	0.006 (0.015)	0.002 (0.014)	-0.016 (0.017)	-0.017 (0.017)	-0.017 (0.018)	0.001 (0.017)	0.025 (0.174)	-0.007 (0.009)	0.006 (0.007)
Observations	5,038	5,038	3,716	3,774	4,051	4,049	2,015	2,456	5,038

*Notes:* The table shows estimates from regressions of the outcome variables indicated in the column headers on students' academic motivation in kindergarten. All regressions control for school-by-entry-grade fixed effects, dummies for male, black, and eligibility for free or reduced-price lunch, and age. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table A.2: Correlations between motivation scores in different grades

Motivation	Kindergarten	Grade 1	Grade 2	Grade 3
Kindergarten	1.000			
Grade 1	-0.042	1.000		
Grade 2	-0.056	0.309	1.000	
Grade 3	-0.047	0.220	0.313	1.000

*Notes:* The table shows correlations between motivation scores in different grades.

## B Results from additional analyses

Online Appendix Figure B.1: Randomization check like in Feld and Zoelitz (2017), distribution of p-values



*Notes:* The figure reports results from a test for random assignment of students to classes similar to the one conducted in [Feld and Zölitz \(2017\)](#). For this test, I ran separate regressions of the variables indicated above the five plots on class dummies for each school-by-entry-grade cell. After each regression, I conducted an F test for the joint significance of the class dummies and collected the p-value. Under random assignment, these p-values should be distributed roughly uniformly. The plots in this figure show the distributions of these p-values for each variable. The red vertical line indicates the p-value of 0.05.

Online Appendix Table B.1: Own motivation and educational success, analysis of omitted variable bias

	Grades 1-3			Grades 5-8			High school		College
	reading scores (1)	math scores (2)	reading scores (3)	math scores (4)	GPA (5)	graduation (6)	took ACT/SAT (7)		
<i>Panel A: baseline specification</i>									
Motivation in grades 1-3	0.050*** (0.011)	0.056*** (0.012)	0.054*** (0.014)	0.056*** (0.013)	0.292** (0.142)	0.008 (0.007)	0.017*** (0.005)		
Observations	8,530	8,678	7,497	7,493	3,360	4,368	9,072		
$R^2$ (within)	0.097	0.067	0.124	0.115	0.109	0.064	0.109		
<i>Panel B: specification with controls for achievement in kindergarten</i>									
Motivation in grades 1-3	0.043*** (0.010)	0.049*** (0.010)	0.049*** (0.012)	0.051*** (0.012)	0.269** (0.133)	0.008 (0.007)	0.015*** (0.004)		
Observations	8,530	8,678	7,497	7,493	3,360	4,368	9,072		
$R^2$ (within)	0.283	0.264	0.239	0.256	0.173	0.069	0.147		
$\delta(Rmax = 1.3 \times R^2)$	12.896	17.222	14.174	15.845	14.031	7.536	7.799		
$\delta(Rmax = 1.6 \times R^2)$	6.511	8.727	7.187	8.036	7.074	3.793	3.941		

*Notes:* The table quantifies the amount of omitted variable bias that would be needed to drive the coefficient on motivation in the regressions in Table 2 to zero. The analysis is based on the method by Oster (2019) and compares the coefficient estimates and  $R^2$  values from baseline regressions (Panel A) with those from regressions which additionally control for achievement in kindergarten (Panel B). Specifications in both panels are identical to those in Table 2. The lower rows in Panel B show estimates of  $\delta$ , which is the ratio of the impact of unobservables to the impact of the controls for achievement in kindergarten that would drive the coefficient on motivation to zero. To compute  $\delta$ , one needs to make an assumption about the hypothetical maximum  $R^2$  achievable if all relevant controls were observed, the  $Rmax$ . Oster (2019) suggests setting  $Rmax$  equal to 1.3 times the  $R^2$  from the controlled regression. Panel B presents results using this value and the more conservative value of 1.6. Calculations of  $\delta$  are made using the Stata package `-psacalc-` and treat school-by-entry-grade fixed effects as nuisance parameters (that is, the  $R^2$  is calculated within school-by-entry-grade cells). Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.2: Own motivation and educational success, heterogeneity by student characteristics

	Grades 1-3			Grades 5-8			High school		College
	reading scores (1)	math scores (2)	reading scores (3)	math scores (4)	GPA (5)	graduation (6)	took ACT/SAT (7)		
<i>Panel A: boys</i>									
Motivation in grades 1-3	0.022* (0.013)	0.025* (0.014)	0.022 (0.016)	0.034** (0.015)	0.344* (0.197)	0.017* (0.010)	0.012** (0.005)		
Observations	4,483	4,560	3,883	3,878	1,632	2,186	4,781		
<i>Panel B: girls</i>									
Motivation in grades 1-3	0.080*** (0.015)	0.101*** (0.016)	0.102*** (0.017)	0.092*** (0.016)	0.183 (0.201)	0.000 (0.010)	0.022*** (0.008)		
Observations	4,047	4,118	3,614	3,615	1,728	2,182	4,291		
<i>Panel C: black students</i>									
Motivation in grades 1-3	0.060*** (0.017)	0.088*** (0.019)	0.084*** (0.025)	0.084*** (0.022)	-0.036 (0.297)	0.001 (0.014)	0.022*** (0.007)		
Observations	3,042	3,046	2,590	2,588	751	1,317	3,178		
<i>Panel D: non-black students</i>									
Motivation in grades 1-3	0.038*** (0.012)	0.033*** (0.012)	0.033*** (0.014)	0.039*** (0.014)	0.389** (0.155)	0.012 (0.008)	0.014** (0.006)		
Observations	5,488	5,632	4,907	4,905	2,609	3,051	5,894		
<i>Panel E: students eligible for free lunch</i>									
Motivation in grades 1-3	0.058*** (0.013)	0.072*** (0.015)	0.068*** (0.017)	0.066*** (0.016)	0.056 (0.242)	-0.002 (0.010)	0.023*** (0.006)		
Observations	5,039	5,136	4,406	4,403	1,491	2,216	5,397		
<i>Panel F: students not eligible for free lunch</i>									
Motivation in grades 1-3	0.022 (0.015)	0.015 (0.014)	0.016 (0.018)	0.030* (0.017)	0.373** (0.159)	0.014 (0.009)	-0.001 (0.008)		
Observations	3,491	3,542	3,091	3,090	1,869	2,152	3,675		

*Notes:* The table shows estimates from regressions of the outcome variables indicated in the column headers on students' academic motivation, averaged across grades 1-3, separately for different groups of students. Specifications follow the ones in Panel B of Table 2. Panel D includes non-black students and additionally students with missing information on this variable. Panel F includes students not eligible for free or reduced-price lunch and additionally students with missing information on this variable. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.3: Own motivation and educational success, robustness checks

	Grades 1-3		Grades 5-8		High school		College
	reading scores (1)	math scores (2)	reading scores (3)	math scores (4)	GPA (5)	graduation (6)	took ACT/SAT (7)
<i>Panel A: sample restricted to students observed with achievement in kindergarten</i>							
Motivation in grades 1-3	0.025** (0.012)	0.032** (0.013)	0.032* (0.018)	0.039** (0.016)	0.169 (0.159)	0.005 (0.008)	0.020*** (0.007)
Observations	4,099	4,179	3,666	3,662	2,053	2,431	4,219
<i>Panel B: specification with control for academic self-concept in grades 1-3</i>							
Motivation in grades 1-3	0.038*** (0.010)	0.045*** (0.011)	0.048*** (0.013)	0.050*** (0.012)	0.181 (0.134)	0.005 (0.007)	0.014*** (0.005)
Observations	8,530	8,678	7,497	7,493	3,360	4,368	9,072

*Notes:* The table shows estimates from regressions of the outcome variables indicated in the column headers on students' academic motivation, averaged across grades 1-3. All specifications are variations of the regressions in Panel B of Table 2. Panel A restricts the sample to students who are observed with kindergarten reading or math scores. Panel B adds a control for students' academic self-concept, averaged across grades 1-3. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.4: Randomization check like in Chetty et al. (2011)

	Male	Black	Free lunch	Age	Pred. achieve- ment
	(1)	(2)	(3)	(4)	(5)
p-value	.14	.99	.26	.30	.69
Observations	2,861	2,766	2,730	2,845	2,868

*Notes:* The table reports results from a test for random assignment of students to classes similar to the one conducted in [Chetty et al. \(2011\)](#). The intuition of this test is that if students were indeed randomly assigned to classes, then class dummies should not predict their predetermined characteristics. For this table, I regressed each of the variables indicated in the column headers on school-by-entry-grade fixed effects and class dummies (leaving out one dummy per school-by-entry-grade cell to avoid collinearity). I then conducted an F test for the joint significance of all class dummies. The table reports the corresponding p-values.

Online Appendix Table B.5: Randomization check like in Feld and Zoelitz (2017), number of p-values below certain thresholds

	No. of tests	No. of p-values below			Share of p-values below		
		10%	5%	1%	10%	5%	1%
Male	145	16	9	3	11.03%	6.21%	2.07%
Black	63	4	2	1	6.35%	3.17%	1.59%
Free lunch	121	11	6	2	9.10%	4.96%	1.65%
Age	147	12	6	3	8.16%	4.08%	2.04%
Pred. achievement	147	11	4	1	7.48%	2.72%	0.68%

*Notes:* The table reports results from a test for random assignment of students to classes similar to the one conducted in [Feld and Zölitz \(2017\)](#). For this test, I ran separate regressions of the variables indicated in rows on class dummies for each school-by-entry-grade cell. After each regression, I conducted an F test for the joint significance of the class dummies and collected the p-value. Under random assignment, the shares of p-values below certain confidence levels should be close to this level (for example, about five percent of p-values should be below 0.05). The table shows the number of tests conducted for each variable and the number and share of p-values below the thresholds of 10%, 5% and 1%. The number of tests conducted is lower than the number of school-by-entry-grade cells, 147, for some variables due to missing data or due to collinearity (for example, if all students entering a certain school in a certain grade were black).



Online Appendix Table B.6: Peer motivation and entry-grade achievement, analysis of omitted variable bias

	Reading score		Math score	
	(1)	(2)	(3)	(4)
Peer motivation	0.077*** (0.022)	0.071*** (0.023)	0.034 (0.032)	0.025 (0.032)
Peer achievement controls	No	Yes	No	Yes
Peer demographic controls	No	Yes	No	Yes
Observations	2,185	2,185	2,196	2,196
$R^2$ (within)	0.112	0.123	0.271	0.282
$\delta(Rmax = 1.3 \times R^2)$		2.458		0.132
$\delta(Rmax = 1.6 \times R^2)$		1.282		0.103

*Notes:* The table quantifies the amount of omitted variable bias that would be needed to drive the coefficient on peer motivation in the regressions in Table 6 to zero. The analysis is based on the method by Oster (2019) and compares the coefficient estimates and  $R^2$  values from baseline regressions (columns 1 and 3) with those from regressions which additionally control for averages of classmates' reading and math achievement in the previous school year and averages of classmates' socio-demographic characteristics (columns 2 and 4). For further details on controls included in the specifications, see Table 6. The last two rows in the table show estimates of  $\delta$ , which is the ratio of the impact of unobservables to the impact of the controls for peer achievement and socio-demographic characteristics that would drive the coefficient on peer motivation to zero. To compute  $\delta$ , one needs to make an assumption about the hypothetical maximum  $R^2$  achievable if all relevant controls were observed, the  $Rmax$ . Oster (2019) suggests setting  $Rmax$  equal to 1.3 times the  $R^2$  from the controlled regression. The table presents results using this value and the more conservative value of 1.6. Calculations of  $\delta$  are made using the Stata package `-psacalc-` and treat school-by-entry-grade fixed effects as nuisance parameters (that is, the  $R^2$  is calculated within school-by-entry-grade cells). Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.7: Peer motivation and entry-grade achievement, heterogeneity by student characteristics

	Reading score (1)	Math score (2)
<i>Panel A: boys</i>		
Peer motivation	0.095*** (0.030)	0.036 (0.042)
Observations	1,207	1,220
<i>Panel B: girls</i>		
Peer motivation	0.047 (0.044)	0.007 (0.042)
Observations	978	976
<i>Panel C: black students</i>		
Peer motivation	0.084*** (0.027)	0.070 (0.057)
Observations	962	956
<i>Panel D: non-black students</i>		
Peer motivation	0.067** (0.032)	-0.006 (0.034)
Observations	1,223	1,240
<i>Panel E: students eligible for free lunch</i>		
Peer motivation	0.073** (0.031)	0.034 (0.045)
Observations	1,372	1,374
<i>Panel F: students not eligible for free lunch</i>		
Peer motivation	0.064 (0.043)	0.015 (0.037)
Observations	813	822

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading and math separately for different groups of students. All regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Panel D includes non-black students and additionally students with missing information on this variable. Panel F includes students not eligible for free or reduced-price lunch and additionally students with missing information on this variable. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.8: Peer motivation and entry-grade achievement, heterogeneity by class size

	Interaction with small class		Regular-sized classes only	
	reading score (1)	math score (2)	reading score (3)	math score (4)
Peer motivation	0.094*** (0.029)	0.038 (0.044)	0.091*** (0.029)	0.048 (0.050)
× small class	-0.071 (0.052)	-0.041 (0.066)		
Small class	0.065 (0.051)	0.092 (0.062)		
Peer achievement controls	Yes	Yes	Yes	Yes
Peer demographic controls	Yes	Yes	Yes	Yes
Observations	2,185	2,196	1,663	1,671

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading and math. In columns 1 and 2, peer motivation is interacted with the small-class dummy. In columns 3 and 4, the sample is restricted to students in regular-sized classes. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.9: Peer motivation and entry-grade achievement, bad apples and shining lights

	Reading score (1)	Math score (2)
Share of peers with top 33% motivation	0.148 (0.189)	0.059 (0.292)
Share of peers with bottom 33% motivation	-0.412** (0.159)	-0.221 (0.177)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	2,185	2,196

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading and math. Peer motivation is measured as the shares of classmates with top 33% and bottom 33% motivation scores. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.10: Peer motivation and entry-grade achievement in other subjects

	word study skills score (1)	listening score (2)
Peer motivation	0.082*** (0.024)	0.025 (0.028)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	2,507	2,187

*Notes:* The table shows estimates of the effect of peer motivation on achievement in word study skills and listening, which were assessed by the Stanford Achievement Test next to reading and math. Achievement scores are standardized to have mean 0 and SD 1 in each subject. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.11: Peer motivation and educational success, correction for multiple hypothesis testing

	Entry grade			Grades 5-8			High school		College
	reading score	math score	word st. skills score	listening score	reading scores	math scores	GPA	graduation	took ACT/SAT
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Peer motivation	0.071 [0.003] <i>[0.040]</i>	0.025 [0.438] <i>[0.785]</i>	0.082 [0.001] <i>[0.012]</i>	0.025 [0.366] <i>[0.785]</i>	-0.023 [0.259] <i>[0.785]</i>	-0.024 [0.275] <i>[0.785]</i>	-0.457 [0.280] <i>[0.757]</i>	-0.031 [0.075] <i>[0.458]</i>	-0.009 [0.342] <i>[0.785]</i>
Peer ach. controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Peer dem. controls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	2,185	2,196	2,507	2,187	2,118	2,119	665	1,018	2,868

*Notes:* The table shows estimates of the effect of peer motivation on the outcome variables indicated in the column headers along with two different sets of p-values. The p-values in brackets shown directly below the coefficient estimates are based on the main estimates in Tables 6 and 8 and Online Appendix Table B.10. The p-values in italics and brackets in the next row are corrected for multiple hypothesis testing using the procedure by Romano and Wolf (2005a,b). To implement this procedure, I use the Stata `rwolf` command described in Clarke, Romano, and Wolf (2019).

Online Appendix Table B.12: Peer motivation and educational success, analysis of selective attrition

	Outcome is an indicator for being observed with						
	entry grade		grades 5-8		high school		college
	reading score (1)	math score (2)	reading scores (3)	math scores (4)	GPA (5)	graduation (6)	took ACT/SAT (7)
Peer motivation	0.008 (0.009)	0.005 (0.009)	-0.015* (0.009)	-0.015* (0.009)	-0.012 (0.009)	-0.007 (0.010)	-
Peer achievement controls	Yes	Yes	Yes	Yes	Yes	Yes	-
Peer demographic controls	Yes	Yes	Yes	Yes	Yes	Yes	-
Observations	2,868	2,868	2,868	2,868	2,868	2,868	-

*Notes:* The table shows estimates from regressions of dummies for being observed with the outcomes indicated in the column headers on peer motivation. Column 7 is empty because ACT/SAT test-taking is observed for all students. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .

Online Appendix Table B.13: Peer motivation and entry-grade achievement, results for subsamples with information on motivation for a high share of peers

	Reading score (1)	Math score (2)
<i>Panel A: more than 50% of peers observed with motivation scores</i>		
Peer motivation	0.061* (0.031)	0.020 (0.034)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	1,590	1,602
<i>Panel B: more than 66% of peers observed with motivation scores</i>		
Peer motivation	0.061* (0.034)	0.026 (0.038)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	1,094	1,104
<i>Panel C: more than 75% of peers observed with motivation scores</i>		
Peer motivation	0.071 (0.056)	0.042 (0.052)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	643	647

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading and math. In Panel A/B/C, the sample is restricted to students for whom more than 50/66/75 percent of their classmates are observed with motivation scores from the previous school year. Regressions control for own socio-demographic characteristics, averages of classmates' reading and math achievement in the previous school year, averages of classmates' socio-demographic characteristics, a dummy for small class, and school-by-entry-grade fixed effects. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .



Online Appendix Table B.14: Peer motivation and entry-grade achievement, controlling for peer self-concept

	Reading score (1)	Math score (2)
Peer motivation	0.068*** (0.024)	0.011 (0.031)
Peer achievement controls	Yes	Yes
Peer demographic controls	Yes	Yes
Observations	2,185	2,196

*Notes:* The table shows estimates of the effect of peer motivation on achievement in reading and math. Regressions control for own socio-demographic characteristics, averages of classmates' socio-demographic characteristics and their math and reading scores in the previous school year, a dummy for small class, and school-by-entry-grade fixed effects. Regressions also control for the average of classmates' self-concept score in the previous school year. Standard errors in parentheses are clustered by school-by-entry-grade. \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$ .