

A Service of



Leibniz-Informationszentrum Wirtschaft Leibniz Information Centre

Carlana, Michela; La Ferrara, Eliana; Pinotti, Paolo

**Working Paper** 

Goals and Gaps: Educational Careers of Immigrant Children

CReAM Discussion Paper Series, No. 12/18

#### **Provided in Cooperation with:**

Rockwool Foundation Berlin (RF Berlin)

Suggested Citation: Carlana, Michela; La Ferrara, Eliana; Pinotti, Paolo (2018): Goals and Gaps: Educational Careers of Immigrant Children, CReAM Discussion Paper Series, No. 12/18, Centre for Research & Analysis of Migration (CReAM), Department of Economics, University College London, London

This Version is available at: https://hdl.handle.net/10419/295585

#### Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

#### Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.





# Discussion Paper Series

CPD 12/18

- Goals and Gaps:

  Educational Careers of Immigrant Children
- Michela Carlana, Eliana La Ferrara, Paolo Pinotti

Centre for Research and Analysis of Migration Department of Economics, University College London Drayton House, 30 Gordon Street, London WC1H 0AX

## Goals and Gaps: Educational Careers of Immigrant Children \*

Michela Carlana <sup>†</sup>, Eliana La Ferrara <sup>‡</sup>, Paolo Pinotti <sup>§</sup>
August 2018

#### **Abstract**

We study the educational choices of children of immigrants in a tracked school system. We first show that immigrants in Italy enroll disproportionately into vocational high schools, as opposed to technical and academically-oriented high schools, compared to natives of similar ability. The gap is greater for male students and it mirrors an analogous differential in grade retention. We then estimate the impact of a large-scale, randomized intervention providing tutoring and career counseling to high-ability immigrant students. Male treated students increase their probability of enrolling into the high track to the same level of natives, also closing the gap in terms of grade retention. There are no significant effects on immigrant girls, who exhibit similar choices and performance as native ones in absence of the intervention. Increases in academic motivation and changes in teachers' recommendation regarding high school choice explain a sizable portion of the effect, while the effect of increases in cognitive skills is negligible. Finally, we find positive spillovers on immigrant classmates of treated students, while there is no effect on native classmates.

**Keywords**: tracking, career choice, immigrants, aspirations, mentoring

<sup>\*</sup>We thank Josh Angrist, David Autor, Erich Battistin, Pietro Biroli, Daniele Checchi, Kaivan Munshi, Imran Rasul, Enrico Rettore, Miguel Urquiola and seminar participants at Berkeley, University of Bologna, EBRD, EdEPo 2015, EEA 2015, Erasmus University Rotterdam, Freiburg, Harvard, IEA 2017, IIES, IRVAPP, University of Milan Bicocca, Oslo, Paris I, Queen Mary, Sciences Po, SEA 2016, Stockholm School of Economics, Tilburg, Tinbergen Institute, University of Torino, Uppsala and Zurich for helpful comments. We are particularly grateful to Gianpaolo Barbetta, Paolo Canino, Stefano Cima, and Andrea Trisoglio for continous support during the project. We thank Gianna Barbieri and Lucia De Fabrizio from MIUR and Patrizia Falzetti and Michele Cardone from INVALSI for giving us access to the administrative data used in this paper. We are grateful to the schools that took part into the intervention for their collaboration. Serena Cocciolo, Rosa De Vivo and Cristina Clerici provided excellent research assistance. This project was partly funded by Fondazione CARIPLO, Compagnia di San Paolo and Fondazione Cassa di Risparmio di Padova e Rovigo. Carlana acknowledges financial support from the "Policy Design and Evaluation Research in Developing Countries" Initial Training Network (PODER), which is financed under the Marie Curie Actions of the EU's Seventh Framework Programme (Contract no. 608109). La Ferrara acknowledges financial support from the ERC Advanced Grant "Aspirations, Social Norms and Development" (ASNODEV, Contract no. 694882).

<sup>†</sup>Harvard Kennedy School and IZA (e-mail: michela\_carlana@hks.harvard.edu)

<sup>&</sup>lt;sup>‡</sup>Department of Economics, IGIER and LEAP, Bocconi University, and CEPR (e-mail: eliana.laferrara@unibocconi.it)

<sup>§</sup>Department of Social and Political Sciences and DONDENA, Bocconi University, CReAM Centre, fRDB, IR-VAPP, and CEPR (e-mail: paolo.pinotti@unibocconi.it)

## 1 Introduction

Migrant flows have grown considerably over the past decades, increasingly involving families with children. In 2012, 12 percent of 15-year-old students in the average OECD country had an immigrant background (OECD, 2015). The growing number of immigrant students has profoundly changed the challenges that schooling systems have to face in order to ensure skill development in a diverse student population and promote social cohesion. The ethnic gap in achievement test scores and socioemotional abilities increases substantially during childhood (Fryer Jr and Levitt, 2004; Cunha and Heckman, 2007). The problem is exacerbated in schooling systems characterized by stratification in high school tracks, as early tracking may lead to the educational segregation of children from disadvantaged backgrounds in schools characterized by lower quality of education. This could ultimately have long term effects on the skills and occupational careers of children from immigrant families, reducing social mobility and creating unequal opportunities (Guyon et al., 2012; Brunello and Checchi, 2007).

This paper documents the extent of educational segregation of immigrant students and evaluates the effectiveness of an innovative program aimed at steering high-achieving immigrants towards high schools that fit their academic potential. We do so in the context of Italy, where the schooling system is characterized by tracking in the transition from middle to high school. While uncommon in the Anglo-Saxon world, this type of stratification is the norm among OECD countries, with the age of selection varying from 10 to 16 and an average of three high school tracks per country (OECD, 2013).

We start by showing that immigrants tend to choose less demanding high school tracks. In the Italian system, high schools can be classified into three tracks: academic-oriented, technical and vocational. As we discuss in section 2.2, graduates from academic and technical tracks typically pursue a university degree; if they do not, they typically have access to relatively high-quality jobs upon completion of high school. By contrast, graduates from vocational schools can only access low-skill jobs, and it is very uncommon that they pursue any post-secondary education.

We document that immigrants are more likely to enroll in vocational over technical or academicoriented curricula, relative to native students with similar ability, as measured by a standardized test administered at the beginning of middle school. We denote this phenomenon as "educational segregation". The gap in high school choices is greater for male immigrants and it mirrors an analogous differential in failure rates and in the track recommendations received from teachers.

<sup>&</sup>lt;sup>1</sup>We use the term immigrant to indicate children without Italian citizenship: around half of them are first generation immigrants (i.e., they are born outside Italy) and the other half are second generation immigrants (i.e., they are born in Italy from non-native parents).

The gap in track choice for boys persists along the entire distribution of ability, while for girls it is found at the low end of the distribution but not at the high end: medium and high-achieving immigrant girls choose the same tracks as native ones of comparable ability. This gender pattern is consistent with evidence from various countries that boys increasingly lag behind in educational attainment and that the female-male educational advantage – in terms of test scores, disruptive behavior, high school graduation rates, and employment – is larger for low-socioeconomic status (SES) families (Chetty et al., 2018, 2016; Brenøe and Lundberg, 2017; Autor et al., 2016; Bertrand and Pan, 2013; DiPrete and Jennings, 2012).

We then estimate the impact of an innovative program called "Equality of Opportunity for Immigrant Students" (EOP henceforth) that provided tutoring and career counseling to immigrant children displaying high academic potential. The curriculum of EOP included a number of meetings that helped students reflect on their aspirations and their potential through a series of psychological exercises based on Social Cognitive Career Theory (Lent et al., 1994). This paradigm views career development as a choice subject to contextual influences and constraints, so goals and self-efficacy are as important as cognitive skills in shaping individual careers. Importantly, treated students were never advised to choose one track (e.g., academic or vocational) over the others: they were only encouraged to weigh their talents and aspirations while making their decision.

We evaluate the effects of EOP leveraging random assignment of the program across schools as well as unique data on students' careers, cognitive and soft skills, and parental background. The program was offered in 70 schools randomly chosen from a sample of 145 in Northern Italy, with the remaining 75 serving as controls. We obtained restricted-use data on educational careers and standardized test scores for all students in treated and control schools from the Italian Ministry of Education. Based on this information, we selected the 10 immigrant students with the highest standardized test scores in grade 6: in treatment schools these students were invited to participate in EOP through grades 7 and 8; in control schools they were not offered such program.<sup>2</sup>

We find that EOP was remarkably successful in reducing educational segregation. Treated males have a 44 percent lower probability to be retained and a 12 percent higher probability of attending an academic or technical high school (as opposed to a vocational one) relative to males in the control group. Indeed, treated immigrant males chose demanding tracks in the same proportion as native males of comparable ability. In other words, EOP completely closed the immigrant-native track choice gap at the end of grade 8. The effects are in the same direction but smaller and not significant for girls (for whom no educational segregation had been identified in the first place).

<sup>&</sup>lt;sup>2</sup>For the sake of exposition, in the rest of the paper we refer to these two groups as "treated" and "control", though we really mean "assigned to treatment" and "assigned to control". In other words, we present intention-to-treat estimates. We assess compliance with treatment assignment in Section 5.1.

Therefore, EOP increases immigrants' enrollment into technical or academic schools only when counterfactual enrollment rates lie below those of comparable native students.

We distinguish between the effects of the two main components of EOP – career counseling and academic tutoring – exploiting discontinuous changes in the amount of academic tutoring around fixed thresholds of pre-program standardized test scores. We fail to detect significant changes in the outcomes of interest around such thresholds, suggesting that the effect of EOP can largely be attributed to career counseling.

To shed light on the mechanisms underlying such effect, we collected additional data on academic performance and on psychological traits. Effects estimated along all these dimensions differ markedly by gender. Male treated students have higher aspirations and more confidence in their own abilities, and they perceive that environmental barriers will play a smaller role in their future choices, relative to the control group. They also display an improvement in cognitive skills, as measured by their standardized test score at the end of grade 8, though the (standardized) effect of EOP on school performance is smaller than the effect on aspirations and perception of barriers. These findings are consistent with career counseling playing a more important role than academic tutoring in explaining observed effects on educational choices. As for females, we only detect a reduction in perceived barriers but no relevant effect on aspirations or cognitive skills.

Program effects seem to have been internalized by teachers, who recommend treated boys for more demanding high schools. Importantly, no effect is found on teachers' recommendations for treated girls, whose academic performance and aspirations were unaffected by the program. Therefore, teachers do not automatically recommend the high track to all students involved in EOP, but selectively update their beliefs based on actual changes in motivation and performance – greater for males, lower for females.

Following the approach of Heckman et al. (2013), we decompose the impact of EOP on educational choices into experimentally induced changes in observed mediating factors and changes in other (unmeasured) factors. We find that changes in aspirations and in teachers' recommendations induced by the treatment explain a sizable portion of the effect on boys' track choice, while the effect of increases in test scores is negligible. Overall, these factors jointly explain 84 percent of the increase in the probability of choosing the high track, suggesting that other (unmeasured) mediating factors account for a minor part of the effect of main interest.

Our administrative data allow us to follow all students in our sample through the first two years of high school. This is important in order to assess the longer term effects of EOP on students' educational careers, particularly the risks associated with enrolling into more demanding high school tracks. Reassuringly, treated students are no more likely to be held back in a grade, nor to have to take make-up exams after the summer (as opposed to being directly admitted to the next grade).

They are also no more likely to drop out. Therefore, treated students did equally well as control ones, despite attending (on average) more demanding high schools. Finally, we find evidence of positive spillovers of the intervention on immigrant classmates of treated students, while there is no effect on native classmates.

Our work is related to several strands of literature. The first comprises evaluations of interventions aimed at reducing inequality in educational achievement and opportunities. Several interventions have targeted low achieving students and provided a combination of information on school options and mentorship on soft skills. Some of these programs were successful in reducing grade retention and high school dropout rates (e.g., Goux et al., 2017; Martins, 2010); others had zero or negative effects (Rodriguez-Planas, 2012). Our program can be seen as complementary to the ones cited above, as it targets a different population –high achieving students– with the aim of aligning their potential to more ambitious goals.<sup>3</sup> This is the first randomized control trial aimed specifically at reducing the immigrant-native educational gap, a particularly relevant issue as immigration to Europe steadily increases. The framing of our intervention is comparable to programs that help low income students apply to better colleges (e.g., Hoxby and Turner, 2015; Bettinger et al., 2012), with the important difference that we work with a younger population that ends up being stratified within compulsory schooling. In educational systems characterized by early tracking, high school choice constitutes indeed the most critical juncture in students' careers.<sup>4</sup>

A second strand of literature looks at the role of soft skills. Heckman et al. (2006) and Heckman and Kautz (2012) stress the importance of personality traits and motivations as factors that reduce social problems and are highly valued in the labor market. In addition, low aspirations and high perceived socioeconomic barriers can lead students to choose less demanding educational paths, perpetuating a negative cycle (Dalton et al., 2014; Genicot and Ray, 2014; Mookherjee et al., 2010). Recent contributions show that students from disadvantaged backgrounds often lack ambition and suffer from negative stereotypes, both at the high end (Hoxby and Avery, 2012) and at the low end (Guyon and Huillery, 2016) of the ability distribution. Our paper corroborates these findings for high ability students with an immigrant background and – importantly – shows that it is possible to modify aspirations and soft skills through a program that combines academically relevant information with psychological tools.<sup>5</sup>

<sup>&</sup>lt;sup>3</sup>Different types of interventions have targeted students' inaccurate beliefs about their chances of succeeding in competitive academic environments. Bobba and Frisancho (2016) provided students with feedback on their performance in a (mock) exam for admission to selective high schools in Mexico, while Goodman (2016) estimates the effect of mandated exams on selective college admission in the US.

<sup>&</sup>lt;sup>4</sup>In contrast to this early stratification, Goldin and Katz (2009) refer to the US system as "open and forgiving".

<sup>&</sup>lt;sup>5</sup>Alan and Ertac (forthcoming) show that non-cognitive skills such as patience and self-control are malleable. In particular, they show that a treatment targeted at improving intertemporal decision making in a classroom environment

Finally, our work speaks to the literature on tracking within education systems.<sup>6</sup> Some of the existing evidence points to the positive effects of tailored instruction (Duflo et al., 2011) and to a lack of negative consequences of school stratification in the long run (Dustmann et al., 2017). Other authors find that postponing school stratification or increasing the proportion of seats in academic tracks leads to improved educational outcomes (Malamud and Pop-Eleches, 2011; Guyon et al., 2012). Brunello and Checchi (2007) also show that parental background has stronger effects on labor market outcomes when tracking starts earlier. Our goal is not to assess what would be the effects of postponing or modifying high school tracking. Rather, we show that – within an existing tracking system – it is possible to reduce the mismatch between ability and high school choice for a population that may be particularly misinformed and disadvantaged: immigrant students.

The remainder of the paper is organized as follows. Section 2 describes the institutional setting and provides evidence of the educational segregation of immigrant children in Italy. Section 3 illustrates the components of the intervention and our evaluation design. Section 4 describes the data and Section 5 the results. Finally, Section 6 concludes by discussing the policy implications of our findings.

## 2 Institutional background

## 2.1 Immigrants in Italian schools

Immigration is a relatively recent phenomenon in Italy. The number of (legal) foreign residents increased from 781 thousand to 5 million between 1990 and 2015 – 1.4 and 8.3 percent of total residents, respectively. The majority of immigrants in Italy come from low and middle income countries, and are characterized on average by lower socioeconomic background than native households.<sup>7</sup> They are also younger and have more children than natives, so the share of foreigners among students is higher than their share in the total population.

At the beginning of the 2016/17 school year, immigrant children represented 10.8 percent of students in primary school, 9.7 percent in middle school, and 7.2 percent in high school (see Appendix Figure A.3). The decline in immigrants' presence from middle to high school reflects higher

through training of teachers has significant impacts on experimental and real-life outcomes.

<sup>&</sup>lt;sup>6</sup>For a review, see Betts (2011). Differently from systems where tracking takes the form of sorting higher ability students within the same type of education into specialized instruction (e.g., gifted programs, Card and Giuliano, 2016) or into magnet schools (e.g., Pop-Eleches and Urquiola, 2013), our context is one where tracking involves sorting into high schools with very different curricula and differential access to college.

<sup>&</sup>lt;sup>7</sup>Figure A.1 in the Appendix shows the number of immigrants by nationality in 2015 (first 20 nationalities). Figure A.2 compares the income distribution across immigrant and native families, respectively.

dropout rates of immigrants in later grades compared to natives. Importantly, the share of immigrant students also differs between different types of high schools. Immigrants represent 12.5 percent of the student population in vocational schools, 8.5 percent in technical schools, and only 4.1 percent in academic schools. As we detail in the next section, these three types of high schools offer very different educational and employment opportunities.

## 2.2 Secondary education in Italy

Italian pupils normally enter formal schooling the year they turn 6 and the compulsory schooling age is 16. Pre-university education comprises five grades in elementary school, three grades in middle school, and five grades in high school. At the end of middle school, students must choose among three different types of high schools: vocational schools (*istituto professionale* and *formazione professionale*), technical schools (*istituto tecnico*), and academically-oriented schools (*liceo*). Students are free to enroll in any track, as there is no tracking by ability.

The three tracks have the same duration, 5 years, but differ widely in terms of curriculum, difficulty, and prestige. Wocational schools focus on practical training in specialized manual, low-skilled jobs (e.g., plumber or hairdresser), while devoting a limited amount of time to general education. They are meant to prepare students for immediate employment at the end of high school. Technical and academic schools offer instead a comprehensive curriculum in math, humanities, and science. In principle, academic schools are primarily intended for students who want to pursue a university degree, whereas technical schools complement theory with practical training in specific non-manual jobs (e.g., accountant or graphic designer). Enrollment in college is always possible from the academic-oriented and the technical tracks; in principle it is also possible from some schools within the professional track, although very few students who attended vocational education typically obtain further education. In practice, academic and technical schools offer much better educational and employment prospects than vocational schools. Therefore, in what follows we refer to vocational schools as the "low-track", and we group technical and academic schools together into the "high track".

Appendix Table A.1 compares average outcomes by track four years after graduation, separately by gender and for native vs. immigrant students. <sup>10</sup> Panel A shows that only 14.5 percent of Italians

<sup>&</sup>lt;sup>8</sup>Regarding duration, the only exception to the 5-year rule is a sub-track of the vocational track (*formazione professionale*) that lasts 3 years.

<sup>&</sup>lt;sup>9</sup>Enrollment in college is not possible for students in the sub-track of the vocational track that lasts 3 years (*formazione professionale*). In the 2015-16 school year, less than 4 percent of students enrolled in college had attended a vocational track. Furthermore, students who enroll in college after vocational school tend to take longer to complete college and drop out at higher rates.

<sup>&</sup>lt;sup>10</sup>The source of these data is the "Survey on Educational and Professional Paths of Upper Secondary School Gradu-

graduated from vocational schools, with no relevant differences by gender. They exhibit a much lower probability of pursuing tertiary education compared to high-track graduates: 20.5 percent, as opposed to 70.4 percent. College dropout rates in university also differ dramatically between the two groups, at 30.6 and 11.8 percent, respectively. In light of these figures, employment rates and salaries four years after graduation are not really informative about labor market prospects, as only a selected group of high-track graduates has already entered the labor market. However, we can compare the share of those "Not in Education, Employment or Training" (NEET), which reaches 29 percent among low-track graduates, 10 percentage points higher than among other graduates. This is particularly surprising, as in principle vocational schools should prepare students for immediate employment. Finally, graduates from vocational schools also have a higher probability – about one third – of regretting their choice. These figures are fairly similar by gender.

Panel B of Appendix Table A.1 shows comparable statistics for immigrant students. Conditional on completing the same high school track, educational and occupational outcomes are remarkably similar to those experienced by natives. Also among immigrants, graduates from vocational schools exhibit lower enrollment into (and higher dropout rates from) tertiary education, as well as a higher prevalence of NEETs. A stark difference emerges, however, when we compare high school choice: 37 percent of immigrants (42 percent among males) graduate from the low track, compared to the aforementioned 14.5 (15.6 for males) of natives. The fact that the share of NEETs is not lower among immigrants graduating from the low track helps dispel a commonly held belief, i.e., that vocational tracks may be better for immigrants who may be seeking immediate employment. In light of the (worse) outcomes experienced on average by low-track graduates, the over-representation of immigrants in this group raises concerns about immigrants' future career opportunities and, eventually, their prospects for successful integration and upward social mobility.

Of course, enrollment rates and outcomes across groups in Appendix Table A.1 reflect endogenous sorting by ability and socioeconomic background. Below we provide a more informative comparison of transitions to high school between immigrants and natives, exploiting a unique dataset that matches administrative data on educational careers with standardized test scores and information on parental background.

## 2.3 Educational segregation

As we discuss in detail in Section 4.1, Italian students take a series of standardized tests of proficiency in reading and math at various points of their careers. These tests are known as INVALSI,

ates", conducted in 2015 by the Italian National Statistical Institute (ISTAT) on a representative sample of about 26,000 students graduating from high school in 2011.

from the name of the agency that administers them. The tests are identical for all students in a given grade and are blindly scored, so results are fully comparable across schools. Throughout the paper, we use the standardized test score obtained in grade 6 (INVALSI6) as a measure of students' ability at the beginning of middle school.

Using a unique dataset that matches the above scores with students' educational careers, we can compare the average probability of enrolling into the high track for native and immigrant students conditioning on their initial ability. Figure 1 plots the probability of enrolling in a "high track" (academic or technical) by quintile of INVALSI6, separately for male and female students (left and right panel, respectively).

#### [Insert Figure 1]

Squares (connected by a blue line) refer to native students, while circles (connected by a red line) to immigrants. Not surprisingly, the probability of choosing the high track is increasing in INVALSI6 for all groups. However, such probability remains significantly lower for immigrant males than for native ones. The gap is larger in the upper part of the ability distribution, reaching 16 percentage points (or 17 percent of the mean) in the top quintile. By contrast, the gap between immigrant and native females is much smaller and it is negligible in the upper part of the ability distribution.

The gender gap we uncover is consistent with a recent literature that has documented significant gender differences in the effect of family background on child development and outcomes during adulthood. Unlike girls, boys' development and behavior appears to be extremely responsive to worse parental inputs. Low-income boys have lower performance in standardized test scores, lower high-school graduation rates, and more disruptive behavior than their sisters – or girls who grew up in similar contexts (see among others, Autor et al., 2016; Bertrand and Pan, 2013; DiPrete and Jennings, 2012; Jackson and Moore III, 2008). These effects translate into long-term negative consequences: minority boys work disproportionally less and have higher crime rates than girls (Chetty et al., 2018, 2016; Brenøe and Lundberg, 2017). An additional reason behind the gender gap in favor of girls among immigrant children may be related to gender roles and norms imposing social control of daughters and more lax regulations for sons, which is particularly pronounced among minorities (Lopez, 2003).

<sup>&</sup>lt;sup>11</sup>As we explain in Section 4, this dataset was constructed for the evaluation of our intervention, which took place in five large cities of Northern Italy. The data used in Figure 1 are those from schools in the control group, which were unaffected by our intervention.

<sup>&</sup>lt;sup>12</sup>Appendix Table A.2 shows that the gap in educational choices between native and immigrant males persists when conditioning in addition on family background, as measured by parents' education, employment status, and occupation.

We document that the gap in favor of girls among disadvantaged children is emerging mainly among high-ability students, who have the potential to attend demanding high-schools and climb up the social ladder. However, the focus of our paper is not on the gender gap among minority students but, rather, on the gap between natives and immigrants. Specifically, we investigate how psychological factors and academic performance contribute to differences in track choice, and test if the native-immigrant gap can be reduced through a specific policy. The fact that this gap differs between boys and girls, as shown in Figure 1, will help us to understand the differential impact of our intervention across genders.

## **3** The intervention

The intervention we evaluate was developed in collaboration with the Italian Ministry of Education and three bank foundations. The program was called "Equality of Opportunity for Immigrant Students" (EOP) and aimed at aligning the goals and aspirations of high-achieving immigrant students with their ability, in order to favor congruous educational choices at the end of middle school. The intervention took place during the last two years of middle school (grades 7 and 8) and was administered in a randomized fashion in five large cities of Northern Italy: Milan, Turin, Genoa, Brescia, and Padua.

The first dimension of targeting involved the definition of the school sample: schools were eligible to receive the program if they had at least 20 immigrant students, where 'immigrant' was defined as being a citizen of a country with lower GDP than Italy. In the five cities there were 145 such schools: 70 were randomized into the treatment group and 75 into control. Randomization at the school level lowers the risk of spillovers from the treated to the control group, compared to randomization at the individual-level. To enhance comparability between the two groups of schools we stratified randomization by province and school size.

The second step was the definition of the target students. Because the goal of EOP was to reduce mismatch in track choice for high-achieving immigrants, within each school we defined as high-achievers the 10 immigrant students with the highest standardized test score in grade 6

<sup>&</sup>lt;sup>13</sup>The program was financed by three philanthropic institutions operating in Northern Italy, namely Fondazione CARIPLO, Compagnia di San Paolo, and Fondazione Cassa di Risparmio di Padova e Rovigo.

<sup>&</sup>lt;sup>14</sup>This excludes from the program immigrant children from high income European countries, for whom no educational segregation exists. When we use the term "immigrant" we include both first generation immigrants (i.e., children born outside Italy and without Italian citizenship) and second generation immigrants (i.e., children born in Italy from parents without Italian citizenship). In Italy, citizenship is mainly acquired through *ius sanguinis*, i.e., if an individual's parents have Italian citizenship. It is possible to obtain the Italian citizenship when first generation immigrants turn 18 years old.

(INVALSI6). In the treatment schools these 10 students took part in the EOP program while in the control schools they did not. In both sets of schools, these top 10 immigrant students were surveyed and their academic performance and school choices were followed through administrative records. In our empirical analysis we will thus compare outcomes between the 10 immigrant students with the highest INVALSI6 scores in treated and control schools.

The EOP program consisted in two components: a psychologically grounded career choice consultancy and an academic tutoring one. The career choice consultancy was developed based on Social Cognitive Career Theory, a paradigm that views career development as a choice subject to contextual influences and constraints (Lent et al., 1994). Under this view, goals and self-efficacy are as important as cognitive skills in shaping individual careers. Specifically, "persons with adequate skills but weak self-efficacy beliefs in a particular performance domain may prematurely rule out that domain from further occupational or academic choice consideration" (Brown, 2002). The goal of EOP was to help high-achieving immigrant students to identify educational and occupational goals congruous with their talents and to strengthen self-efficacy beliefs. It should be stressed that the approach was not to unconditionally push students towards high tracks, but to make them aware of existing opportunities and of their own skills and resources, so they could make more informed choices.

The protocol of the career choice consultancy involved a total of 13 meetings and the program guidelines required participants to attend at least 75 percent of the meetings. All meetings were administered by career counselors with graduate degrees in psychology and significant experience in career choice guidance for secondary school, especially with immigrant children. Some of the meetings were one-to-one, while others were in groups.

Students had five (one-to-one) meetings with a counselor and worked on tasks that prompted them to reflect on their goals, the personal resources needed to achieve such goals, and whether they already had or they needed to develop such resources. Examples of the tasks that students worked on include: (i) Think about your past life, indicate five study experiences and five other experiences that you have completed successfully. Consider now such experiences one by one and briefly indicate where and with whom it happened, what you did and which personal resources helped you doing well in that thing - your knowledge, skills, personality traits, motivations and everything you believe it was important to have; (ii) Choose a number of professions that interest you. For each of them, indicate which resources are needed (knowledge, skills, personality traits, motivations, ...) and divide them into "I have it" and "I need to develop it"; (iii) List the results you would like to achieve with your job, from the most to the least important.

<sup>&</sup>lt;sup>15</sup>Self-efficacy can be defined as people's beliefs about their capabilities "to organize and execute courses of action required to attain designated types of performances"; see Bandura (1986), p. 391.

Five other meetings were held in groups, where counselors provided treated students in each school with information about the Italian education system as well as peer guidance through videos displaying success stories of older immigrant students.

Two further meetings, respectively at the beginning and at the end of the intervention, were intended for parents. In the first meeting counselors described the content of the program, while in the second meeting they shared with parents aspirations and barriers perceived by students. Parents also received a brochure, translated into their mother tongue, summarizing the main options for secondary education in Italy.<sup>16</sup>

Finally, towards the end of the intervention career counselors met with teachers and discussed the educational path and high school track chosen by the students involved in the intervention.

#### [Insert Figure 2]

Figure 2 shows the timeline of the intervention and the realization of the main outcomes of interest. In grade 6 we selected the eligible students on the basis of the standardized test score they got that year. EOP meetings started at the beginning of grade 7 and continued through grade 8, until the month of March. By the month of January of grade 8, students receive a formal "recommendation" by their teachers about the high school track that teachers deem most appropriate for them. This recommendation is not binding but it serves as a signal to the students and their families. In February all students have to pre-register for the high school they wish to attend through a web portal of the Ministry of Education. This choice can later be modified (though this is not very common), so we use the high school track in which students actually enroll at the end of grade 8 as our variable of interest.

The second component of the intervention, the academic tutoring part, was motivated by the concern that participants who enrolled in the high track as a result of the program may subsequently experience difficulties in completing this (more demanding) high school. For this reason, the counseling and career choice module was accompanied by a module on Cognitive Academic Language Proficiency (CALP). CALP was not aimed at improving students' knowledge or their cognitive skills but, rather, at teaching them a method for studying several subjects – Italian grammar, geography, algebra, and geometry. Since the main motivation of the CALP module was to decrease the risk of subsequent failure for immigrant students enrolling in demanding tracks, students with a lower INVALSI6 were offered a higher number of CALP meetings. Specifically, students scoring below 65 out of 100 in INVALSI6 were invited to 29 meetings (55 hours tutoring). This group constituted 66 percent of all treated students. Students scoring between 65 and 80 (30

<sup>&</sup>lt;sup>16</sup>While it would be very interesting to disentangle the role that parents play in high school choice (e.g., Dustmann, 2004; Giustinelli, 2016), it was not possible to survey parents within our experiment.

percent of the treatment group) were invited to 17 meetings (32 hours tutoring); finally, students scoring above 80 (4 percent of the treatment group) were not invited to CALP sessions.

Due to ethical concerns we could not implement a fully factorial design; in particular our funders did not allow for a treatment arm that received career counseling without CALP. As explained above, it was considered that encouraging students to pursue ambitious goals without endowing them with the tools for succeeding in demanding high schools may have created a risk of harm. However, we can still assess the relative effectiveness of the two components of the intervention, career couseling and CALP, by exploiting the different cutoffs for the number of CALP meetings described above and employing a regression discontinuity design (RDD). We do this in Section 5.2.

#### 4 Data

## 4.1 School choice and academic performance

The first challenge in constructing the dataset for our analysis was to match information on school careers provided by the Ministry of Education (MIUR) with standardized test scores collected by the Institute for the Evaluation of the Italian Schooling System (INVALSI), an independent public agency that monitors students' performance. This had never been done before and required a new protocol for collaboration among the two organizations. In fact, in order to preserve the anonymity of standardized tests scores, INVALSI and MIUR use different codes to identify each student and only the school has the crosswalk to match the two codes. The protocol of our study involved obtaining the match of INVALSI and MIUR records for all students completing grade 6 in 2012 (17,369 students in total) from the 145 middle schools in our sample.<sup>17</sup>

#### Administrative data from school registry

From the MIUR administrative registry we take the following variables that we use as outcomes for each student: (i) track choice at the end of grade 8; (ii) track recommended by teachers half-way through grade 8; (iii) grade retention for all grades between 6 and 9 (included); (iv) number of retakes taken after the summer of grade 9; and (v) teachers' assessment of student's behavioral conduct during grades 8 and 9.

The registry also contains some information on students' background, in particular: citizenship,

<sup>&</sup>lt;sup>17</sup>As described in detail in the next section, our sample is representative of mid-to-large sized schools in urban areas of Northern Italy. Unfortunately, similar data are not publicly available for the entire student population.

<sup>&</sup>lt;sup>18</sup>While through middle school pupils are either admitted to the next grade or retained, in high school they can also be admitted to the next grade conditional on re-taking (and passing) after the summer an examination in one or more subjects in which they were deficient during the year.

country of origin, date of birth and, of course, school and class attended throughout their careers.

#### **INVALSI** tests

Since 2010, INVALSI administers standardized reading and math proficiency tests to all students at the end of grades 2, 5, 6, 8, and 10. Such tests resemble those administered by the OECD Programme for International Student Assessment (PISA) to representative samples of 15-year old students. They consist of a series of questions including multiple choice as well as open ended questions, the exact structure of the test varying by grade. <sup>19</sup> Importantly, the test is identical for all students in a given grade, it is administered on the same day (at the end of the school year), and it is blindly scored, so results are fully comparable across schools in Italy. This is crucial for the purposes of our analysis, because it allows us to compare the educational choices of immigrant and native students holding constant their academic proficiency.

We use two test scores for the cohort of students who were in grade 6 in 2012. The first is the standardized test score for grade 6 (INVALSI6), which we include as a regressor in all specifications to control for students' initial ability. The second is the test score for grade 8 (INVALSI8), which is one of our outcomes, as we want to test if EOP led to an improvement in academic performance.

#### 4.2 Soft skills

We complement the above datasets with original survey data on soft skills collected at the end of grade 8. The goal of this survey is to allow us to better understand what mechanisms shape career-related interests and high school track choice. The survey was administered to all treated students and to a random 50 percent sample of control schools.<sup>20</sup> The questionnaire was developed by a team of psychologists based on Social Cognitive Career Theory and includes three main sections:

(i) Goals. This comprises both educational (e.g., university degree, diploma or less) and occupational targets (e.g., blue collar, white collar, managerial or entrepreneurial jobs) that the student aims to achieve. For example, questions in this module include: Thinking about your future education-wise, what objectives do you intend to achieve? (Options: Work as soon as I finish this school; Study until age 16 then work; Study until age 18 and get a high school diploma; Enroll in university; and Thinking about your future work-wise, what objectives do you intend to achieve?

<sup>&</sup>lt;sup>19</sup>In general, math questions are related to calculus, geometry, probability and algebra, while reading questions are related to text comprehension and grammar.

<sup>&</sup>lt;sup>20</sup>We chose not to administer the survey to half of the control schools because we wanted to be able to test if filling in a questionnaire on goals and perceived barriers may constitute a 'treatment' in itself. In Appendix Table A.3 we show that students in control schools involved and not involved in the soft skills questionnaire do not systematically differ in terms of high-school choice, grade retention, and test scores in grade 8.

(Options: Blue collar job; White collar job; Managerial job; Entrepreneur)

- (ii) *Self-efficacy*. This section includes a student's own assessment of the extent to which he or she possesses the skills and resources required to achieve the goals stated above, as well as broad notions of self esteem. Questions in this module are worded as:*Independently from your educational aim but thinking about your abilities, do you think you could get a ... (university degree/ white collar job/ managerial job, as worded above)?*. Answers in this module are on a scale of 1 to 4, with 1 meaning *Not at all*, and 4 meaning *Very much*.
- (iii) *Barriers*. A series of questions elicit students' perceptions of environmental barriers, be they related to economic constraints, racial prejudice, or family preferences that differ from a student's own plans. Typical questions are worded as: *Do you think the following barriers could be an obstacle in the achievement of your educational aims? (Options: Economic resources; The needs and ideas of your family; Racial prejudice; Family plans related to children or marriage; Not feeling up to the standards*). Answers in this module also range from 1 to 4.

Following Thompson (2004), we summarize the individual variables described above into interpretable aggregates using factor analysis. This method extracts latent factors from subsets of psychological measures by maximizing (minimizing) the correlation across measures within (between) subsets. The measures associated with each factor and their respective loadings are reported in Appendix Table A.4. As discussed in Heckman et al. (2013), this approach is particularly suited for decomposing treatment effects between different mediating factors, as we do in Section 5.2.

## 4.3 Sample and randomization check

Our working sample at the inception of EOP comprises 1,217 students: 597 in treated schools and 620 in control ones.<sup>21</sup>

#### [Insert Table 1]

Table 1 reports average characteristics of the treatment and control group at the start of our intervention. We distinguish between individual student characteristics (Panel A) and family background (Panel B). Half of the students in our sample are girls, 56 percent are first generation immigrants, and 26 percent were born before 1999 (the typical birth year of the cohort in our study).

 $<sup>^{21}</sup>$ By construction, the sample should have comprised 1,451 students, that is,  $10 \times (70+75) = 1,450$  but in one school the 10th and 11th students obtained the same INVALSI6 score and were both eligible for the program. For 70 students it was impossible to match the MIUR and INVALSI identifiers, which reduced the sample to 1,381 students. In addition, some students were retained in grade 6, moved to another school, or dropped out between the moment when they took the INVALSI6 test and the beginning of grade 7, leading to the above sample of 1,217. Appendix Table A.5 shows that missingness is not selective across treatment and control schools.

About 35 (33) percent of their mothers (fathers) have not completed high school, 46 (50) percent have a high school diploma, and 19 (17) percent have post-secondary education. Unemployment rates are about 8 percent for mothers and 10 percent for fathers. The share of mothers only working at home is 38 percent, while that of fathers is negligible. Among those working outside the home, 35 (57) percent of mothers (fathers) have a blue collar job, and 32 (18) percent a white collar job. Importantly, none of the student or family characteristics differ significantly between the treatment and control sample, indicating that our randomization was successful.<sup>22</sup>

Turning to the baseline academic performance of the students, Table 1 shows that the mean of the standardized test score INVALSI6 is 60.93 in the treatment group and 60.71 in the control one (not significantly different).

#### [Insert Figure 3]

To get a more complete picture, Figure 3 plots the distribution of INVALSI6 across three groups of students in our 145 schools: native students, all immigrant students, and the 10 immigrant students with the highest score (i.e., our treated and control groups). Although immigrants generally exhibit lower schooling performance than native students, the top 10 immigrant students in each school are comparable to natives in the medium-upper part of the distribution. As we previously showed in Figure 1, however, these immigrants choose high school tracks that are less prestigious (and less demanding) than those chosen by natives with comparable ability, particularly males.

#### 5 Results

In this section we estimate the impact of EOP on educational choices and grade retention, separately for males and females, and we decompose treatment effects into several mediating factors. In addition, we estimate impacts on longer term outcomes and spillover effects on non-eligible students in treatment schools, comparing them to non-eligible students in control schools.

## 5.1 Educational choices and grade retention

In Table 2 we estimate the impact of EOP on high school track choice. The dependent variable is a dummy equal to 1 for students who choose the high track (which comprises academic and technical high schools) and 0 for those who choose the low track (vocational schools). The explanatory

<sup>&</sup>lt;sup>22</sup>Children in the treatment and control group are from 72 different nationalities, out of which the most represented nationalities are Romania, Philippines, Albania, Morocco, Peru, Ecuador, and China. The balance table for these characteristics is reported in the Appendix Table A.6.

variable of interest is EOP, an indicator for whether a student attends a middle school that was (randomly) selected to receive our intervention. The coefficient of this dummy should thus be interpreted as the intention-to-treat (ITT) effect of being assigned to the treated group. Odd-numbered columns condition on treatment only, while the specifications in even-numbered columns also include a squared polynomial in INVALSI6, a dummy for first generation immigrants, and province fixed effects. In all cases we cluster standard errors at the school level, the unit of randomization.

#### [Insert Table 2]

According to the univariate regression in column 1, assignment to EOP increases the probability of choosing the high track by 5 percentage points, on a baseline rate of 75 percent. As expected, given random assignment, this estimate is largely unaffected when controlling for student characteristics and province (column 2). However, the average effect masks important differences by gender. EOP increases males' enrollment into the high track by 8 to 9 percentage points, up from a baseline rate of 67.4 percent (columns 3 and 4). This is a 12 to 13 percent increase over the mean. By contrast, there is no effect on female students, who start, however, from a baseline enrollment rate of 82.4 percent (columns 5 and 6).

#### [Insert Figure 4]

Panel A of Figure 4 compares enrollment in the high track for high-achieving immigrant students randomized into the control group (leftmost bar), treatment group (middle bar) and for a group of native students with comparable ability in the first year of middle school (rightmost bar). Specifically, we match each immigrant student in our sample with one native student of the same gender who obtained an identical score in INVALSI6. By construction, these three groups of students had the same standardized test score in the first year of middle school. The figure shows that two years later the immigrant boys who received EOP make similar choices compared to natives who started off like them, while the untreated immigrants have a significantly lower probability of choosing the high track. EOP thus prevented the type of educational segregation that we documented in section 2.3. Interestingly, Figure 4 confirms that immigrant girls make similar choices as native girls even in the absence of intervention.

Taken together, the evidence in Figure 1, Table 2, and Figure 4 highlights a remarkable feature of the intervention: EOP influences educational choices only when counterfactual enrollment rates into the high track lie below those of comparable native students. Therefore, EOP seems to align immigrant students' goals and aspirations to those of native students when there is an initial misalignment, as opposed to just pushing all immigrant students towards the high track. This is a very

desirable feature of EOP, as it lowers concerns that treated students may end up is schools that are too difficult for them. In Section 5.3 we provide direct evidence in this respect.

#### [Insert Table 3]

Table 3 and Panel B of Figure 4 convey similar evidence for grade retention in grade 7 or 8. Although grade retention was not the primary outcome of interest of the intervention, it is arguably an important one.<sup>23</sup> Indeed, grade retention is surprisingly high among male immigrant students in our sample: absent the intervention, it reaches 8.5 percent, as compared to only 4.2 percent for native males with a similar INVALSI6 score. This gap disappears in EOP schools, whereas there is neither a significant gap nor an effect for female students. In both respects, the effect on grade retention across genders is very similar to that on high school choice.

Overall, the results in Tables 2 and 3 point to sizeable and statistically significant effects induced by (random) assignment to the intervention for male immigrant students. Since there is one-sided non-compliance with treatment assignment, the average treatment-on-the-treated (ATT) effects on the subset of compliers are even larger. To assess the magnitude of the ATT, it is useful to start by describing the pattern of meetings attendance.

#### [Insert Figure 5]

Figure 5 shows that the pattern is quite heterogeneous, with more than 40 percent of immigrant boys and girls attending at least 87.5 percent of the meetings, another 20 percent attending between 75 and 87.5 percent of the meetings, and the remaining fractions attending less. Interestingly, about 15 percent of the students who were assigned to treatment ended up attending less than 12.5 percent of the meetings. Given this heterogeneity, there is no unambiguous way of defining treatment status. For this reason, in Table 4 we experiment with three alternative definitions.

#### [Insert Table 4]

In Panel A, we classify as treated all students attending at least one meeting (85 percent of the total sample). In Panel B we restrict the definition to students attending at least 75 percent of the meetings, in accordance with the program guidelines discussed in Section 3, which recommended attending at least this fraction. When adopting these definitions, the ATT effects on males range

<sup>&</sup>lt;sup>23</sup>In the Italian system, students can be retained during middle school if they exhibit serious gaps in knowledge compared to the learning objectives of their grade. The decision is made by the council of teachers of the class the student is attending, and is almost exclusively a function of academic performance (disciplinary problems may play a role in extreme cases).

between a 9.4 to 12.5 percentage point increase in enrollment in the high track, and a 4.3 to 5.7 percentage point decrease in grade retention.

In Figure 6 we characterize compliers with treatment assignment, defining the treatment as in Panel B of Table 4, by the ratio of the first stage effect within specific sub-samples to the overall first stage (Angrist et al., 2016). Compliers are slightly more likely to be female, equally likely to be first and second generation immigrants, and more likely to be in the right grade ('Not late') given their age. The bottom panels of Figure 6 show that while female compliers are more likely to be from the top part of the initial ability distribution, male compliers are more likely to be from the bottom part, thus more in need of support.

#### [Insert Figure 6]

In Panel C of Table 4 we measure treatment 'intensity' by the fraction of meetings attended. The corresponding ATT estimate suggests that one standard deviation increase in the number of meetings attended increases enrollment into the high track by 4.2 percentage points and reduces grade retention by 1.9 percentage point for males. Of course, this estimate rests upon the assumption that the effect increases linearly with the number of meetings.

More generally, all three approaches in Table 4 recover the ATT effect under strong (and untestable) assumptions about the relationship between number of meetings attended and treatment intensity. For this reason, in the rest of the paper we focus on the intention-to-treat (ITT) effect of EOP.

#### [Insert Table 5]

In Table 5 we examine heterogeneity of the ITT effect along additional dimensions beside gender; results for males and females are presented in columns 1-4 and 5-8, respectively. In columns 1 and 5 we interact assignment to EOP with a quadratic polynomial in the INVALSI6 score. The effect of EOP is the highest for students in the medium-upper part of the performance distribution (0.35 and 0.62 standard deviations above the mean for males and females, respectively). As for socioeconomic background, the negative coefficient on the interaction term between EOP and mother's education (columns 2 and 6) suggests that the effect is driven by students from disadvantaged families.<sup>24</sup> The effect does not differ between first and second generation immigrants (columns 3 and 7), nor between immigrants from EU and non-EU countries (columns 4 and 8). These results highlight the importance of addressing inequality of opportunity in educational choices that may be generated by differential access to information and support for low-SES students.

<sup>&</sup>lt;sup>24</sup>We obtain analogous results when measuring parental background using father's education.

#### 5.2 Mechanisms

The results presented so far suggest that EOP had a strong effect on educational choices and grade retention of males, whereas the average effect was not significantly different from zero for females, although the effect was positive for females with low socioeconomic background. We next disentangle the effect of different components of the program and explore the mechanisms through which they impacted educational choices.

#### Career counseling vs. academic tutoring

As explained in Section 3, the intervention comprised two components: motivational and career counseling (the Social Cognitive Career Theory module); and specialized help for studying (the CALP module). Ideally, one would want to disentangle the contribution of each of these two components using a multi-arm treatment design. However, ethical constraints prevented us from delivering the motivational treatment without also delivering help for studying.

As an alternative strategy, we compare outcomes between students in EOP schools that scored below and above the cutoff used to determine the number of CALP meetings. In particular, while virtually every treated student was invited to 17 CALP meetings in grade 8, the students who had scored below 65 in the entry level test (INVALSI6) were invited to 12 additional CALP meetings in grade 7. Achieving a score of 65 does not impact in any other way on students' career, so this rule provides a suitable regression discontinuity design to isolate the effect of (additional) CALP meetings from the effect of the career orientation module. Of course, this research design does not allow us to simulate a counterfactual in which CALP was not provided at all (extensive margin); still, it provides clean evidence on the intensive margin.

#### [Insert Figure 7]

Indeed, the first two graphs in Figure 7 show that students with a score below 65 attended on average 5.5 more CALP meetings than students with a score above 65, whereas there are no differences in the number of other meetings. Therefore, invitation to additional meetings eventually increased the 'dosage' of CALP without reducing attendance to motivational and career counseling.

Interestingly, the two graphs at the bottom of Figure 7 show that there is no significant discontinuity in the probability of choosing the high track or in grade retention between students on one side or the other of the cutoff, implying that neither one of the main outcomes was significantly affected by an increase in the number of CALP meetings.<sup>26</sup> Therefore, EOP seems to operate mostly

<sup>&</sup>lt;sup>25</sup>A formal McCrary test confirms that the density of INVALSI scores does not change discontinuously around the cutoff (see Appendix Figure A.4).

<sup>&</sup>lt;sup>26</sup>The estimated changes at the cutoff are reported in Panel A of Table A.7.

through motivational and career counseling, as opposed to specialized help for studying.

#### Personality and cognitive skills

#### [Insert Table 6]

In Table 6 we report the effects of EOP on the cognitive and personality skills described in Section 4.2.<sup>27</sup> The dependent variables include the indexes of aspirations and perceived barriers whose components and loading factors are reported in Appendix Table A.4, as well as measures of academic performance. Starting with personality skills, the intervention substantially increased students' aspirations, especially for males (+0.31 standard deviations) whereas the effect is weaker and not statistically significant for females. EOP also reduced students' perceptions that their choices would be limited by barriers such as financial constraints, prejudice, or family plans. The effect is sizable (a reduction in the perception of barriers of about 0.4 standard deviations) and virtually identical between males and females. Appendix Table A.8 shows that the effect is generally statistically significant for the individual psychological measures that enter the two indexes, even after we account for multiple hypothesis testing (last column).

Turning to cognitive skills, EOP increases the standardized test score in grade 8 (INVALSI8) for male students but not for females. The effect is smaller than that on personality measures (+0.16 standard deviations, about one half of the effect on aspirations and one third of the effect on perceived barriers).

The Appendix Figure A.5 compares the entire distribution of aspirations, perceived barriers, and INVALSI8 across treated (red line), control (solid blue line), and native (dashed blue line) students who had the same standardized test score in grade 6. The pattern in the figure confirms that EOP caused a shift in the distribution of all three outcomes for males, and only of perceived barriers for females.

In the bottom-right panel of Table 6 we estimate the effect of EOP on teachers' recommendations. Recall that these recommendations are made about half-way through grade 8, and before students make their high school track choice. We find that, on average, the probability that teachers recommend the high track is 17.1 percentage points higher for male immigrant students in EOP schools, on a baseline of 37.1 percent in control schools. Importantly, teachers do *not* significantly revise their recommendations for female students in treated schools: the point estimate for females is less than half of that for males and is not significantly different from zero. This is an important result to gain insights into what determines teachers' recommendations. If teachers were simply

<sup>&</sup>lt;sup>27</sup>The sample differs across columns because questionnaires measuring personality skills were administered only to a 50 percent random sample of control students, see Section 4.2.

reacting to knowledge about the program, e.g., by deciding that students enrolled in EOP should be pushed to more demanding schools, we should find a symmetric effect on boys and girls, because both boys and girls were enrolled in EOP in equal proportions. Instead, we find that teachers only revise their recommendations for the group of students that displayed improved in aspirations and in academic performance in response to the program (i.e., males), consistent with teachers reacting to detectable changes in motivation and test scores.

#### **Decomposing the treatment effect**

Following Heckman et al. (2013), we decompose the treatment effect on educational choices into experimentally induced changes in the mediating factors in Table 6 and changes in other (unmeasured) factors. Assume the following linear model for the potential outcome when randomized into the treated (d = 1) and into the control group (d = 0):

$$Y_d = \tau_d + \sum_{j \in J} \alpha_d^j \theta_d^j + \beta_d \mathbf{X} + \varepsilon_d, \ d \in \{0, 1\},$$

$$\tag{1}$$

where Y is a dummy for choosing the high track,  $\tau$  is the intercept,  $\Theta = (\theta^j : j \in J)$  is the set of observed mediating factors (cognitive skills, personality traits, and teachers' recommendation),  $\mathbf{X}$  is a vector of pre-program variables unaffected by the treatment (initial test score INVALSI6, generation of immigration, and province fixed effects), and  $\varepsilon_d$  is an error term. With the exception of  $\mathbf{X}$ , all variables and coefficients in equation (1) are allowed to depend on treatment assignment. In particular,  $\tau_d$  captures the effect of experimentally induced changes in other (unobserved) determinants of Y, in addition to the observed mediating factors in  $\Theta$ .

Separately identifying the components of the treatment effect attributable to  $\tau_d$  and  $\Theta$ , respectively, requires further assumptions as experimental variation allows us to consistently estimate the effects of EOP on measured factors and final educational decisions, but not the relationship between the former and the latter. Heckman et al. (2013) assume independence of observed and unobserved factors in the no-treatment state, conditional on the vector  $\mathbf{X}$  of pre-treatment characteristics. Maintaining this assumption and imposing the additional testable restriction that coefficients do not vary with treatment assignment (respectively,  $\alpha_d^j = \alpha$  for all j and  $\beta_d = \beta$ ) allows us to decompose the effect of EOP as:

$$E(Y_1 - Y_0) = \sum_{j \in J} \alpha^j E(\theta_1^j - \theta_0^j) + (\tau_1 - \tau_0), \qquad (2)$$

where  $E(Y_1 - Y_0)$  is the average treatment effect;  $E(\theta_1^j - \theta_0^j)$  is the average change induced in the *j*-th observed factor, and  $\alpha^j$  is the associated effect on educational choices; finally,  $(\tau_1 - \tau_0)$  is the effect due to other unmeasured factors. In Appendix Table A.9 we test and do not reject the

structural invariance assumptions on  $\alpha^j$  for all j and  $\beta$ .

#### [Insert Table 7]

Table 7 shows decomposition (2) for the effect of EOP on males' educational choices.<sup>28</sup> Changes in personality skills explain about one third of the overall effect (column 1). However, this effect is entirely driven by aspirations, whereas perceptions of barriers do not seem an important mediating factor. This is consistent with the fact that males and females experience a similar decrease in perceived barriers, but educational choices only change for males. In column 2 we add school performance (measured by the standardized test score in grade 8) as an additional mediating factor, and in column 3 we further add teachers' recommendation.

We find that aspirations and teachers' recommendation are the most important factors, jointly explaining about two thirds of the treatment effect on educational choices. These results are consistent with the existing literature. The importance of the first channel is in line with experimental evidence showing that raising aspirations through role models increases educational investment (Tanguy et al., 2014). Our result on teachers' recommendations aligns with the literature showing that teachers' expectations on students' performance play a crucial role in affecting educational choices.<sup>29</sup>

Table 7 suggests instead that improvements in school performance play a less crucial role as a direct channel of influence, and that the effect of perceived barriers is not significantly different from zero. Overall, experimentally induced changes in measured skills and teachers' recommendation jointly explain 82 percent of the increase in the probability of choosing the high track, suggesting that other (unmeasured) factors account for a minor part of changes in educational choices. We obtain very similar results when we employ the alternative decomposition method by Gelbach (2016), see Appendix Table A.10.

To sum up, the above results suggest that EOP increased enrollment of high-achieving immigrants into the high track mainly by raising their educational and occupational aspirations. In addition, changes in aspirations and improvements in school performance may have been incorporated into teachers recommendations, further amplifying program effects.

<sup>&</sup>lt;sup>28</sup>We only present results for males because treatment effects on females are not significantly different from zero.

<sup>&</sup>lt;sup>29</sup>This phenomenon has been widely documented since the seminal work by Rosenthal and Jacobson (1968), whereby high and low expectations bring improvements and worsenings in performance, respectively. Relatedly, children of minority groups benefit the most from positive expectations of teachers.

### **5.3** Longer term effects

The results presented so far show that EOP increased the probability of enrolling into academic and technical schools (high track) after grade 8. A potential concern is that such schools may prove too demanding for immigrant students from a disadvantaged background, even when considering students with relatively high ability. One may worry that immigrant students may face additional constraints compared to Italian students of similar ability. Examples of such constraints involve the lower degree of embeddedness in social networks that could help with studying challenging subjects, as well as financial constraints in paying for private tutoring (a practice sometimes used by Italian families when their children struggle in school).

#### [Insert Table 8]

In Table 8 we address this concern by estimating the effect of (assignment to) EOP on performance during the first two years of high school. We consider four different outcomes. The first is the probability of being admitted to grade 10, the second year of high school (columns 1-2). The second outcome is the number of make-up exams students need to take during the summer in order to avoid repeating the grade (typically no more than three exams).<sup>30</sup> The third outcome is the probability that a student drops out before completing grade 10 (columns 5-6), and the last outcome is the probability of changing school between grade 9 and 11 (columns 7-8).

For all these outcomes, we find that treated students are no more likely to experience difficulties compared to the control group. If anything, they are more likely to be admitted to grade 10, less likely to fail courses and less likely to drop out, although the estimated coefficients are not significantly different from zero.<sup>31</sup> It is worth stressing that the lack of a significant effect should not be seen as a shortcoming: given that our treated students were more likely to enroll in demanding high schools, the fact that they are doing as well as the control group (and if anything better, given the pattern of coefficients in Table 8) is actually a positive result.

## 5.4 Spillover effects

Our last piece of evidence relates to spillover effects. Any change in the achievement and educational choices of treated students may influence their peers – particularly those sharing the same

<sup>&</sup>lt;sup>30</sup>The sample in columns 3-4 is smaller than in columns 1-2 because it only comprises students who did not fail outright and who did not drop out of high school. If a student is below the Pass level in too many subjects, the decision of the school is typically to fail this student rather than give make-up exams after the summer.

<sup>&</sup>lt;sup>31</sup>Ideally, we would also like to estimate the longer term effects on cognitive skills, as measured by the standardized test score in grade 10 (INVALSI10). Unfortunately, it is not possible to match MIUR registries for middle school students with their INVALSI tests in high school.

immigrant background (Sacerdote et al., 2011). This may occur through several channels. Treated students could serve as role models to other students in their social network (Patacchini and Zenou, 2016). This may be particularly relevant in our context, because we showed that EOP had a strong impact on aspirations and barriers perceived by treated students. Another channel could be cognitive skills: given that EOP improved the academic performance of immigrant boys, this may have positive spillovers on their classmates. Another potential source of peer effects is time use. The fact that treated students spend more time studying or attending EOP sessions implies that they have less time to spend with their friends doing other (possibly less productive) activities. We estimate the effect of EOP on treated students' classmates exploiting random assignment of the intervention across schools. Specifically, we include in the sample only classmates of treated and control students and estimate the following equation:

$$Y_{ics} = \alpha + \beta TreatedInClass_{cs} + \gamma \mathbf{X}_{ics} + \delta \mathbf{Z}_{cs} + u_{ics}$$
(3)

where i denotes the student, c the class, and s the school.  $TreatedInClass_{cs}$  is a dummy equal to 1 if the student belongs to a class with at least one treated student, and 0 if he/she belongs to a class with at least one control student (i.e., a class in a control school that contains at least one immigrant student whose INVALSI6 score was among the top 10 of the school). In this way, the sample used in the regression contains students from classes that are comparable in terms of having high-achieving immigrant students among them, some of which received EOP and others not.  $X_{ics}$  includes all the individual characteristics in our baseline specification (gender, dummy for first generation immigrants, and second degree polynomial in INVALSI6);  $Z_{cs}$  is a vector of controls at the school and class level (school size, class size, and percentage of immigrants in the class).

#### [Insert Table 9]

Table 9 shows the effect of being in the same class with a treated student on native (columns 1-3) and immigrant classmates (columns 4-6). Immigrant males who are in the same class with a treated student experience a decrease in grade retention (Panel B), whereas immigrant females in the same class with a treated student are more likely to enroll in the high track at the end of middle school (Panel A). Interestingly, the effects are comparable in size to those observed for the treated student themselves. This can be rationalized by observing that, by construction, non-treated immigrant classmates are selected to have lower academic performance at the beginning of middle schools (they were not among the top 10 immigrants of the school in terms of INVALSI6). It is thus possible that immigrant students down in the ability distribution are very responsive to (even indirect) treatment effects. This interpretation is reinforced when observing that immigrant females

in the mid-to-lower part of the distribution make different choices from comparable native females in the absence of the intervention, whereas this is not the case for immigrant females in the upper part of the distribution (see Figure 1). Therefore it should not be surprising that, while EOP did not affect track choice of treated females (who were selected to be high performing and already made comparable choices to natives), it had an impact on non-treated females, for whom a 'choice gap' existed compared to natives of similar ability. Why are male immigrant classmates not affected in terms of track choice (Panel A, column 5)? Our interpretation is that they are too far from the margin at which a demanding high school would become a preferable choice. This can be seen for example when comparing soft skills of immigrant boys and girls who did not qualify for the program. Female immigrant classmates of students eligible for EOP have aspiration levels that are closer to those of treated male students, compared to other male immigrant classmates.<sup>32</sup> Therefore, they may be closer to the threshold beyond which the choice of a demanding high school is affected. At the same time, the sizeable and significant reduction in the likelihood of grade retention for male immigrant classmates (Panel B, column 5) suggests that spillover effects did operate at that (lower) margin. One last comment relates to native students. Columns 1-3 of Table 9 show that there are no significant differences in outcomes between the non-immigrant classmates of treated and control students. This finding is consistent with previous evidence that peer effects are particularly strong within groups with a similar background (see, e.g. Sacerdote et al., 2011). Overall, the positive spillovers on immigrant classmates uncovered by our analysis have significant implications when assessing the success and cost-effectiveness of the intervention. We briefly discuss the latter in the next section.

## 5.5 Cost-benefit analysis

Having established that EOP had sizeable and significant impacts, it is important to know if it is also cost-effective. A fully fledged cost benefit analysis is not possible at this stage: on top of the challenge of quantifying non-pecuniary benefits and costs, students involved in our experiment have not yet completed secondary school and therefore lifetime earnings profiles are not observed (Heckman et al., 2017). The computation of the lifetime rate of return of EOP is therefore naturally based on assumptions about long-term outcomes such as college enrollment, earnings and unemployment. Although EOP may potentially have strong effects on health and criminal behavior, we

 $<sup>^{32}</sup>$ The average index of aspirations for boys and girls in the control group is -0.11 and 0.13, respectively, while the average score of their immigrant classmates (i.e., immigrant students outside the best 10 in terms of INVALSI6) is -0.26 and -0.13, respectively. Hence, in terms of average academic motivation, female immigrant classmates are closer than male classmates to students selected for the program. Elective affinity in soft skills may ease the diffusion of positive spillover effects of the program through friendship network (Rapallini and Rustichini, 2016).

present conservative estimates focusing our cost-benefit analysis only on social benefits coming from higher income taxes and public savings on unemployment insurance (Heckman et al., 2010; Eisenhauer et al., 2015). We examine the sensitivity of social rates of returns to a plausible range of assumptions. Appendix Table A.11 reports our calculations. Extrapolating the long-term benefits first only on those treated individuals who were directly affected through a reduction in grade retention or a change in their high-school choice toward a more demanding track, we estimate social rates of return between 3 and 5 percent. However, including the positive spillovers on the immigrant classmates of treated students (that we estimated in section 5.4), we estimate that the lifetime rate of return of EOP is between between 6.6 and 8.8 percent, close to the historical return on equity.

## 6 Conclusions

Educational segregation is a significant risk in societies where school tracking occurs at an early age. This risk disproportionately affects students whose parents have less information about or are less integrated in the local education system, such as children of immigrants. We show that it is possible to reduce the mismatch created by early tracking through an innovative program that provides a mix of career counseling and academic tutoring. The program, known as EOP and implemented in a random sample of middle schools in Northern Italy, targeted high-achieving immigrant students selected on the basis of their test performance in grade 6. Two years later, immigrant boys assigned to treatment were 12 percent more likely than control ones to enroll in academic or technical high schools (as opposed to vocational ones). The program virtually closed the gap between native and immigrant boys in high school choice. No effect was found for girls, for which no mismatch was detected in the first place. We disentangle the effect of the two main program components – career counseling and academic tutoring – exploiting discontinuous changes in their relative dosage around fixed thresholds of (past) standardized test scores. Career counseling was most effective in influencing educational choices, while academic tutoring had limited effects. Finally, teachers in treated schools are more likely to recommend immigrant boys for demanding high school tracks compared to teachers in control schools. Importantly, there is no effect on teachers' recommendations to immigrant girls. Therefore, teachers seem to internalized actual improvements in students' aspirations and performance – higher for boys, lower for girls – rather than mechanically revising recommendations for all treated students. A variance decomposition exercise confirms that program effects on high school choices are mediated mainly by changes in students' aspirations and teachers' recommendations. The significance and magnitude of our effects is noteworthy when

compared to existing evidence from randomized field experiments that study partial derivatives of the human capital production function, recently summarized by Kautz et al. (2014) and Fryer Jr (2016). For instance, the latter shows that, among school interventions, only "high-dosage" tutoring (defined as "being tutored in groups of 6 or fewer students for 4 or more days per week") has significant effects.<sup>33</sup> Our EOP treatment can be considered "low dosage", given the above definition, yet its impact on treated boys is 0.188 standard deviations for math achievement and 0.139 standard deviations for reading. Although data constraints prevent us from performing a fully fledged cost benefit analysis, tentative estimates suggest internal rate of returns between 7 and 9 percent, after accounting for spillovers on non-treated students. Our finding that soft skills played a more important role than improved test performance in determining high school choice suggests that scaled down versions of the program may be even more cost effective. For example, one could reduce the number of meetings with academic tutors and explore forms of delivering the information and motivational components of the program through teachers as opposed to dedicated counselors, to reduce costs. We leave this to future work.

## References

- Alan, S. and Ertac, S. (2018). Fostering patience in the classroom: Results from randomized educational intervention. *Journal of Political Economy*.
- Alesina, A., Carlana, M., La Ferrara, E., and Pinotti, P. (2018). Stereotypes about Immigrants. *Working Paper*.
- Angrist, J. D., Cohodes, S. R., Dynarski, S. M., Pathak, P. A., and Walters, C. R. (2016). Stand and deliver: Effects of boston's charter high schools on college preparation, entry, and choice. *Journal of Labor Economics*, 34(1):275–318.
- Autor, D., Figlio, D., Karbownik, K., Roth, J., and Wasserman, M. (2016). Family disadvantage and the gender gap in behavioral and educational outcomes. *NBER Working Paper*.
- Bandura, A. (1986). Social foundations of thought and action. Englewood Cliffs, NJ Prentice Hall.
- Bertrand, M. and Pan, J. (2013). The trouble with boys: Social influences and the gender gap in disruptive behavior. *American Economic Journal: Applied Economics*, 5(1):32–64.

<sup>&</sup>lt;sup>33</sup>Fryer Jr (2016) finds that high-dosage tutoring leads to a meta-coefficient of 0.309 standard deviations for math achievement (with a standard error of 0.106) and 0.229 standard deviations for reading achievement (with a standard error of 0.033).

- Bettinger, E. P., Long, B. T., Oreopoulos, P., and Sanbonmatsu, L. (2012). The role of application assistance and information in college decisions: Results from the H&R block FAFSA experiment. *The Quarterly Journal of Economics*, 127(3):1205–1242.
- Betts, J. (2011). The economics of tracking in education. *Handbook of the Economics of Education*, 3(341-381):4.
- Bobba, M. and Frisancho, V. (2016). Learning about Oneself: The effects of signalling academic ability on school choice. *TSE Working Paper No. 660, Toulouse School of Economics*.
- Brenøe, A. A. and Lundberg, S. (2017). Gender gaps in the effects of childhood family environment: Do they persist into adulthood? *European Economic Review*.
- Brown, D. (2002). Career choice and development. John Wiley & Sons.
- Brunello, G. and Checchi, D. (2007). Does school tracking affect equality of opportunity? new international evidence. *Economic Policy*, 22(52):781–861.
- Card, D. and Giuliano, L. (2016). Can tracking raise the test scores of high-ability minority students? *The American Economic Review*, 106(10):2783–2816.
- Chetty, R., Hendren, N., Jones, M. R., and Porter, S. R. (2018). Race and economic opportunity in the united states: An intergenerational perspective. *NBER Working Paper*.
- Chetty, R., Hendren, N., Lin, F., Majerovitz, J., and Scuderi, B. (2016). Childhood environment and gender gaps in adulthood. *The American Economic Review*, 106(5):282–88.
- Cunha, F. and Heckman, J. (2007). The technology of skill formation. *The American Economic Review*, 97(2):31.
- Dalton, P. S., Ghosal, S., and Mani, A. (2014). Poverty and aspirations failure. *The Economic Journal*.
- DiPrete, T. A. and Jennings, J. L. (2012). Social and behavioral skills and the gender gap in early educational achievement. *Social Science Research*, 41(1):1–15.
- Duflo, E., Dupas, P., and Kremer, M. (2011). Peer effects, teacher incentives, and the impact of tracking: Evidence from a randomized evaluation in kenya. *The American Economic Review*, 101(5):1739–74.

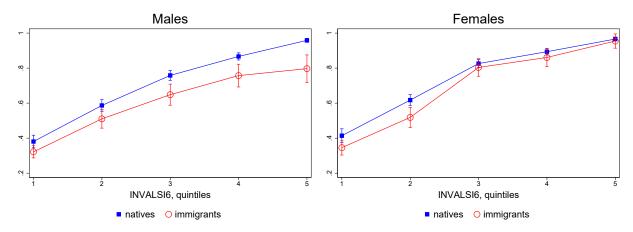
- Dustmann, C. (2004). Parental background, secondary school track choice, and wages. *Oxford Economic Papers*, 56(2):209–230.
- Dustmann, C., Puhani, P. A., and Schönberg, U. (2017). The long-term effects of early track choice. *The Economic Journal*, 127(603):1348–1380.
- Eisenhauer, P., Heckman, J. J., and Vytlacil, E. (2015). The generalized roy model and the cost-benefit analysis of social programs. *Journal of Political Economy*, 123(2):413–443.
- Fryer Jr, R. G. (2016). The production of human capital in developed countries: Evidence from 196 randomized field experiments. Technical report, National Bureau of Economic Research.
- Fryer Jr, R. G. and Levitt, S. D. (2004). Understanding the black-white test score gap in the first two years of school. *Review of Economics and Statistics*, 86(2):447–464.
- Gelbach, J. B. (2016). When do covariates matter? and which ones, and how much? *Journal of Labor Economics*, 34(2):509–543.
- Genicot, G. and Ray, D. (2014). Aspirations and inequality. NBER Working Paper.
- Giustinelli, P. (2016). Group decision making with uncertain outcomes: Unpacking child–parent choice of the high school track. *International Economic Review*, 57(2):573–602.
- Goldin, C. D. and Katz, L. F. (2009). *The race between education and technology*. Harvard University Press.
- Goodman, S. (2016). Learning from the test: Raising selective college enrollment by providing information. *Review of Economics and Statistics*, 98(4):671–684.
- Goux, D., Gurgand, M., and Maurin, E. (2017). Adjusting your dreams? the effect of school and peers on dropout behaviour. *Economic Journal*, 127(602):1025–1046.
- Guyon, N. and Huillery, E. (2016). Biased aspirations and social inequality at school: Evidence from french teenagers. *LIEPP Working Paper*.
- Guyon, N., Maurin, E., and McNally, S. (2012). The effect of tracking students by ability into different schools a natural experiment. *Journal of Human Resources*, 47(3):684–721.
- Heckman, J., Pinto, R., and Savelyev, P. (2013). Understanding the mechanisms through which an influential early childhood program boosted adult outcomes. *The American Economic Review*, 103(6):2052–86.

- Heckman, J. J., Humphries, J. E., and Veramendi, G. (2017). Returns to education: The causal effects of education on earnings, health and smoking. *Journal of Political Economy*.
- Heckman, J. J. and Kautz, T. (2012). Hard evidence on soft skills. *Labour economics*, 19(4):451–464.
- Heckman, J. J., Moon, S. H., Pinto, R., Savelyev, P. A., and Yavitz, A. (2010). The rate of return to the highscope perry preschool program. *Journal of public Economics*, 94(1):114–128.
- Heckman, J. J., Stixrud, J., and Urzua, S. (2006). The effects of cognitive and noncognitive abilities on labor market outcomes and social behavior. *Journal of Labor Economics*, 24(3):411–482.
- Hoxby, C. M. and Avery, C. (2012). The missing" one-offs": The hidden supply of high-achieving, low income students. *NBER Working Paper*.
- Hoxby, C. M. and Turner, S. (2015). What high-achieving low-income students know about college. *The American Economic Review*, 105(5):514–517.
- Jackson, J. F. and Moore III, J. L. (2008). The african american male crisis in education: A popular media infatuation or needed public policy response. *American Behavioral Scientist*, 51(7):847–853.
- Kautz, T., Heckman, J. J., Diris, R., Ter Weel, B., and Borghans, L. (2014). Fostering and measuring skills: Improving cognitive and non-cognitive skills to promote lifetime success. Report prepared for the Organisation of Economic Co-operation and Development, Paris, http://www.oecd.org/edu/ceri/Fostering-and-Measuring-Skills-Improving-Cognitive-and-Non-Cognitive-Skills-to-Promote-Lifetime-Success.pdf.
- Lent, R. W., Brown, S. D., and Hackett, G. (1994). Toward a unifying social cognitive theory of career and academic interest, choice, and performance. *Journal of vocational behavior*, 45(1):79–122.
- Lopez, N. (2003). *Hopeful girls, troubled boys: Race and gender disparity in urban education*. Psychology Press.
- Malamud, O. and Pop-Eleches, C. (2011). School tracking and access to higher education among disadvantaged groups. *Journal of Public Economics*, 95(11):1538–1549.
- Martins, P. S. (2010). Can targeted, non-cognitive skills programs improve achievement? Evidence from EPIS. *IZA Working Paper*.

- McCrary, J. (2008). Manipulation of the running variable in the regression discontinuity design: A density test. *Journal of econometrics*, 142(2):698–714.
- Mookherjee, D., Ray, D., and Napel, S. (2010). Aspirations, segregation, and occupational choice. *Journal of the European Economic Association*, 8(1):139–168.
- OECD (2013). PISA 2012 results: What Makes Schools Successful? Resources, Policies and Practices, (Volume IV). *OECD Publishing*, http://dx.doi.org/10.1787/9789264201156-en.
- OECD (2015). Immigrant students at school- easing the journey towards integration. *OECD Publishing*, http://dx.doi.org/10.1787/9789264249509-en.
- Patacchini, E. and Zenou, Y. (2016). Racial identity and education in social networks. *Social Networks*, 44:85–94.
- Pop-Eleches, C. and Urquiola, M. (2013). Going to a better school: Effects and behavioral responses. *The American Economic Review*, 103(4):1289–1324.
- Rapallini, C. and Rustichini, A. (2016). Elective affinities matter as much as ethnicity in multiethnic schools. *Journal of Economic Behavior & Companization*, 131:243–262.
- Rodriguez-Planas, N. (2012). Longer-term impacts of mentoring, educational services, and learning incentives: Evidence from a randomized trial in the united states. *American Economic Journal: Applied Economics*, 4(4):121–139.
- Rosenthal, R. and Jacobson, L. (1968). Pygmalion in the classroom. *The Urban Review*, 3(1):16–20.
- Sacerdote, B. et al. (2011). Peer effects in education: How might they work, how big are they and how much do we know thus far? *Handbook of the Economics of Education*, 3(3):249–277.
- Tanguy, B., Dercon, S., Orkin, K., and Taffesse, A. (2014). The future in mind: Aspirations and forward-looking behaviour in rural Ethiopia.
- Thompson, B. (2004). Exploratory and confirmatory factor analysis: Understanding concepts and applications. American Psychological Association.
- Westfall, P. H. and Young, S. S. (1993). *Resampling-based multiple testing: Examples and methods for p-value adjustment*, volume 279. John Wiley & Sons.

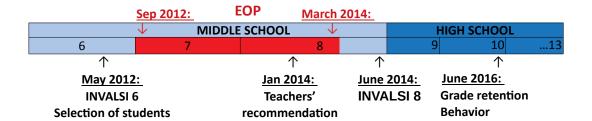
## **Figures**

Figure 1: Probability of enrolling in the high track at the end of middle school, by quintile of standardized test score in grade 6 (INVALS6)



*Notes:* This figure compares the probability of enrolling in the high-track between immigrant and native students, by quintiles of performance in the standardized test in grade 6 (INVALSI6). The sample includes all students in the 75 control schools.

Figure 2: Time Line



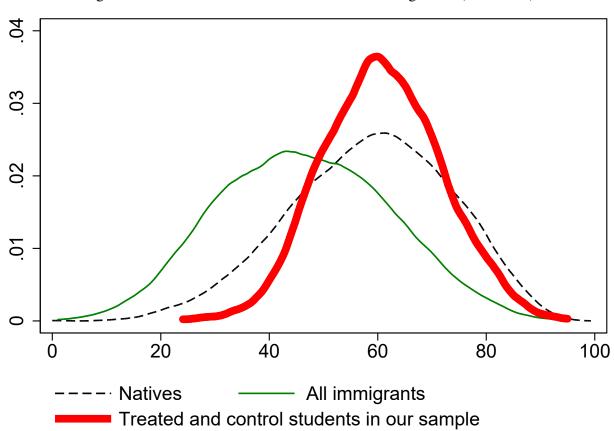
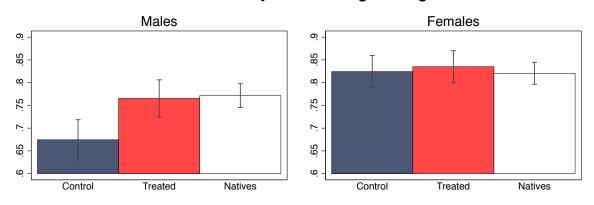


Figure 3: Distribution of standardized test score in grade 6 (INVALS6)

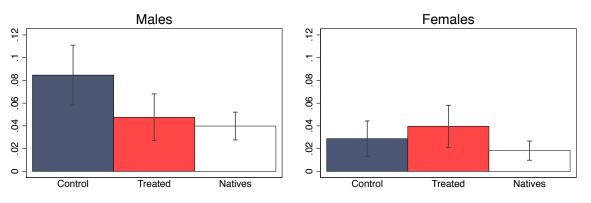
*Notes:* This figure compares the distribution of standardized test score in grade 6 (INVALSI6) across native students, immigrant students, and treated and control students in our sample.

Figure 4: Track choice and grade retention of immigrants and comparable natives

Panel A: Probability of choosing the high track



Panel B: Retention rate in grade 7 or 8



*Notes:* These graphs shows the average probability (and associated confidence intervals) of choosing the high-track (top graphs) and being retained in grade 7 or 8 (bottom graphs) for treated students, control students, and a group of Italian students that are comparable in terms of schooling ability. Specifically, we match each immigrant student with a native student of the same gender obtaining exactly the same score in INVALSI6.

Figure 5: Meetings attendance of immigrant students assigned to EOP

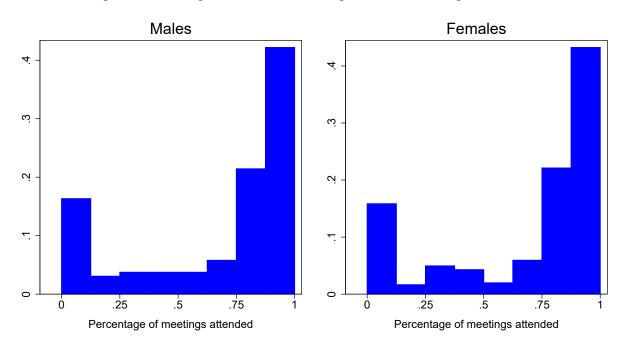
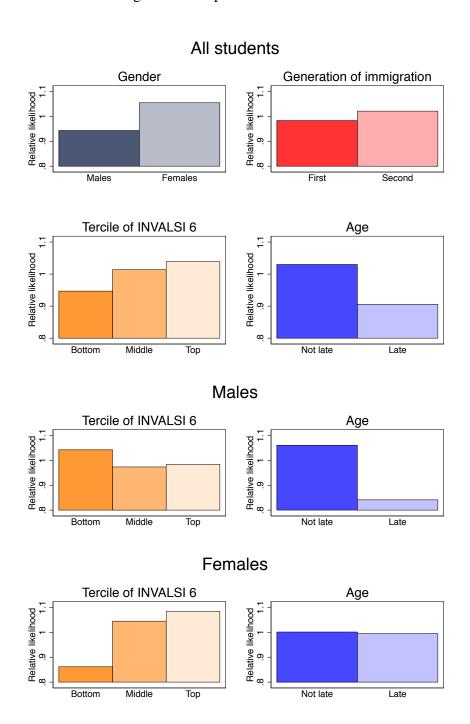
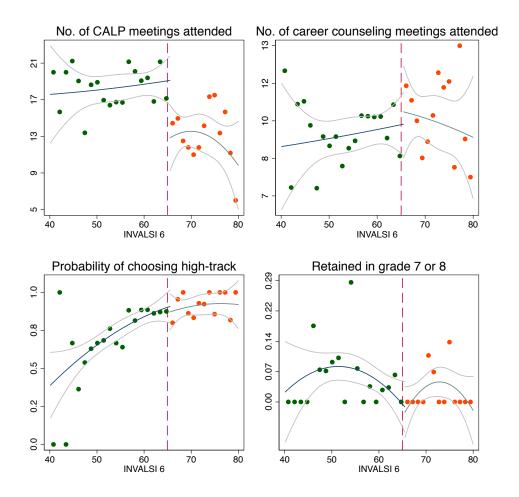


Figure 6: Compliers' characteristics



*Notes:* This figure shows compliers' characteristics ratios, i.e. the ratio of the first stage for student of a specific type (e.g., female/male) to the overall first stage. The instrument is the assignment to EOP and the endogenous variable is the probability of attending at least 75% of meetings. The figure illustrates the relative likelihood of compliers' gender, generation of immigration, tercile of INVALSI 6, and age.

Figure 7: Effect of additional CALP meetings, regression discontinuity estimates



*Notes:* These graphs plot the number of meetings attended – distinguishing between career counselling and CALP modules – and treated students' outcomes against standardized test scores in grade 6 (INVALSI6). The vertical line indicates the cutoff score below which treated students are offered additional CALP meetings.

## **Tables**

Table 1: Treated and control students, balance test

		Full Sample	Treated	Controls	Difference	P-value	Std. Difference
Panel A: Stud	ent characteristics						
Female		0.506	0.508	0.505	0.003	[0.93]	-0.006
Test score in g	grade 6 (INVALSI6)	60.82	60.93	60.71	0.224	[0.86]	0.005
First generation	on immigrant	0.555	0.547	0.561	-0.014	[0.73]	0.028
Born before 1	999	0.257	0.242	0.273	-0.031	[0.25]	0.071
Brescia		0.179	0.165	0.194	-0.029	[0.67]	0.076
Genova		0.067	0.074	0.06	0.014	[0.75]	-0.056
Milan		0.496	0.476	0.516	-0.04	[0.65]	0.080
Padua		0.055	0.064	0.047	0.017	[0.68]	-0.074
Turin		0.203	0.223	0.184	0.039	[0.58]	-0.097
Panel B: Fam	ily characteristics						
Mother	Less than high school	0.350	0.348	0.352	-0.004	[0.93]	0.008
	High-school	0.464	0.481	0.447	0.034	[0.36]	-0.068
	Some post-secondary education	0.186	0.172	0.201	-0.029	[0.30]	0.075
	Blue collar	0.351	0.354	0.347	0.007	[0.86]	-0.015
	White collar	0.184	0.181	0.187	-0.006	[0.86]	0.015
	Unemployed	0.082	0.091	0.073	0.018	[0.48]	-0.066
	At home	0.384	0.374	0.393	-0.019	[0.65]	0.039
Father	Less than high school	0.332	0.330	0.335	-0.005	[0.91]	0.011
	High-school	0.499	0.505	0.495	0.01	[0.81]	-0.020
	Some post-secondary education	0.168	0.165	0.17	-0.005	[0.87]	0.013
	Blue collar	0.567	0.555	0.577	-0.022	[0.56]	0.044
	White collar	0.315	0.333	0.296	0.037	[0.29]	-0.080
	Unemployed	0.099	0.093	0.106	-0.013	[0.53]	0.043
	At home	0.020	0.019	0.021	-0.002	[0.85]	0.014

*Notes:* This table shows the number and characteristics of treated and control students in our sample. P-values for difference in means are reported in square brackets. The last column also reports the standardized difference between group averages.

Table 2: The effect of EOP on educational choices

	Depende	nt variable: (	Choosing the	high-track ( =	1 if choose l	nigh track)		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	All immigrants		Male im	Male immigrants		nmigrants	All immigrants	
EOP	0.051*	0.043*	0.091**	0.080**	0.011	0.009	0.091**	0.077**
	(0.027)	(0.024)	(0.037)	(0.035)	(0.034)	(0.031)	(0.037)	(0.034)
Female X EOP							-0.080*	-0.067
							(0.046)	(0.043)
Constant	0.750***	0.683***	0.674***	0.651***	0.824***	0.720***	0.674***	0.621***
	(0.019)	(0.038)	(0.028)	(0.048)	(0.022)	(0.049)	(0.028)	(0.041)
Mean dep. var. control	0.750	0.750	0.674	0.674	0.824	0.824	0.750	0.750
Observations	1,217	1,217	601	601	616	616	1,217	1,217
Controls	No	Yes	No	Yes	No	Yes	No	Yes
R-squared	0.004	0.087	0.010	0.086	0.000	0.100	0.024	0.105

*Notes:* This table shows the effect of EOP on immigrant students' educational choices the end of middle school. The dependent variable is a dummy equal to 1 for students choosing the high-track (academic or technical schools) and equal to zero otherwise. EOP is a dummy equal to 1 for students in schools assigned to the treatment group and equal to zero for schools assigned to the control group. Specifications in columns (2), (4), (6), and (8) control in addition for a squared polynomial in INVALSI6, a dummy equal to 1 for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 3: The effect of EOP on grade retention

	Dej	pendent varia	ble: Grade re	tention (= 1 i	f repeat a gra	de)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	All imr	nigrants	Male im	Male immigrants		Female immigrants		All immigrants	
EOP	-0.013	-0.013	-0.037*	-0.037*	0.011	0.009	-0.037*	-0.035*	
	(0.016)	(0.016)	(0.021)	(0.021)	(0.019)	(0.019)	(0.021)	(0.020)	
Female X EOP							0.048**	0.044*	
							(0.024)	(0.023)	
Constant	0.056***	0.073***	0.085***	0.097***	0.029***	0.048	0.085***	0.097***	
	(0.010)	(0.028)	(0.016)	(0.028)	(0.010)	(0.043)	(0.016)	(0.030)	
Mean dep. var. control	0.056	0.056	0.085	0.085	0.029	0.029	0.056	0.056	
Observations	1,217	1,217	601	601	616	616	1,217	1,217	
Controls	No	Yes	No	Yes	No	Yes	No	Yes	
R-squared	0.001	0.017	0.006	0.022	0.001	0.023	0.009	0.024	

*Notes:* This table shows the effect of EOP on immigrant students' grade retention during middle school. The dependent variable is a dummy equal to 1 for students retained in grade 7 or 8, and equal to zero otherwise. EOP is a dummy equal to 1 for students in middle schools assigned to the treatment group and equal to zero for schools assigned to the control group. Specifications in columns (2), (4), (6), and (8) control in addition for a squared polynomial in INVALSI6, a dummy equal to 1 for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 4: Effects of EOP, average treatment-on-the-treated (ATT)

	(1)	(2)	(3)	(4)	(5)	(6)				
Dep. var.:	Choos	sing the high	n-track	G <sub>1</sub>	ade retentio	on				
	All	Males	Females	All	Males	Females				
Panel A: Treat	tment = 1 if	attended at	least one me	eting						
ATT	0.051*	0.094**	0.010	-0.015	-0.043*	0.011				
	(0.028)	(0.041)	(0.036)	(0.018)	(0.024)	(0.022)				
Constant	0.682***	0.648***	0.720***	0.073***	0.098***	0.047				
	(0.038)	(0.049)	(0.049)	(0.028)	(0.028)	(0.043)				
Panel B: Treatment = 1 if attended at least 75% of meetings										
ATT	0.067*	0.125**	0.013	-0.020	-0.057*	0.014				
	(0.037)	(0.054)	(0.047)	(0.024)	(0.032)	(0.029)				
Constant	0.679***	0.641***	0.720***	0.074***	0.101***	0.047				
	(0.038)	(0.050)	(0.049)	(0.027)	(0.028)	(0.043)				
Panel C: Treat	tment = frac	ction of meet	tings attende	d						
ATT	0.064*	0.119**	0.013	-0.019	-0.055*	0.014				
	(0.036)	(0.052)	(0.045)	(0.023)	(0.031)	(0.028)				
Constant	0.681***	0.645***	0.720***	0.074***	0.100***	0.048				
	(0.038)	(0.049)	(0.049)	(0.027)	(0.028)	(0.043)				
Observations	1.217	601	616	1.217	601	616				

*Notes:* This table shows the average-treatment-on-the-treated effect of EOP on immigrant students' educational choices (columns 1-3) and grade retention during middle school (columns 4-6). The ATT is computed as the ratio of the reduced form effect of EOP on such outcomes and the first stage effect on three alternative measures of compliance with treatment assignment: attending at least 1 meeting (Panel A), attending at least 75% of meetings (Panel B), and fraction of meetings attended (Panel C). All specifications control for a squared polynomial in INVALSI6, a dummy equal to 1 for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*\*, and \*\*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 5: The effect of EOP on educational choices, heterogeneity

		Dependent v	ariable: Choo	osing the high	-track				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
		M	ales		Females				
EOP	0.100**	0.138*	0.077*	0.068*	0.022	0.145**	0.026	-0.008	
	(0.042)	(0.074)	(0.046)	(0.040)	(0.040)	(0.070)	(0.044)	(0.036)	
EOP*INVALSI6	0.038				0.117*				
	(0.057)				(0.064)				
EOP*INVALSI6, squared	-0.055				-0.095**				
, 1	(0.036)				(0.048)				
EOP*Highly educated mother	()	-0.136			(	-0.196***			
2 7		(0.089)				(0.074)			
EOP*First Gen. Immigrant		(0100)	0.005			(313.1)	-0.031		
<i>g</i>			(0.065)				(0.057)		
EOP*EU country			(01000)	0.045			(0.02.)	0.074	
				(0.084)				(0.069)	
Highly educated mother		0.206***		(0.00.)		0.191***		(0.00)	
ingmy educated mether		(0.064)				(0.053)			
EU country		(0.001)		0.036		(0.022)		-0.085	
Ze county				(0.066)				(0.055)	
INVALSI6	0.180***	0.186***	0.199***	0.199***	0.142***	0.188***	0.197***	0.198***	
	(0.042)	(0.029)	(0.029)	(0.030)	(0.045)	(0.040)	(0.039)	(0.039)	
INVALSI6, squared	-0.024	-0.048***	-0.054***	-0.055***	-0.000	-0.039	-0.044	-0.043	
ii vii 12510, squared	(0.027)	(0.018)	(0.019)	(0.019)	(0.037)	(0.031)	(0.030)	(0.029)	
First Gen. Immigrant	-0.036	-0.038	-0.038	-0.052	-0.004	-0.009	0.010	0.010	
That Gen. Immigrant	(0.034)	(0.035)	(0.050)	(0.038)	(0.029)	(0.028)	(0.041)	(0.030)	
Constant	0.641***	0.580***	0.652***	0.659***	0.713***	0.622***	0.711***	0.726***	
Constant	(0.050)	(0.061)	(0.054)	(0.049)	(0.048)	(0.058)	(0.050)	(0.049)	
Mean dep. var. control	0.674	0.674	0.674	0.674	0.824	0.824	0.824	0.824	
Observations	601	601	601	601	616	616	616	616	
R-squared	0.088	0.137	0.086	0.089	0.109	0.133	0.101	0.104	

*Notes:* This table shows the heteroeneity of the effect of EOP on immigrant students' educational choices the end of middle school. The dependent variable is a dummy equal to 1 for students choosing the high-track (academic or technical schools) and equal to zero otherwise. EOP is a dummy equal to 1 for students in middle schools assigned to the treatment group and equal to zero for schools assigned to the control group. Highly educated mother is a dummy equal to 1 for students' whose mother has at least a high-school diploma. EU is a dummy equal to 1 for immigrants from EU-member countries. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 6: The effect of EOP on mediating factors

	(1)	(2)	(3)	(4)	(5)	(6)	
Dep. var.	Aspira	ations	Perception	of barriers	INVA	LSI8	
	Males	Females	Males	Females	Males	Females	
EOP	0.312*** (0.102)	0.105 (0.090)	-0.385*** (0.121)	-0.422*** (0.101)	0.163*** (0.051)	0.001	
						(0.050)	
Mean dep.	-0.209	0.248	0.252	0.420	-0.129	0.057	
Observations	321	366	321	366	520	574	
R-squared	0.156	0.110	0.096	0.086	0.472	0.423	
Dep. var.	INVALS	I8, math	INVALSI	8, reading	Teachers' Recomm.		
	Males	Females	Males	Females	Males	Females	
EOP	0.187***	-0.013	0.140**	0.016	0.171***	0.074	
	(0.065)	(0.063)	(0.061)	(0.059)	(0.053)	(0.056)	
Mean dep.	0.008	0.023	-0.266	0.090	0.371	0.578	
Observations	520	574	520	574	601	616	
R-squared	0.424	0.353	0.307	0.308	0.166	0.103	

*Notes:* This table shows the effect of EOP on several mediating factors. Aspirations and perception of barriers are the two principal components extracted from the psychological measures collected through students' questionnaires. The individual variables included in each index and their loading factors are reported in Appendix Table A.4. INVALSI8 is the score obtained in the standardized test at the end of middle school (grade 8). Teachers' recommendation is a dummy equal to 1 when the teacher recommends to enroll in the high-track and equal to zero otherwise. All specifications control for a squared polynomial in INVALSI6, a dummy equal to 1 for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 7: Decomposition of the effect of EOP on high-school choice, male students

	(1	)	(2)	)	(3)	
	Explained	p-value	Explained	p-value	Explained	p-value
Aspirations	0.0413	[0.0005]	0.0359	[0.002]	0.0357	[0.001]
Barriers	-0.0095	[0.5756]	-0.006	[0.722]	-0.0024	[0.882]
INVALSI8			0.013	[0.103]	0.0101	[0.178]
Teachers' recommendation					0.0333	[0.046]
Total explained	0.0318		0.0429		0.0767	_
EOP effect on choosing high-track	0.091		0.091		0.091	

*Notes:* This table decomposes the effect of EOP between changes in personality skills (aspirations and perception of barriers), increased schooling achievement (as measured by INVALSI8) and teachers' recommendations. As explained in Section 5.2, the decomposition follows the method devised by Heckman et al. (2013). Bootstrap standard errors clustered at school level generated from 1,000 iterations.

Table 8: Effect of EOP on long-term outcomes

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
		Outcomes	in grade 9		Outcomes in grade 10				
Dep. var.	Admitted t	to grade 10	Re-take	courses	Dropout		Change school		
EOP	0.014	0.034	-0.099	-0.146	-0.034	-0.057	0.000	-0.005	
	(0.032)	(0.042)	(0.072)	(0.115)	(0.027)	(0.039)	(0.022)	(0.034)	
Female*EOP		-0.033		0.084		0.045		0.009	
		(0.057)		(0.146)		(0.050)		(0.043)	
Constant	0.380***	0.300***	0.346***	0.429***	0.343***	0.406***	0.161***	0.169***	
	(0.044)	(0.048)	(0.126)	(0.150)	(0.038)	(0.041)	(0.043)	(0.047)	
Mean dep. var. control males	0.411	0.411	0.251	0.251	0.365	0.365	0.119	0.119	
Mean dep. var. control females	0.578	0.578	0.075	0.075	0.211	0.211	0.100	0.100	
Observations	933	933	918	918	1,157	1,157	881	881	
R-squared	0.054	0.077	0.025	0.028	0.063	0.083	0.011	0.011	

*Notes:* This table shows the effect of EOP on immigrant students' outcomes in the first two years of high school, indicated above each column. EOP is a dummy equal to 1 for students in middle schools assigned to the treatment group and equal to zero for schools assigned to the control group. All regressions control in addition for a squared polynomial in INVALSI6, a dummy equal to 1 for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table 9: Spillover effects in EOP schools

	(1)	(2)	(3)		(4)	(5)	(6)
	Nat	tive classn	nates		Imm	igrant class	mates
	All	Males	Females		All	Males	Females
Pan	el A - Dep	oendent Va	ıriable: Ch	oos	sing the h	igh-track	
EOP class	0.001	0.008	-0.006		0.038	-0.009	0.091**
	(0.013)	(0.015)	(0.017)		(0.029)	(0.041)	(0.038)
Mean dep. var.	0.767	0.755	0.780		0.421	0.423	0.419
Observations	8,429	4,247	4,182		1,308	686	622
R-squared	0.197	0.205	0.193		0.097	0.096	0.125
Pan	el B - Dep	endent Vo	ıriable: Rei	tain	ied in gra	de 7 or 8	
EOP class	-0.002	-0.005	0.002		-0.042*	-0.064**	-0.019
	(0.007)	(0.009)	(0.007)		(0.023)	(0.032)	(0.027)
Mean dep. var.	0.044	0.053	0.035		0.148	0.192	0.099
Observations	8,429	4,247	4182		1,308	686	622
R-squared	0.047	0.040	0.066		0.046	0.049	0.053
	Panel	C - Depen	dent Varia	ble:	INVALS	<i>I</i> 8	
EOP class	-0.017	-0.012	-0.021		-0.026	0.023	-0.069
	(0.030)	(0.034)	(0.032)		(0.062)	(0.077)	(0.081)
Mean dep. var.	0.129	0.139	0.119		-0.961	-0.960	-0.965
Observations	7,533	3,736	3,797		1,007	500	507
R-squared	0.591	0.603	0.580		0.330	0.349	0.319
Pane	l D - Depe	endent Vai	riable: Tead	che	rs' raccoi	nandation	
EOP class	-0.011	-0.012	-0.010		0.031	0.003	0.062
	(0.037)	(0.038)	(0.039)		(0.038)	(0.039)	(0.052)
Mean dep. var.	0.597	0.574	0.621		0.207	0.210	0.205
Observations	8,429	4,247	4,182		1,308	686	622
R-squared	0.223	0.235	0.218		0.115	0.130	0.112

*Notes:* This table shows the effect of being in the same class with an immigrant student randomized into the intervention on several outcomes of interest, indicated in the title of each panel. The sample includes only classmates of treated and control students. The main expanatory variable, EOP class, is a dummy equal to 1 for the classmates of treated students. All regressions control in addition for all the individual characteristics in our baseline specification (dummy for first generation immigrants, second degree polynomial of test score in grade 6, and province fixed effects) as well as for class size, percentage of immigrants in the same class, and school size. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

## **Appendix Figures**

Figure A.1: Immigrants in Italy by nationality, 2015

1200

1000

800

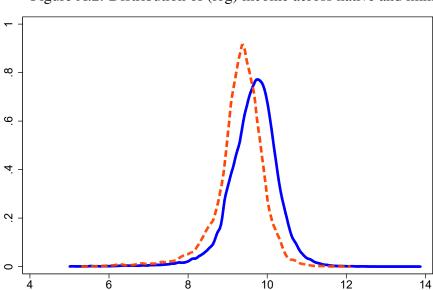
400

200

0

Ronania hibania cocc chira aine malabara aest gara aganda dest gara aganda

Source: ISTAT, "Demografia in Cifre", several years (www.demo.istat.it).



natives

Figure A.2: Distribution of (log) income across native and immigrant families in Italy

*Notes:* This graph shows the distribution of (log) disposable income per equivalent adult at constant 2010 prices. *Source:* European Union Statistics on Income and Living Conditions (EU-SILC), 2007-2014.

-- immigrants

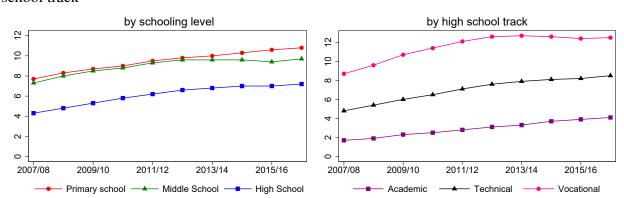
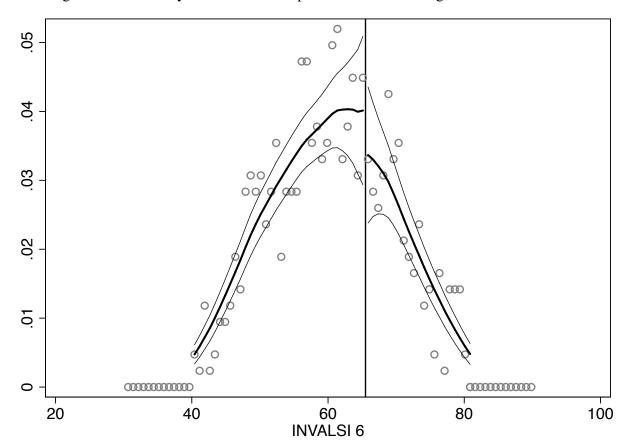


Figure A.3: Percentage of immigrants over total students in Italy, by schooling level and high school track

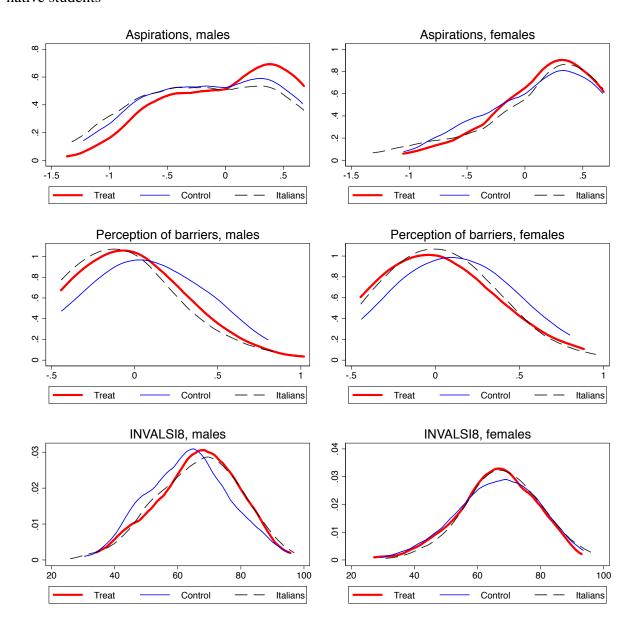
Source: MIUR, "'Portale dei dati sulla scuola" (dati.istruzione.it), several years.

Figure A.4: McCrary Test for the manipulation of the running variable in the RDD



*Notes:* This figure shows the McCrary density test to check the potential manipulation of the running variable in the regression discontinuity design. (McCrary, 2008).

Figure A.5: Distribution of cognitive and personality skills across treated, controls, and comparable native students



*Notes:* These graphs shows the distribution of aspirations, perception of barriers, and INVALSI8 across treated students, control students, and a group of Italian students that are comparable in terms of schooling ability. Specifically, we match each immigrant student with a native student obtaining exactly the same score in INVALSI6.

## **Appendix Tables**

Table A.1: Educational and occupational outcomes 4 years after graduation, by high-school track

	all stu	idents	ma	les	fem	ales
	high track	low track	high track	low track	high track	low track
F	Panel A: Nat	tive students				
Percentage of graduates by track	85.5	14.5	84.4	15.6	85.5	13.5
Ever enrolled into university	0.704 (0.003)	0.205 (0.004)	0.650 (0.006)	0.158 (0.006)	0.754 (0.004)	0.256 (0.007)
Dropout rate in university	0.118 (0.003)	0.306 (0.011)	0.145 (0.005)	0.353 (0.018)	0.097 (0.003)	0.274 (0.014)
Not in Employment, Education or Training (NEET)	0.199 (0.003)	0.291 (0.005)	0.189 (0.005)	0.264 (0.007)	0.208 (0.004)	0.320 (0.007)
Regretting high school choice	0.267 (0.003)	0.318 (0.005)	0.266 (0.005)	0.304 (0.007)	0.269 (0.004)	0.333 (0.008)
Par	nel B: Immi	grant studen	ts			
Percentage of graduates by track	62.8	37.2	57.4	42.6	66.3	33.7
Ever enrolled into university	0.655 (0.03)	0.291 (0.022)	0.686 (0.049)	0.172 (0.027)	0.637 (0.037)	0.390 (0.032)
Dropout rate in university	0.150 (0.028)	0.257 (0.037)	0.231 (0.06)	0.307 (0.074)	0.100 (0.028)	0.238 (0.043)
Not in Employment, Education or Training (NEET)	0.264 (0.027)	0.294 (0.022)	0.237 (0.045)	0.238 (0.03)	0.280 (0.035)	0.340 (0.031)
Regretting about high school choice	0.269 (0.028)	0.331 (0.023)	0.325 (0.049)	0.290 (0.032)	0.238 (0.033)	0.365 (0.032)

*Notes:* This table shows average educational and occupational outcomes of students graduating from high school in year 2011 by gender and high school track; separate figures for native and immigrant students are presented in panel A and B, respectively. Standard errors are reported in parentheses.

Table A.2: Immigrant students' probability of choosing the high-track, controlling for socio-economic background

	Dependen	t variable: C	hoosing the hi	igh-track		
	(1)	(2)	(3)	(4)	(5)	(6)
		Males			Females	
Immigrant	-0.086***	-0.078***	-0.066***	-0.048***	-0.048***	-0.027
	(0.021)	(0.021)	(0.021)	(0.018)	(0.018)	(0.018)
Low-educated Mother		-0.164***	-0.134***		-0.173***	-0.136***
		(0.027)	(0.028)		(0.024)	(0.025)
Mid-educated Mother		-0.033*	-0.015		-0.064***	-0.046***
		(0.018)	(0.018)		(0.018)	(0.018)
Low-educated Father		-0.056**	-0.085***		-0.035	-0.038
		(0.023)	(0.024)		(0.024)	(0.024)
Mid-educated Father		0.031*	-0.005		0.041**	0.024
		(0.018)	(0.017)		(0.017)	(0.017)
Mother bluecollar			-0.044*			-0.057***
			(0.022)			(0.021)
Mother home/unemployed			-0.049			-0.118***
			(0.036)			(0.032)
Father bluecollar			-0.018			-0.032
			(0.026)			(0.024)
Father home/unemployed			0.000			-0.015
			(0.020)			(0.018)
Constant	0.711***	0.819***	0.855***	0.746***	0.845***	0.870***
	(0.009)	(0.017)	(0.017)	(0.008)	(0.016)	(0.017)
Observations	3,927	3,927	3,927	3,819	3,819	3,819
R-squared	0.213	0.244	0.252	0.204	0.227	0.234

*Notes:* This table shows how immigrant status influences the probability of choosing the high-track. The dependent variable is a dummy equal to 1 for students choosing the high-track. The main explanatory variable is a dummy equal to 1 for immigrant students. The sample includes all students in control schools. All regressions control in addition for a second degree polynomial of test score in grade 6 (INVALSI6), a dummy for first generation immigrants, and province fixed effects. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table A.3: The effect of completing the questionnaire on soft skills in control schools

	(1)	(2)	(3)	(4)	(5)	(6)
Dependent variable	Demanding High-School		Grade R	Grade Retention		Score grade 8
School Questionnaire	-0.016	-0.004	0.008	0.007	-0.061	-0.085
	(0.039)	(0.057)	(0.021)	(0.033)	(0.100)	(0.125)
Female*School Questionnaire		-0.029		0.004		0.035
		(0.069)		(0.036)		(0.140)
Female		0.167***		-0.058**		0.168
		(0.050)		(0.025)		(0.111)
Constant	0.759***	0.676***	0.052***	0.081***	0.004	-0.081
	(0.027)	(0.042)	(0.014)	(0.023)	(0.069)	(0.087)
Observations	620	620	620	620	552	552
R-squared	0.000	0.031	0.000	0.015	0.001	0.015

*Notes:* This table tests whether control students in schools selected for the questionnaire differ in their high-school choice, grade retention and performance in the standardized test score from students in the control schools not selected for the questionnaire. The dependent variable is a dummy equal to 1 for students choosing the high-track in columns 1 and 2, a dummy equal to 1 if students are retained in grade 7 or 8 in columns 3 and 4 and the standardized value for the test score in columns 5 and 6. Standard errors clustered by school are reported in parentheses. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table A.4: Principal component analysis, factor loadings

First principal component: Aspirations					
	Loadings	std. err.			
Goal University	1	•			
Self efficacy University	1.649	0.050			
Self efficacy White collar	0.753	0.030			
Self efficacy Manager	0.631	0.030			
Second principal component: Perception of barriers					
	Loadings std. err				
Barriers economic	1				
Barriers family ideas	1.339	0.087			
Barriers prejudice	0.837	0.063			
Barriers family plans and marriage	1.001	0.074			
Barriers self esteem	0.947	0.072			

Notes: This table shows estimated factor loadings for the two principal components extracted from psychological measures; Satorra-Bentler robust standard errors are also presented. Measurements are categorical variables in a scale from 1 to 4. "Goal University" is the answer to the following question: Thinking about your future, do you want to achieve an university degree?. The measurements related to "Self efficacy" are the answers to the following questions: Independently from your educational aim but thinking about your abilities, do you think you could get a university degree/ white collar job/ managerial job?. The measurements related to "Barriers" are the answers to the following questions: Do you think the following barriers could be an obstacle in the achievement of your educational aims? Economic resources/ The needs and ideas of your family/ Racial prejudice/ Family plans (children, marriage)/ Not feeling good enough.

Table A.5: Initial vs. working sample

	Treated	Controls	Difference	P-value	Std. Difference
Initial sample	700	751			
Fraction missing match MIUR-INVALSI	0.043	0.053	- 0.010	[0.72]	-0.049
Number of students with available MIUR-INVALSI	670	711			
Fraction dropped between INVALSI6 and start of EOP	0.109	0.128	- 0.019	[0.51]	-0.059
Final sample	597	620			

*Notes:* This table shows the sample size of treated and control students in our sample. P-value for difference in means are reported in parenthesis. The last column also reports the standardized difference between group averages.

Table A.6: Balance Table of the nationality of treated and control students

	(1)	(2)	(3)	(4)
Variable	Treated	Control	Diff.	Stand. Diff.
Albania	0.090	0.104	0.014	0.032
	(0.287)	(0.305)	(0.023)	
Romania	0.192	0.245	0.053	0.090
	(0.394)	(0.430)	(0.038)	
Morocco	0.085	0.082	-0.003	-0.009
	(0.280)	(0.275)	(0.020)	
Philippines	0.106	0.069	-0.038	-0.095
	(0.309)	(0.253)	(0.026)	
Peru	0.058	0.057	-0.001	-0.003
	(0.234)	(0.232)	(0.015)	
Ecuador	0.052	0.062	0.010	0.032
	(0.221)	(0.241)	(0.018)	
China	0.056	0.054	-0.003	-0.009
	(0.231)	(0.225)	(0.016)	
Observations	620	597	1,217	

*Notes:* This table shows the most common nationality of treated and control students in our sample. P-values for difference in means are reported in square brackets. The last column also reports the standardized difference between group averages.

Table A.7: RDD effects

	(1)	(2)	(3)	(4)
Panel A: Dep. var.	No. CALP Meetings	No. Counseling Meetings	Choice High Track	Grade Retention
RDD Estimate	-5.418** (2.575)	1.006 (0.934)	-0.024 (0.0758)	-0.023 (0.0250)
Observations	565	565	565	565
Panel B: Dep. var.	Aspirations	Perception of Barriers	INVALSI8	Teachers' recom.
RDD Estimate	-0.143 (0.127)	-0.020 (0.0877)	-1.900 (2.775)	-0.002 (0.111)
Observations	404	404	512	565

*Notes:* This table shows the RDD effect of CALP on several outcomes, as reported also in Figures 7 and ??. Squared Order Local Polynomial. \*, \*\*, and \*\*\* denote statistical significance at the 90%, 95%, and 99% confidence level, respectively.

Table A.8: Treatment effect on soft skills (by survey question)

ITT on	Coefficient	p-value	p-value FWER			
Group 1: aspirations						
Goal University	0.087	0.073	0.082			
Self efficacy University	0.201	0.018	0.054			
Self efficacy Whitecollar	0.215	0.001	0.007			
Self efficacy Manager	0.150	0.027	0.062			
Group 2: perception of environmental barriers						
Barriers economic	-0.182	0.008	0.019			
Barriers family ideas	-0.203	0.002	0.007			
Barriers prejudice	-0.280	0.000	0.001			
Barriers family formation and marriage	-0.087	0.177	0.177			
Barriers self esteem	-0.274	0.000	0.001			

Notes: Robust standard errors clustered at school level. All regressions include generation of immigration, province and squared test score. P-values are adjusted for multiple hypothesis testing using the free step-down resampling method (Westfall and Young, 1993) to control the family-wise error rate (FWER). Measurements are categorical variables in a scale from 1 to 4. "Goal University" is the answer to the following question: Thinking about your future, do you want to achieve an university degree? The measurements related to "Self efficacy" are the answers to the following questions: Independently from your educational aim but thinking about your abilities, do you think you could get a university degree/ white collar job/ managerial job?. The measurements related to "Barriers" are the answers to the following questions: Do you think the following barriers could be an obstacle in the achievement of your educational aims? Economic resources/ The needs and ideas of your family/ Racial prejudice/ Family plans (children, marriage)/ Not feeling good enough.

Table A.9: Specification test, Males

Outcome: Choosing the high-track	(1)		(2)		(3)	
Mediating factors: $H_0$ : $\alpha_1^j = \alpha_0^j$	Test Statistic	p-value	Test Statistic	p-value	Test Statistic	p-value
Aspirations	1.50	[0.14]	1.34	[0.18]	1.68	[0.10]
Barriers	1.14	[0.26]	1.04	[0.30]	0.49	[0.63]
INVALSI8			0.14	[0.89]	0.60	[0.55]
Teachers' recommendation					0.60	[0.55]
Controls: $H_0: \beta_1^i = \beta_0^i$	Test Statistic	p-value	Test Statistic	p-value	Test Statistic	p-value
INVALSI6	0.72	[0.47]	0.55	[0.58]	0.88	[0.38]
INVALSI6 sq.	1.58	[0.12]	1.49	[0.14]	1.39	[0.17]
First generation immigrant	0.96	[0.34]	0.86	[0.39]	0.74	[0.46]
Prov BS	1.53	[0.13]	1.33	[0.19]	0.46	[0.65]
Prov GE	1.10	[0.28]	1.00	[0.32]	1.32	[0.19]
Prov MI	0.29	[0.77]	0.06	[0.96]	0.51	[0.61]
Prov PD	0.60	[0.55]	0.33	[0.75]	0.17	[0.86]
Prov TO	0.98	[0.33]	0.98	[0.33]	0.31	[0.76]
F-test	1.37	[0.21]	1.28	[0.26]	1.35	[0.23]

*Notes:* The first panel tests whether the treatment group regression coefficients in equation 2 are the same as the control group coefficients:  $H_0: \alpha_1^i = \alpha_0^i$ , for each potential channel  $\theta$ . The second panel tests whether the treatment group regression coefficients are the same as the control group coefficients:  $H_0: \beta_1^i = \beta_0^i$ , for each potential control variable **X**. In column (1), we consider only two mediating factors, i.e. aspirations and barriers, while in column (2) we include also the achievement test scores and in column (3) teachers' track recommendation.

Table A.10: Decomposition of the effect of EOP on high-school choice, male students (Gelbach, 2016)

	(1)		(2)		(3)	
	Explained	p-value	Explained	p-value	Explained	p-value
Aspiration	0.0354	[0.034]	0.0291	[0.042]	0.0264	[0.046]
Barriers	0.0046	[0.602]	0.0067	[0.446]	0.0042	[0.620]
Cognitive skills			0.0178	[0.085]	0.0105	[0.190]
Teachers' recommendation					0.0385	[0.011]
Total explained	0.0400	[0.032]	0.0537	[0.010]	0.0796	[0.001]
EOP effect on choosing high-track	0.091		0.091		0.091	

*Notes:* This table decomposes the effect of EOP between changes in personality skills (aspirations and perception of barriers), increased schooling achievement (as measured by INVALSI8) and teachers' recommendations. The decomposition follows the method devised by Gelbach (2016).

Table A.11: Cost Benefit Analysis

	Scenario 1	Scenario 2	Scenario 3
Parameters			
Discount rate	3%	3%	3%
Tax rate	28%	28%	28%
Higher salary per month (euros)	500	500	650
Lower unemployment probability	4%	4%	6%
Unemployment insurance benefit per month (euros)	1000	1000	1300
Number of beneficiaries	60	125	125
Costs and Benefits			
Total costs (thousand euros)	2,177	2,177	2,177
Higher taxes on wage (thousand euros)	3,344	7,006	9,108
Lower unemployment insurance (thousand euros)	955	2,002	3,904
Internal Rate of Return	2.8%	6.6%	8.8%

*Notes:* Although EOP program has potentially strong effects on health and on reduction of crime rates, we present conservative estimates focusing our cost-benefit analysis only on social benefits coming from higher income taxes and public savings on unemployment insurance. In the first scenario, we consider potential benefits only on 10% of students directly treated by EOP. In the second scenario, keeping all other assumptions constant, we consider also the additional spillovers on 5% of classmates of treated students (close to the share who did not fail the school year or decided to attend a more demanding track compared to classmates of control students). In the last scenario, we slightly reduce the unemployment probability, we slightly increase the expected average higher salary per month and the expected unemployment insurance benefit. We use the discount rate of 3% as in the simulation in Heckman et al. (2010) and a tax rate close to the current one for the income bracket 15,000-28,000 euros.