Pupils’ perceptions shape educational achievement: evidence from a large-scale behavioural economics experiment

Amine Ouazad, INSEAD and London School of Economics

Lionel Page, University of Westminster
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The views expressed in this report are the authors’ and do not necessarily reflect those of the Department for Education.
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Executive Summary

What determines educational inequalities? In this research we look at whether pupils’ perceptions shape their effort, motivation, and educational achievement. More specifically, we look at whether pupils believe that their efforts will be more or less fairly rewarded when they are assessed by their teacher than when they are assessed by an anonymous external examiner.

To investigate that effect, we designed one of the first behavioural economics experiments in English classrooms. The experiment involved about 1,200 pupils across 29 schools in Liverpool, London, and Manchester. The design of the experiment is very close to the latest developments in the economics of education, e.g. the experiment of Fryer (2010) or of Bettinger (2008).

In the experiment, pupils received £2. They could use part of these £2 to “purchase” up to 10 questions. A question cost 20p. A correct answer doubled the initial amount of 20p, whereas a wrong answer meant that the 20p was forfeited. Therefore, pupils who attempted 10 questions and got them all correct could earn up to £4. The experiment took place at the same time in two classrooms in each school. In one classroom, marking was external and anonymous (the anonymous condition) and in another group marking was done by their teacher in the classroom and the pupils’ names were clearly displayed (the nonanonymous condition). The questions were about defining words taken from Key Stage 3 reading booklets. Word definitions are ideal for the experiment as grading practices may vary widely from one teacher to another. Comparing the number of questions purchased in the anonymous and the nonanonymous condition measures pupils’ perceptions of their teachers’ grading as well as pupils’ willingness to make effort in the classroom when assessed by the teacher.

The average effect of being nonanonymously assessed by the teacher was not significant, i.e. the number of questions attempted by pupils in the nonanonymous condition was not significantly different from the anonymous condition – but this masks considerable variation for some pupil groups and for some
teachers. Pupils bought significantly more questions when assessed by male teachers; pupils assessed by male teachers showed greater confidence, more often declared that pupils from minority ethnic backgrounds have equal opportunities and had more positive perceptions of their own ability. The effect of male teachers was identical for male and female pupils.

Also, high ability pupils bought significantly more questions when they were assessed by the teacher compared to being assessed by the anonymous external examiner. Low-ability pupils did not lower the amount of questions chosen when assessed by the teacher. Overall, this suggests that teacher-student interactions may be reinforcing differences in attainment rather than narrowing them.

We did not find any effect of socioeconomic status as proxied by the Free School Meal status, even after conditioning by pupil ability.

This experiment shows that male teachers may be beneficial for both male and female pupils – increasing motivation and effort. But there are overall fewer male than female teachers in both primary and secondary education in England. The lack of male teachers is especially salient in primary education. Finally, the experiment shows that teachers do not raise achievement equally for all pupils – teacher quality should also measure whether teachers are effective for all pupils.
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1 Introduction

Differences in educational achievement between boys and girls, ethnic groups, and free school meal and non free school meal pupils are substantial. The fraction of boys getting 5 or more A-C GCSEs is about 6 percentage points lower than the fraction of girls getting 5 or more A-C GCSEs; Even though various explanations such as teachers’ genders, a shift from exams to coursework assessment, and increases in mothers’ education level have been put forward in the literature, none of them provides a complete explanation for the gap. Also, free school meal pupils score about 40% of a standard deviation below other pupils. Finally, there are wide gaps between pupils of different ethnic backgrounds. It is crucial for good educational policymaking to understand the determinants of educational achievement, to target pupils in need with the best and the most cost-effective policies.

What determines educational achievement and educational inequalities? This question has been traditionally approached through the lens of educational inputs: the effectiveness of the four key inputs, school quality, teacher quality, peer effects and family background, has been estimated in the educational and in the economics of education literature for decades. Recent analysis concludes that most of educational achievement is due to the pupil, the pupil’s early educational experiences or his family background (Kramarz, Machin & Ouazad 2009, Kramarz, Machin & Ouazad 2010). School quality is the second most important input, and peer effects come last. Hence, most of educational achievement is due to factors that do not seem to be directly related to spending per pupil but may be due to the attitude of the pupil towards school, education, or his teacher. Recent research has put the spotlight on the effect of students’ effort on educational achievement (de Fraja, Oliveira & Zanchi 2010, Fryer 2010). Indeed, pupils are an integral part of the educational process. Policies that improve the educational context – whether it is school resources, teacher quality, or other important inputs – will have different effects depending on how pupils see the return to their own effort. Extensive research shows that, for instance, students’ perceptions of university have an important effect on their decision to start a degree(Dominitz &
Manski 1996). Pupils have an active role in the decision to drop out, the choice of GCSEs, the time spent on homework, and many other day-to-day decisions.

In this research, we investigate whether pupils think their efforts will be rewarded differently when assessed nonanonymously by the teacher and when assessed anonymously by an external examiner. The perception of lower reward may undermine motivation and lead to lower effort and lower achievement. The perception of higher rewards from the teacher may foster learning and trigger effort. Pupils may think that rewards will not only depend on their answers but also their prior ability, their ethnicity, gender, and social background, as well as their teachers’ gender.

To investigate that effect, we designed an experiment that involved 1,200 year 8 pupils across 29 schools in Manchester, Liverpool, and London. In the experiment pupils were allocated a small endowment of £4. Pupils could either keep that endowment or purchase questions, costing 20p each. A right answer would double the 20p to 40p. In the case of a wrong answer, students would lose the 20p. How many questions pupils chose to buy will depend on what return they expect and also on nonmonetary motives.¹ A crucial element of the experiment is who corrects the questions: In a random half of the classrooms, questions were anonymously corrected by the external examiner (the anonymous condition); in the other random half of the classrooms, questions were corrected by the teacher, with the pupil’s name made clear on the answer sheet (the nonanonymous condition). We compare the number of questions attempted when the teacher is marking to the number of questions purchased when the external examiner is marking. This difference tells us how pupils see teachers’ grading practices and whether pupils would like to signal ability or effort to their teacher.

Our experiment is related to four different academic literatures: (i) the stereotype threat literature, (ii) the literature on the Pygmalion effect (iii) the teacher-student trust literature (iv) the literature on teachers’ perceptions of their pupils. The stereotype threat literature (Steele & Aronson 1995) shows that the framing of a test can determine the performance of pupils. For instance, the simple fact of mentioning that “a test is diagnostic of intellectual ability” lowered the performance of minority college students on that
test. In India, mentioning which students are of low-caste status is detrimental to their performance (Hoff & Pandey 2006). The second related literature starts with the *Pygmalion* experiment. Rosenthal & Jacobson (1968) showed that better teachers’ perceptions lead to faster IQ growth. One reason for this Pygmalion effect is that teachers tend to reward students based on their expectations of student performance. The third strand of related literature is the trust literature. In India, Hoff & Pandey (2005) shows that when grading is partly discretionary and up to their teachers, pupils tend to exert less effort and spend less time on the proposed task. They suggest that this is due to mistrust; students may believe that their efforts will be rewarded in a biased way, and therefore mistrust undermines motivation. The fourth related strand of literature suggests that teachers indeed give better grades to particular pupils. In the United States, teachers tend to give better grades to students of their own race, conditional on test scores (Ouazad 2008). In England, analysis of Key Stage 3 data suggests that there is a discrepancy between teacher assessments and student outcomes (Gibbons & Chevalier 2007).  

In our experiment, questions were word definitions – so there was potential discretion in how questions were graded. Each question presented an excerpt from past Key Stage 3 reading booklets, with one underlined word. Below the excerpt were four lines where the pupil wrote his/her answer. There was a range of words spanning multiple subjects (gravity and earthquake as well as monologue and rhyme). Indeed, English language skills matter for all subjects, including Science and Maths. More importantly, these questions involve four of the key skills prescribed in the Primary Framework of the National Literacy Strategy (Machin & McNally 2008) – independent reading, independent writing, focused word work, and understanding the word within a context – and at least seven skills of the English National Strategy for year 8 pupils. Section 3 will review these eleven specific skills.

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1 We will discuss the various interpretations of our experiment in the discussion section.
2 Teacher assessments in the National Pupil Database are discrete and there are only a few levels, whereas the Key Stage test scores are continuous. Thus, a more refined analysis may lead to substantially stronger effects. The interpretation of such results is not easy though, and we do not claim that they measure discrimination. Rather, teachers may capture skills that are not captured by test scores, and may reward behaviour or social skills.
3 Machin & McNally (2008) suggest that the very effective Literacy Hour freed up time for other subjects.
Economic experiments that provide small monetary rewards are not new, but they are now at the frontier of research in education. One of the multiple advantages of monetary rewards is that they are appealing regardless of the pupil’s background. We have made sure that the monetary rewards are of a reasonable amount, were clearly explained to parents who signed a parental agreement, and were given in agreement with headteachers, teachers, and Department for Education officials.

Monetary rewards are used here as a research instrument to analyse students’ responses. Cash transfers can also be of interest as a potential educational policy. The analysis of conditional cash transfers is at the forefront of current research in the economics of education. A recent experiment in 250 U.S. schools led by Harvard University economist Roland G. Fryer analysed the effect of input-based versus outcome-based monetary incentives (Fryer 2010). Other experiments on the efficiency of pupil incentives were conducted earlier in the U.S. (Bettinger 2008). In the U.K., a study of conditional cash transfers suggested that monetary incentives might have an important and significant impact on drop-out (Dearden, Emmerson, Frayne & Meghir 2009). Our experiment is related to that strand of literature in that it shows that students’ expectations may determine the effectiveness of conditional cash transfers.

The report is structured as follows. Section 2 provides a quick overview of the literature on stereotype threats, pygmalion effects, and trust in the classroom. Section 3 presents the experimental protocol and the dataset. Section 4 describes the main results of the experiments – on male teachers, high- and low-ability pupils. Section 5 lists two important policy implications. Section 6 concludes. There are extensive appendices that describe the material of the experiment, the econometric framework, and potential economic models.

2 Related Literature

This paper looks at the effect of students’ perceptions of teachers’ behaviour through a specific lens. We present here an overview of prior literature on this topic before delving into a thorough description of the design of the experiment in section 3. There are at least three strands of the literature that are closely
related: (i) the Pygmalion literature (ii) the stereotype threat literature (iii) the literature on trust and ambiguity (iv) the literature on teachers’ perceptions of their pupils.

The Pygmalion study (Rosenthal & Jacobson 1968) sparked a very abundant literature on the effect of teacher expectations on student performance. In the original 1968 experiment, researchers selected a random 20% subsample of pupils and told the teachers that the pupils have been diagnosed as potential “bloomers”. Since the subsample was purely random, the difference in the IQ progress of the 20% subsample and of the rest of the group is the effect of teacher expectations.

**Pygmalion condition** *The experimenter presents evidence to teachers that some pupils will be bloomers.*

The experiment showed significant IQ progress compared to the treatment group (Rosenthal & Jacobson 1968), in grades 1 and 2, but there was no effect for later grades. The results of this experiment have been thoroughly criticised but a consensus has emerged that Pygmalion effects are significant but small and short-lived (Jussim & Harber 2005).

While the Pygmalion literature focuses on the effect of teacher expectations, the stereotype threat literature focuses on students’ reactions to different environments – environments where their gender, ethnicity or race may lead to anxiety, fear of failure, or a suspicion that rewards are biased in favor of some pupils. There are many different experimental conditions that have been labelled as measuring stereotype threats. Here are two of the most usual stereotype threat conditions.

**Stereotype threat condition (First version, (Steele & Aronson 1995))** *The experimenter announces to students/pupils that the test is “diagnostic of intellectual ability”.*

**Stereotype threat condition (Second version, (Aronson, Lustina, Good & Keough 1998))** *The experimenter presents evidence to students/pupils on ethnic or gender gaps in performance.*

In both versions of the stereotype threat condition, test scores are lower for students who belong to a stereotyped group. In Steele & Aronson (1995), African-American students had lower test scores at a version of the Graduate Record Examination test (GRE). In Aronson, Lustina, Good & Keough (1998),
white students had lower test scores when confronted to evidence that Asian students outperform white students.

There is no single determinant of stereotype threats. Anxiety is correlated to stereotype threats (Blascovich, Spencer, Quinn & Steele 2001), and threats to the student’s ego have been mentioned (Aronson et al. 1998), but more specific mechanisms are needed to explain why the stereotype threat framing is causing lower achievement. One potential mechanism is the expectation that rewards will be biased in favour of some students. This is what the literature on trust and ambiguity measures.

Trust and ambiguity (Hoff & Pandey 2005) The experimenter makes the rules of the test more ambiguous, i.e. dependent on the teacher’s judgment, and observes the level of effort and performance on the test.

Hoff & Pandey (2005) performed an experiment in which the criteria for success were either clear and mechanical, or ambiguous and dependent on the experimenter’s judgment. The test was to complete mazes. The experiment took place in India, with 156 children from 6 villages. Ambiguous rules led to lower effort and outcomes for low-caste children compared to high-caste children in a setting where classrooms were segregated by caste.

Our experiment is closest to this last strand of the literature (Hoff & Pandey 2005, Hoff & Pandey 2006). Specifically, our experiment makes two important contributions. First, monetary incentives allow us to directly elicit pupils’ perceptions of teachers’ grading practices, which is an important channel for the Pygmalion effect. We do not manipulate teacher expectations but rather we observe pupils’ effort with different types of teachers and an anonymous external examiner. Second, the experiment brings external validity to the trust literature. We indeed perform the experiment in classrooms with pupils’ actual teachers, and pupils take a test that is directly made of excerpts of Key Stage 3 reading booklets. Thus, we bring the insights of three literatures to the context of the English classroom, on a much larger scale (with five times more pupils as in Hoff & Pandey (2005)). We observed different teachers rather than a single experimenter which allows us to look at the effect of ambiguity for different teacher genders.
A fourth strand of literature shows that teachers’ perceptions of student ability depend on ethnicity and gender. We mentioned work in the U.S. (Ouazad 2008) in the U.K. (Gibbons & Chevalier 2007). In the U.S., teachers tend to give higher subjective assessments to students of their own race. A study on Israeli high-school matriculation exams showed that teachers who correct exams nonanonymously tend to favour girls (Lavy 2008). However, it is typically difficult to credibly estimate the causal effect of pupils’ characteristics on teachers’ subjective perceptions conditional on pupil ability: first, teachers may capture skills that are not captured by test scores; second, teachers’ perceptions may be based on characteristics correlated with pupils’ gender or ethnicity; third, there may tough and lenient teachers and they may be nonrandomly assigned to pupils. In our experiment we measure students’ perceptions of teachers’ grading practices, rather than actual teachers’ grading practices. Teacher biases partly determine pupils’ perceptions of rewards but pupils’ perceptions may be inconsistent with teachers’ actual practices. Overall, the main focus of our experiment is children’s perceptions of their teachers’ grading practices rather than on teachers’ actual grading practices.

3 The Experiment

3.1 Fieldwork

The objective of the experiment is to study the perceptions of rewards when a pupil’s answers are corrected by an anonymous external examiner compared to when he/she is corrected by his/her teacher. Pupils are rewarded based on answers to questions where there is discretion in teachers’ marking practices.

We chose as subjects year 8 pupils from 29 schools in London, Manchester, and Liverpool. We estimate that for every 3 schools contacted, one replies positively and makes the necessary arrangements. Schools mostly took part out of an interest to contribute to educational policy. Pupils came from all parts of the ability distribution – schools understood our need for a representative classroom.
<table>
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<th>Paper</th>
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<td>Aronson, Lustina, Good, Keough, Steele, Brown (1999)</td>
<td>Stereotype threats</td>
<td>Confronted with the stereotype that Asian students outperform Caucasian students in mathematical domains</td>
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<td>Jacobson and Rosenthal (1968)</td>
<td>Pygmalion effects</td>
<td>Tell teachers that the initial IQ test is meant to detect potential &quot;bloomers&quot;, 20% random sample of bloomers</td>
<td>TOGA (nonverbal intelligence test)</td>
<td>K to 5 pupils</td>
<td>Teachers' expectations led to faster IQ gains in grades 1 and 2</td>
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<td>Jussim and Harber (2005)</td>
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<td>Figlio and Lucas (2004)</td>
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<td>Hoff and Pandey (2006)</td>
<td>Stereotype threats</td>
<td>Caste revealed or Caste revealed and segregated classrooms</td>
<td>Mazes</td>
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Interestingly, very different schools took part. Schools had a wide variety of achievement levels and a wide variety of social backgrounds. The highest performing school was an all-girls voluntary aided school which had 75% of pupils with five or more GCSEs grade C or above, 65% of pupils getting at least two good GCSEs in science, and 38% of pupils with at least one GCSE in a modern language. The median school was a mixed community school, with 54% of pupils having five or more good GCSEs, 40% of pupils getting at least two good GCSEs in science, and 22% of pupils with at least one modern language GCSE. Finally, the lowest performing school was a mixed community school, which had 38% of pupils with five or more good GCSEs, 25% getting at least two GCSEs in science, and 34% with at least one GCSE in a modern language.

We went to each school with four experts in education. Two experts were presenters, and the remaining two staff were graders. The presenters were members of the Aimhigher network and are used to discussions with pupils. Each school had assigned us two classes of approximately 20 students. Parents had signed a parental agreement that clearly spelled out the conditions of the experiment, including the use of monetary incentives.

The experiment took place in the pupils’ usual classrooms. Both groups of pupils took part in the experiment at the same time. The teacher of the classroom was present from the beginning of each experiment. Before entering the classroom, pupils got a number printed on a small piece of paper. They then entered the classroom as silently as possible and sat at the table corresponding to their number. Numbers were assigned randomly so that pupils were not able to choose where they wanted to sit. This prevented potential cheating and peer effects.

One person of our team – the ‘presenter’ – was leading the experiment in each classroom. Each presenter then welcomed pupils and presented the experiment. Sealed envelopes were then put on each table. The experiment was described as about “defining words”. An example question was then read to

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4 Presenters were a former headteacher, a member of Aimhigher, a former school inspector, a former teacher.
them. The example was “archaeologist.” The presenter read a few possible answers, without explicitly saying which one was better than the others.

The presenter then told pupils that we will give them £2. They will be able to keep that money or they could choose to buy questions at a cost of 20p each. Each question was a word definition, as in the previous example. A right answer leads to 40p, whereas a wrong answer leads to no money. There are 10 questions, so that a pupil can get up to £4. The presenter describes a couple of scenarios, e.g. the pupil chooses to purchase 4 questions, gets 3 questions right. The presenter asks pupils to calculate how much they would get. The payoff is \[2 - 4 \times 0.20 + 3 \times 0.40 = 2.40\] pounds. Thus the presenter made sure that pupils understood the game. Pupils then chose the number of questions to attempt by circling a number between 0 and 10 at the bottom of the envelope. Pupils were informed that they could not change the number of questions purchased once a number has been circled.

They then had 20 minutes to write down in silence their definitions on the answer sheet contained in the sealed envelope. In some cases of pupils with special educational needs, an adult would read the text (but not the answer) quietly to the pupil.

The words were: species, monologue, ridge, gravity, paranoia, eroded, unemployment, recycling, demonstrations and tax. These were questions from all subjects – gravity, recycling, and tax are not primarily taught in English classes. Also, there were difficult and easy questions from the beginning to the end. For instance, monologue was an especially difficult word (with a low success rate), gravity was a particularly easy one (with a very high success rate), paranoia was difficult, unemployment and recycling were easy, demonstrations was difficult (in the context of the excerpt), and tax was found to be moderately difficult.

Envelopes were then collected and given to the anonymous external marker. This completed the first round.

Pupils were then told that there would be a second round, with the same guidelines, and a different set of questions. Each pupil got a new envelope. In one randomly selected classroom, the “treatment” classroom, pupils were told that answers would now be corrected by their teacher. In that classroom,
pupils were asked to write their name at the top of envelope, alongside the teacher’s name. The rest of the session then proceeded as before: students chose a number of questions from 0 to 10, and then had 20 minutes to fill in the answer sheet. The words were customary, stone’s throw, wrestling, earthquake, single, charisma, fictional character, legacy, rhyme and curfew. This completed the second round. Therefore, to summarise:

**Round 1 In both the treatment and the control classrooms, marking is performed by an external examiner who does not see the pupil or his/her name (the anonymous condition).**

**Round 2 In the treatment classrooms, students write their name and their teacher’s name on the envelope and answers are corrected by the teacher (the nonanonymous condition). In the control classroom, students are corrected as in round 1 (the anonymous condition).**

Thus we observe each pupil’s choice and outcome twice. In the treatment classroom, we observe pupils’ choice and outcome once in the anonymous setting, and once in the nonanonymous setting. In the control classroom, we observe pupils’ choice and outcome twice in the anonymous setting.

At the end of the second round, pupils fill a questionnaire on their perceptions of rewards, fairness, importance of hard work, role of the advice of the teacher, self-perceptions of ability, and amount of pocket money received.

Finally, the presenters led a discussion about pupils’ feelings about the experiment; whether they enjoyed it, what they felt the purpose of the experiment was. Pupils said they enjoyed the game, the presence of monetary rewards; our most significant finding is that the presence of monetary rewards made most pupils interested in understanding and defining words, including pupils who would not otherwise be easily motivated. 5 Pupils found that the word task was neither too easy nor too hard.

At the end of this discussion, payoffs were handed in numbered envelopes stuffed with the number of awarded 20p coins. Envelopes did not bear the name of the student, only his/her number.

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5 This observation was also made in the United States. It explains why schools quickly realise that monetary rewards are not necessarily inconsistent with sound educational principles.
Casual observation suggests that pupils cared about their payoffs and the amount of coins they received. Headteachers and teachers agreed with the format of the experiment and felt that it made sense to award coins to the most hard-working and able pupils. Pupils were not allowed to open the envelope in the classroom but only once they had left the room.

3.2 The Experiment within the National Strategy

As mentioned in the introduction, defining word presented in the context of a text involves at least four skills of the literacy framework of the National Strategy for primary schools and at least seven skills of the English National Strategy for year 8 pupils. The four skills of the literacy framework for Primary school pupils are: independent reading, independent writing, focused word work, and understanding the word within a context. These are part of the literacy hour (Stannard & Huxford 2007, Machin & McNally 2008). Overall three words illustrate the main skills involved in the experiment.

• **Monologue.** “My friend ate a hearty breakfast and kept a sort of a happy-go-lucky monologue throughout its entire course.”

  • Defining this word involved knowing the definition of the word in the theatrical, broadcast or movie context; but the excerpt was also using the word in a way that is slightly different from the Oxford dictionary’s definition “A long speech by one actor in a play or film, or as part of a theatrical or broadcast.” Pupils could use the text to guess the meaning in this case, and the success rate on this question was very low. Thus, defining this word involved skill 5.1 “Developing and adapting active reading skills and strategies”, skill 6.2 “Analysing how writers’ use of linguistic and literary features shapes and influences meaning”, and skill 10.1 “Exploring language variation and development according to time, place, culture, society and technology.”

• **Demonstration.** “Airline pilots who say long flying hours are "putting lives at risk" are holding demonstrations across Europe.”
• Interestingly, the word demonstration has multiple meanings. The Oxford dictionary mentions that it can either be 1. “an act of showing that something exists or is true by giving proof or evidence,” 2. “a practical exhibition and explanation of how something works or is performed,” or 3. “a public meeting or march protesting against something or expressing views on a political issue.” The second meaning was the most well known and the one that was used in most answers. The first meaning was never used. However, the text makes it clear that the correct answer is close to definition 3. It proved difficult for pupils to make use of the context to infer the right meaning of the word.

• **Tax.** “In southern Germany, dustbins are fitted with measuring devices to weigh the waste and the consumer has to pay a tax according to the weight.“

• The Oxford definition is “a compulsory contribution to state revenue, levied by the government on workers’ income and business profits, or added to the cost of some goods, services , and transactions.” The difficulty here is the abstractness of the word. Indeed, most pupils are used to hearing about the Council tax. Also, some pupils mentioned the bin tax that may have been featured in newspapers at the time of experiment. What was difficult for pupils was to provide a definition of the word “tax” that wasn’t specific to the Council tax, but could also apply to the income tax or indirect taxes.

The variety of answers and skills shows that teachers and graders could use very different grading strategies. For instance, graders could sanction the definition of a word that is correct outside the context of the excerpt, e.g. demonstration. Also, they could approve an answer that is correct only if the word is used in a specific context, e.g. the Council tax. Graders could also approve an answer that is only partially right – that mentions a few keywords, the right keywords, keywords not structured in a proper sentence. This is precisely what we are looking for in this experiment: to measure how pupils expect to be graded by their teacher. And the format of the questions allows for such discretion in grading strategies.
3.3 The Dataset

We gathered results for 29 schools, 54 classrooms, and 1,157 pupils. In some cases, the experiment could not be carried out in the two assigned classrooms. This happened in schools where behaviour made it impossible to start describing the experiment without significant disruption. We believe that this disruption was not linked to the particular experimental methodology that we used, but rather linked to the school environment, as it happened in schools with low attainment scores.

As expected, we have slightly more than 20 pupils per classroom (21.4 pupils) on average. Most children’s choices are observed twice, in the first round and in the second round. In less than 5 cases did a child leave because of other commitments or because of disruptive behaviour.

Data on paper were collected and transferred to spreadsheets by our research assistants. The schools provided us with the Unique Pupil Numbers which allowed a merge with the National Pupil Database (NPD). The NPD contains Key Stage 1 and Key Stage 2 scores, ethnicity variables, gender, free school meal status, and English as a second language status. Key Stage 1 tests were taken in year 2, and Key Stage 2 tests were taken in year 6.

The dataset is fairly representative of the population of year 8 pupils in England. There are slightly more free school meal pupils (20.6%), fewer white pupils (66.1%), and more male pupils (53.3%) than in the overall school population. Also, there are fewer male teachers in the sample than in the population of teachers (31% compared to 44%). There is also a fairly diverse range of ability levels: Key Stage 2 scores from the NPD and the GCSE results of schools suggest the same distribution of abilities as the national distribution.
4 Results

4.1 The risk-return trade-off

In round 1, pupils’ choices were spread from zero to 10. The following graph shows that approximately half of the pupils chose 0, 5 or 10 questions, and the remaining half chose numbers other than these simple choices.

![Figure 1 – Number of questions purchased in the first round](image)

This graph suggests that 5 and 10 are particular “easy” choices that seem natural to a child who faces the complex problem of striking the balance between risk and return.

To understand the risk-return trade-off that pupils face, let us take an example when pupils believe that, on average, they have a 60% chance of getting a question right. If they choose to purchase no question, they face no risk, the payoff is always £2 per round. If they choose to purchase 5 questions, the average payoff will be $2 - 0.20 \times 1 + 5 \times 0.40 \times 60\% = 3$ pounds, which is higher than when choosing no question. However, they face a greater risk since the minimum payoff is $2 - 0.20 \times 5 = 1$ pound. They face the highest average return when they choose 10 questions. In that case, the payoff can be as large as 4 pounds and as small as nothing.
Risk aversion is a measure of how pupils strike a balance between the return and the risk.\textsuperscript{6} For a given belief about the probability of success, a high degree of risk aversion will lead to few questions purchased, whereas a small degree of risk aversion will lead to a large number of questions purchased.

There are some particular cases that need discussion. If pupils believe that the probability of getting the answer right is lower than 50\%, purchasing questions lowers the expected return and increases the risk. Thus, pupils are not likely to purchase questions in that case.

If pupils are risk neutral – an extreme stylised case in which pupils focus only on the perceived return – then any probability about 50\% leads to a purchase of 10 questions, and any probability below 50\% leads to no purchase of questions.

The economic literature has shown that in some instances, this simple framework is not consistent with empirical observations, but the departures are typically in situations far from our experiments. Since all pupils start with the same endowment and get money only at the end of the second round, pupils start the second round with no additional money, hence reference dependence is not likely to drive pupils’ choices. Also, since all pupils get their payoff at the same time regardless of whether they purchase 0 or 10 questions, impatience and lack of self-control are unlikely to play a role here.

What the pattern of figure 1 suggests is that pupils can be seen as boundedly rational; they simplify a very complex problem by considering only simple focal choices: 0, 5, or 10 questions purchased. Instead of choosing between 11 alternatives, some pupils then only choose between 3 alternatives.

An interesting set of explanations of pupils’ choices comes from regressing the number of questions on the answers to the post-experiment questionnaire.

\textsuperscript{6} A proper definition is given in the appendix.
<table>
<thead>
<tr>
<th></th>
<th>Dependent variable: Questions purchased</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard work determines success</td>
<td>0.768 (0.326)**</td>
</tr>
<tr>
<td>Luck determines success</td>
<td>-0.619 (0.143)***</td>
</tr>
<tr>
<td>Ethnicities have equal opportunities</td>
<td>0.570 (0.191)***</td>
</tr>
<tr>
<td>Good relationship with the teacher matters</td>
<td>0.357 (0.193)*</td>
</tr>
<tr>
<td>Advice of the teacher helped</td>
<td>0.280 (0.230)</td>
</tr>
<tr>
<td>Thinks teacher has high expectations</td>
<td>-0.438 (0.256)*</td>
</tr>
<tr>
<td>Self-perception of Ability</td>
<td>1.191 (0.415)***</td>
</tr>
</tbody>
</table>

Table 2 – Association between questions purchased and answers to post-experiment questionnaire

Each question of the post-experiment questionnaire was coded from -1 (Strongly disagree) to 1 (Strongly Agree). Responses confirm that pupils with a more favourable perception of their ability buy more questions. Pupils who believe luck determines success chose less questions. The effect is not small: a one standard deviation increase (0.64) in the perception that luck determines success leads to 0.4 less question purchased (-0.619*0.64). Perceptions of fairness also matter for investment in questions.

In round 2, pupils tend to make subtler trade-offs between risk and return, 51% choose other numbers than 0, 5 or 10, where only 47% would do so in round 1. This comes mainly from the fact that pupils who had chosen 5 questions adjust their beliefs and shift to other options.
The majority of pupils (65%) increased the number of questions purchased in the second round. Since risk aversion is not likely to change during the course of the experiment, pupils are either finding the questions easier than they thought or have clarified some ambiguity about the format of the experiment.

About 30% of pupils chose 10 questions both in the first and second rounds. That suggests that either these pupils have low risk aversion or believe that the questions are sufficiently easy to make a purchase of 10 questions rational.

Did effort pay off? Or was it financially equivalent to choose no questions? Pupils bought on average 6.3 questions, and the average payoff was about £2.16, slightly more than £2. Indeed the average success rate was 54%. About 20% of pupils earned exactly £2, despite choosing on average 4 questions.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>S.D.</th>
<th>Min</th>
<th>Max</th>
<th>5%</th>
<th>95%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Questions chosen</td>
<td>6.32</td>
<td>3.20</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Questions right</td>
<td>3.58</td>
<td>2.52</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Fraction right</td>
<td>0.54</td>
<td>0.25</td>
<td>0</td>
<td>1.0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Payoff</td>
<td>2.16</td>
<td>0.63</td>
<td>0</td>
<td>4</td>
<td>1.2</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Table 3 – Descriptive statistics of the experiment
4.2 Intrinsic Motivation

In economic experiments, monetary incentives are typically provided to align participants’ incentives with a simple economic framework that illustrates a few stylised facts. Indeed, if monetary incentives are sufficiently high-powered, monetary incentives will overshadow intrinsic incentives. The rules of the game are clear and aligned with an underlying economic model that provides a simple narrative.

There are at least three types of intrinsic incentives at play here: (i) pupils may want to impress the teacher by showing their ability, (ii) pupils may want to show to the teacher that they work hard, or (iii) pupils may value the learning experience. The first kind of intrinsic incentive increases the return of buying questions but also increases the risk of buying questions – so the effect is ambiguous. The second and the third kind of intrinsic incentives increases the number of purchased questions.

A slightly more negative possibility is that providing monetary incentives may suggest the task is unpleasant and that pupils may not be willing to do it without incentives, i.e. that monetary incentives undermine motivation (Benabou & Tirole 2003, Deci, Koestner & Ryan 2001). This last concern is present in nearly every economic experiment and cannot be dismissed outright; even though it challenges the external validity of the findings, it means that economic incentives will matter even more and will drive the results of the experiment. Also most of the undermining effect is in the long run.

Broadly speaking, are monetary incentives replacing the pleasure of answering questions and learning new words? In many deprived schools, providing monetary incentives aligns academic success and financial success (Fryer 2010). In lower-performing schools, monetary incentives tended to lead to better behaviour and stronger motivation. Our casual observations in schools suggests that monetary incentives mattered less in the best schools of the sample.
4.3 Effect of the nonanonymous condition

The primary interest of the experiment is the effect of being nonanonymously assessed by the teacher on the number of questions attempted. The design of the experiment makes it especially easy to estimate such an effect.

**Average effect** The experiment compares the number of questions purchased by the pupil in the second round and in the first round. Focusing on each child allows us to increase the precision of the estimates by shrinking confidence intervals. Also, focusing on the average change is cleaner than comparing different children in the control and in the treatment groups.

<table>
<thead>
<tr>
<th>Control</th>
<th>Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Round 1</td>
<td>Anonymous condition</td>
</tr>
<tr>
<td>Round 2</td>
<td>Anonymous condition</td>
</tr>
<tr>
<td></td>
<td>Nonanonymous condition</td>
</tr>
</tbody>
</table>

Table 4 – basic set-up of experiment

At the end of round 1, pupils learn that there is a second round, and that it will be corrected nonanonymously by the teacher (nonanonymous condition). We compare the change in the number of questions between the second and the first round. On average, the number of questions drops by 0.13 of a question in the treatment group. However this is not a sign that pupils fear they will be rewarded less for the same outcome since pupils learn about the questions between round 1 and round 2. There is less surprise at the end of round 1 than at the beginning of round 1.

Therefore we compare the change in the number of questions purchased in the treatment group to the change in the number of questions purchased in the control group. In the control group, pupils also learn about the difficulty of the questions in the first round, but the conditions of grading do not change between the first and the second round. Thus the change in the number of questions purchased in the control group reflects a pure learning effect.

Finally, the estimator of the effect of nonanonymity is:
Effect= [Questions chosen in the second round, treatment group
- Questions chosen in the first round, treatment group]
- [Questions chosen in the second round, control group
- Questions chosen in the first round, control group]

Overall, the effect is 0.042 with a standard error 0.779, on 2,292 observations. The overall effect is not statistically significant, and the payoff is not significantly affected by the nonanonymous condition, but this hides considerable heterogeneity in the way pupils respond to the nonanonymous condition. For example, the effect is different from one teacher to another. To get the effect of male teachers on number of questions purchased, we consider schools were the treatment group is graded by a male teacher.

\[
\text{Effect of male teachers}= [\text{Questions chosen in the 2nd round, treatment group, male teacher}
- \text{Questions chosen in the 1st round, treatment group, male teacher}]
- [\text{Questions chosen in the 2nd round, control group, same school}
- \text{Questions chosen in the 1st round, control group, same school}]
\]

**Male teachers** The effect of male teachers is strongly positive and significant. Being assessed by a male teacher rather than an anonymous examiner increases the number of questions purchased by 0.579, with a standard error of 0.233. This suggests that pupils have a much more positive perception of the rewards of effort when taught by a male teacher.

Overall, we observe 9 male teachers and 18 female teachers. We have fewer male teachers in our sample (31%) than the national average for this age group (44%). But 9 teachers is only a fraction of the total number of male teachers. It is important therefore to see whether the results are due to the specific teachers in our sample or whether they can be representative of the overall population of male teachers. A good sign is that the effects of male teachers are positive and significant even if we consider each male
teacher one by one. Although this does not completely rule out that our male teachers are a specific sample, it is an important confirmation of the results.

Analysis of the results reveals that male teachers in the experiment teach male pupils more often. Even though the experiment overall has more female pupils than male pupils, there are 51% of male pupils in groups taught by a male teacher, and only 33% of male pupils in groups taught by a female teacher. To understand whether it was the gender of the pupils or the gender of the teachers that drove the results, we estimated the effect of male teachers separately for boys and for girls. There is no significant difference in the effect of male teachers for male and female pupils.

The subjective questionnaire reveal that pupils taught by male teachers tend to have better perceptions of the importance of hard work, better perceptions of equality of opportunities, and higher self-esteem. The results from the subjective questionnaire should not be seen as a causal effect of male teachers on pupils since there is no randomisation of pupils to teachers. Moreover pupils are typically taught by a variety of male and female teachers in different subjects. However, they are in line with the results found in the experiment and strongly suggest that male teachers are beneficial for motivation and effort.

<table>
<thead>
<tr>
<th></th>
<th>Male teacher</th>
<th>Female teacher</th>
<th>p-value of the difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard work determines success</td>
<td>0.861</td>
<td>0.803</td>
<td>0.001</td>
</tr>
<tr>
<td>Luck determines success</td>
<td>0.034</td>
<td>0.033</td>
<td>0.174</td>
</tr>
<tr>
<td>Ethnicities have equal opportunities</td>
<td>0.730</td>
<td>0.639</td>
<td>0.060</td>
</tr>
<tr>
<td>Good relationship with the teacher matters</td>
<td>0.346</td>
<td>0.311</td>
<td>0.426</td>
</tr>
<tr>
<td>Advice of the teacher helped</td>
<td>0.479</td>
<td>0.467</td>
<td>0.756</td>
</tr>
<tr>
<td>Thinks teacher has high expectations</td>
<td>0.651</td>
<td>0.664</td>
<td>0.709</td>
</tr>
<tr>
<td>Self-perception of Ability</td>
<td>0.333</td>
<td>0.293</td>
<td>0.050</td>
</tr>
<tr>
<td>Pocket Money</td>
<td>5.923</td>
<td>6.091</td>
<td>0.811</td>
</tr>
</tbody>
</table>

Table 5 – Subjective Questionnaire, for Pupils Assessed by a Male versus Pupils assessed by a Female Teacher

7 The ‘ideal’ empirical setting would be such that we draw a random sample of teachers from the population of teachers in the U.K. However, it is not possible to implement such as strategy since only a fraction of schools participate in any single study. The sample presented in this report is already fairly large. By comparison, the sample of Fryer (2010) contains less than 6,000 pupils in a country that is much larger than England.

8 This is due to the presence of all girls’ schools mostly.
These results from subjective questionnaires are not due to the larger proportion of male pupils in groups taught by male teachers.\textsuperscript{9,10}

Also, interestingly, pupils did not get higher payoffs when assessed by the male teacher in the nonanonymouse condition. To see that, we computed the estimate \([\text{Payoff in the 2nd round, treatment group, male teacher} - \text{Payoff in the 1st round, treatment group, male teacher}] - \text{[Payoff in the 2nd round, control group, same school} - \text{Payoff in the 1st round, treatment group, same school]}\). The effect is very close to zero (-0.03 with a standard error of 0.643). Indeed, pupils chose a larger number of questions but the fraction of questions right was slightly negative.

This last result brings a new light on the question of male teachers: male teachers foster self-esteem, perceptions of fairness, but they are no more lenient than other teachers. We will discuss the potential policy implications of the result on male teachers more extensively in section 5.

**Ethnicity** We now turn to the ethnicity of pupils. There is an abundant literature on the role of students’ ethnic background in shaping educational inequalities. For instance, most of the original literature on stereotype threats is concerned about anxiety of being unfairly rewarded or about the anxiety of confirming the stereotype that individuals from minority ethnic groups underperform. Also, Hoff & Pandey (2006) suggests that equality of opportunity does not prevent pupils from believing that there is discrimination and unfair rewards.

We estimated the effect of the nonanonymouse condition as previously for each ethnic subgroup. We compared the non-white pupils of each treatment group to the non-white pupils of the control classroom. That adequately compares non-white pupils in the same schools.

\textsuperscript{9} A p-value lower than 0.10 indicates a 10\% significance level. A p-value lower than 0.05 indicates a 5\% significance level.

\textsuperscript{10} Interestingly, the reported levels of self-perceptions of ability are not different between male and female pupils.
Effect on nonwhite pupils = [Questions chosen in the 2nd round, treatment group, nonwhite pupils - Questions chosen in the 1st round, treatment group, nonwhite pupils] - [Questions chosen in the 2nd round, control group, nonwhite pupils - Questions chosen in the 1st round, control group, nonwhite pupils]

We found little effect of the nonanonymous condition for non-white pupils. The effect on non-whites is a drop of 0.11 question, with a standard error of 0.72. Also, the effect on white pupils is an increase of 0.15 questions with a standard error of 0.48. The signs of the coefficients go in the direction predicted by the literature: a drop for nonwhite pupils and an increase for white pupils; But the absence of statistical significance shows that the effect is milder than what would be expected.

We did not collect the ethnicity of teachers since we did not want to signal to teachers that we were focusing on their behaviour. However, casual observation suggests that there were many more teachers from minority ethnic groups in our sample than in usual samples in the U.S. or in other countries.

Indeed, we found evidence that non-white pupils actually got higher payoffs in the nonanonymous condition than in the anonymous condition. Looking at the estimate [Payoff in the 2nd round, treatment group, non-white pupil-Payoff in the 1st round, treatment group, non-white pupil]-[Payoff in the 2nd round, control group, non-white pupil-Payoff in the 1st round, treatment group, non-white pupil] we find that the payoff is 0.28 pounds larger in the nonanonymous condition, with a 0.07 standard error. By comparison the payoff is no larger in the nonanonymous condition for white pupils (-0.027 with a standard error of 0.06).

Answers to the subjective questionnaire also paint a nuanced picture. Non-white pupils tend to think they are of higher ability. Non-white pupils also think the teacher has higher expectations. This result is notable and throws new light on differences between ethnicities.
<table>
<thead>
<tr>
<th></th>
<th>White pupils</th>
<th>Non-white pupils</th>
<th>p-value of the difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard work determines success</td>
<td>0.476</td>
<td>0.498</td>
<td>0.844</td>
</tr>
<tr>
<td>Luck determines success</td>
<td>0.034</td>
<td>0.033</td>
<td>0.975</td>
</tr>
<tr>
<td>Ethnicities have equal opportunities</td>
<td>0.673</td>
<td>0.683</td>
<td>0.716</td>
</tr>
<tr>
<td>Good relationship with the teacher matters</td>
<td>0.311</td>
<td>0.356</td>
<td>0.145</td>
</tr>
<tr>
<td>Advice of the teacher helped</td>
<td>0.476</td>
<td>0.498</td>
<td>0.417</td>
</tr>
<tr>
<td>Thinks teacher has high expectations</td>
<td>0.641</td>
<td>0.734</td>
<td>0.000</td>
</tr>
<tr>
<td>Self-perception of Ability</td>
<td>0.287</td>
<td>0.341</td>
<td>0.000</td>
</tr>
<tr>
<td>Pocket Money</td>
<td>6.412</td>
<td>6.338</td>
<td>0.882</td>
</tr>
</tbody>
</table>

Table 6 – Answers to the Subjective Questionnaire, for White and Non-White Pupils

**Ability** We then look at whether higher ability pupils exert more effort when assessed by the teacher. The dataset has been merged to Key Stage 2 scores, taken at age 11, two years before the experiment. The distribution of Key Stage 2 scores has been divided into three parts, each made of about 400 pupils. Splitting the sample differently does not affect results. More finer splits are possible but considerably diminish the statistical power of the tests.

For each of these parts of the Key Stage 2 distribution of test scores, we computed the effect of being assessed by the teacher rather than by the anonymous examiner.

<table>
<thead>
<tr>
<th></th>
<th>KS2 Lower Third</th>
<th>KS2 Middle Third</th>
<th>KS2 Upper Third</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of being assessed by the teacher</td>
<td>-0.073 (0.248)</td>
<td>0.404 (0.228)*</td>
<td>0.732 (0.279)**</td>
</tr>
</tbody>
</table>

Standard errors in brackets. *: significant at 10% **: significant at 5%

Table 7 – Effect of the Nonanonymous Condition by Ability Level

Results for the middle and the upper third of the Key Stage 2 distribution are statistically significant at the 10% level. The results suggest that higher ability pupils invest more when assessed by the teacher. Lower ability pupils do not significantly lower their investment, thus it is high-ability pupils who react rather
than the lower-ability pupils who change their behaviour. The story here is one of increased motivation, not a story of lower motivation for low-ability pupils.

Also, it is important to note here that the pupil does not get higher payoffs when assessed by the teacher. This seems to be a feature of the experiment that pupils tend to react more than what teachers’ grading practices would suggest.

<table>
<thead>
<tr>
<th>KS2</th>
<th>Lower Third</th>
<th>Middle Third</th>
<th>Upper Third</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of being assessed by the teacher on payoff (£)</td>
<td>0.027</td>
<td>0.098</td>
<td>0.085</td>
</tr>
<tr>
<td>(0.068)</td>
<td>(0.063)</td>
<td>(0.077)</td>
<td></td>
</tr>
</tbody>
</table>

Standard errors in brackets. *: significant at 10% **: significant at 5%

Table 7 – Effect of the Nonanonymous Condition on Payoff by Ability Level

This, even though pupils of higher ability score higher on our test, but with the same outcome when assessed by the teacher and when assessed by the external examiner. Overall the experiment suggests that higher ability pupils either (i) believed that the teacher would reward them more favourably than the external grader (ii) had a higher preference for signalling hard-work or ability to the teacher.

A p-value lower than 0.10 indicates a 10% significance level. A p-value lower than 0.05 indicates a 5% significance level.
**Free School Meals** The free school meal status is typically a proxy for social deprivation, which comprises overall 17% of pupils in England. Pupils qualify for free school meals based on their parents’ income level. This proxy for social deprivation is imperfect though, since it is estimated that about 360,000 pupils who would qualify for free school meals are not registered (Storey & Chamberlin 2001). 21% of the pupils of our experiment were registered as free school meal pupils, a fraction slightly higher than the national average.

We find that neither free school meal pupils nor non free school meal pupils reacted significantly to the nonanonymous condition. The effect of being assessed by the teacher compared to being assessed by the anonymous examiner is an increase of 0.26 questions for free school meal pupils but the effect is not statistically significant at 10%. The effect for non free school meal pupils is an increase of 0.01 questions and is not statistically significant. That suggests that socioeconomic status – at least when measured by the free school meal status – does not explain the variation in the response to the nonanonymous condition.

<table>
<thead>
<tr>
<th></th>
<th>Free school meal pupils</th>
<th>Other pupils</th>
<th>p-value of the difference&lt;sup&gt;12&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard work determines success</td>
<td>0.871</td>
<td>0.852</td>
<td>0.452</td>
</tr>
<tr>
<td>Luck determines success</td>
<td>0.068</td>
<td>0.023</td>
<td>0.434</td>
</tr>
<tr>
<td>Ethnicities have equal opportunities</td>
<td>0.716</td>
<td>0.679</td>
<td>0.407</td>
</tr>
<tr>
<td>Good relationship with the teacher matters</td>
<td>0.230</td>
<td>0.328</td>
<td>0.032</td>
</tr>
<tr>
<td>Advice of the teacher helped</td>
<td>0.421</td>
<td>0.476</td>
<td>0.199</td>
</tr>
<tr>
<td>Thinks teacher has high expectations</td>
<td>0.716</td>
<td>0.648</td>
<td>0.069</td>
</tr>
<tr>
<td>Self-perception of Ability</td>
<td>0.307</td>
<td>0.316</td>
<td>0.689</td>
</tr>
<tr>
<td>Pocket Money</td>
<td>8.203</td>
<td>6.055</td>
<td>0.006</td>
</tr>
<tr>
<td>Key Stage 2 average score</td>
<td>84.186</td>
<td>88.442</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 9 – Answers to the Subjective Questionnaire for Free School Meal Pupils and Other Pupils

Free school meal pupils’ Key Stage 2 scores are 42% of a S.D. lower than non free school meal pupils, consistent with the national inequality in Key Stage 2 scores between free school meal pupils and non free...
school meal pupils (Kramarz et al. 2009, Kramarz et al. 2010). Free school meal pupils think less often that the advice of the teacher helped and they believe that the teacher has higher expectations. Interestingly, free school meal pupils get substantially more pocket money – nearly £2 more per week – and therefore may be responding less to the incentives that we provide in the experiment. We can only speculate that parents may be transferring more of the management of day-to-day finances to their child.

In the final subsection of this analysis, we look at the effects for free school meal pupils of different ability levels.

We need to reconcile the finding on low ability pupils with the finding on free school meal pupils. We did not find that free school meal pupils reacted differently in the nonanonymous condition. Free school meal pupils are more likely to have lower Key Stage 2 scores however, and we therefore look more finely at the effect of the nonanonymous condition for free school meal pupils of different ability levels. For this purpose, we estimated the effect of ability separately for free school meal pupils and for non free school meal pupils. As before, partitioning the ability distribution into 3 parts or more did not make a difference in the main finding. Overall, we find that ability matters independently of the free school meal status, and that free school meal pupils do not have a different behaviour than other pupils, even after controlling for ability.

**Male teachers’ Effects and High-Ability Pupils’ Effects**

The design of the experiment did not include the randomisation of the assignment of teachers to pupils, and this is a very difficult feature to implement in practice. Thus we use tests here to show that our effect of male teachers does not come from the fact that male teachers are more often in classrooms with higher-ability pupils and male pupils.

Male teachers teach in classrooms with higher-ability pupils. The average Key Stage 2 score of pupils with male teachers is 87.8 in the experiment, and the average Key Stage 2 score of pupils with a female teachers is 86.0 in the experiment. We therefore need to disentangle the male teacher effect from the high-

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13 In the U.S. project STAR was initially intended as an experiment where the assigment of students to classroom size and teachers was random, but Hanushek (2003) points out that randomisation was not
ability pupil effect. To do that, we split the sample into two subsamples: the subsample of schools with a male teacher in the treatment group, and the subsample of schools with a female teacher in the treatment group. We then estimated the effect interacting the treatment with the three thirds of the Key Stage 2 score distribution (see Appendix B).

<table>
<thead>
<tr>
<th></th>
<th>Key Stage 2</th>
<th>Key Stage 2</th>
<th>Key Stage 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lower Third</td>
<td>Middle Third</td>
<td>Upper Third</td>
</tr>
<tr>
<td>Effect on subset with</td>
<td>0.819</td>
<td>0.588</td>
<td>0.652</td>
</tr>
<tr>
<td>a male teacher</td>
<td>(0.322)</td>
<td>(0.408)</td>
<td>(0.394)</td>
</tr>
<tr>
<td>Effect on subset with</td>
<td>-0.492</td>
<td>-0.043</td>
<td>0.826</td>
</tr>
<tr>
<td>a female teacher</td>
<td>(0.306)</td>
<td>(0.329)</td>
<td>(0.392)</td>
</tr>
</tbody>
</table>

Standard errors in brackets. *: significant at 10% **: significant at 5%

Table 10 - Effects for ability × teacher gender subsets

Interestingly, the effect of being graded by the male teacher is around 0.6 of a question regardless of the Key Stage 2 score. For the subset with a female teacher, we observed the expected effect: stronger effects for higher ability pupils. 0.8 of a question is a treatment effect very close to the treatment effect we estimated with the overall population. The effect of being graded by a female teacher when in the middle third of the Key Stage 2 distribution is -0.043, smaller, as expected, than the treatment effect when considering the sample with all teacher genders (0.404, Table 7).

5 Policy Implications

5.1 Male Teachers

There have been continued calls in the general media for an increase in the representation of male teachers in elementary and secondary education\textsuperscript{14}. There are more female teachers in primary and secondary

\textsuperscript{14} The media frequently report on the lower fraction of male teachers in education, e.g. The Independent, “Male Teachers are in the Minority in the Classroom”, March 26, 2009, The Daily
education, only 15% of male teachers in primary education and around 44% of male teachers in secondary schools.

The common narrative for the need for male teachers is that male teachers provide role models for boys, who have lower test scores and are more likely to drop out. In the state of Texas in the United States, an experiment – the project STAR – has showed that having a same-gender teacher benefits students through higher test scores in elementary education (Dee 2007). In England, educational research on teachers’ gender effects is mixed; while Hutchings, Carrington, Francis, Skelton, Read & Hall (2008) suggests that there is no “role model” effect in England, Skelton, Carrington, Francis, Hutchings, Read & Hall (2009) states that teachers’ gender matters for year 3 pupils. Moreover, the gender of teachers was not described as a determinant of the gender gap in a recent report of the Department of Education (Gender and Education: The Evidence on Pupils in England 2007).

One of the most significant results featured in this experiment is the positive effect of male teachers on effort. Pupils taught by a male teacher chose nearly half a question more than pupils taught by a female teacher. Given that the standard deviation of the number of questions purchased is about 3.2 questions, this is a 15% of a standard deviation increase in questions purchased. We showed that male teachers foster self-esteem, perceptions of fairness, but that they are no more lenient than other teachers. This positive effect seems to be affecting the average student regardless of his/her gender. We have argued that this effect is consistent and appears for every male teacher of our experiment. These findings with such a level of detail are new and significant. The gender of the teacher is correlated with education, experience, and the subject area, so our effect is for the average male teacher.

One very interesting study that merged a subset of the National Pupil Database to teacher characteristics did not find a significant effect of the teacher’s gender on achievement controlling for pupil fixed effects and school fixed effects (Slater, Davies & Burgess 2009). This is the first study to look at teacher quality using a large number of value-added data. However, the study’s authors acknowledge that

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using value-added data is difficult (Rothstein 2010): test scores are noisy, and only two coefficients are significant among all teacher characteristics\textsuperscript{15}. A field experiment is likely to be necessary to uncover the mechanisms of classroom dynamics. Furthermore, analysis of pupils’ behaviour at a large scale has not been carried out in Slater et al. (2009), and it may be important as we find effects of male teachers on motivation and trust.

There are multiple explanations for the relative scarcity of male teachers in primary and secondary education. Teaching is traditionally seen as a female occupation\textsuperscript{16}. The most significant determinant of the gender composition of new hires is relative wages. Small changes in relative wages may increase the fraction of male candidates (Chevalier, Dolton & McIntosh 2007). A change in the wage differential between teaching and other occupations increases the probability of becoming a teacher by 3.7 percentage points for males and by 1.7 percentage points for females. Also, increases in relative wages increase the quality of candidates as measured by their degree attainment and their A-level attainment.

\subsection*{5.2 Classroom Interactions Reinforce Inequalities}

Another important finding is that high ability pupils tend to exert more effort, invest more in the classroom than in a standardised examination setting. The teacher-pupil relationship is key to the progress of high-ability pupils. On the other hand we find that lower-ability pupils do not exert more or less effort when confronted to the teacher in the classroom. It maybe the case that the teacher is able to increase the motivation of high-ability pupils – as measured by prior Key Stage 2 scores – or that high-ability pupils are motivated by a different set of reasons than short-run monetary incentives; they matter less than their willingness to signal ability or hard work.

This classroom dynamic is reinforcing inequalities. High ability pupils buy 0.75 question more in the nonanonymous condition, whereas low-ability pupils do not change their behaviour significantly between

\footnotesize{\textsuperscript{15}Page 21, table 6 of Slater, Davies & Burgess (2009).}

\footnotesize{\textsuperscript{16}“Male teachers ’help boys behave”, July 30, 2007).}
the first and the second round. Our experiment lasts only 90 minutes, but over time, these small differences could lead to substantial inequalities between high- and low-ability pupils.

Interestingly, whereas most of the literature on pupils’ inequalities looks at the distribution of educational inputs across classrooms and schools, the results of the experiment show that inequalities can also grow within classrooms. In each of the classrooms of our experiment had low- and high-ability pupils. Hence teachers are not necessarily equally effective for all pupils regardless of their prior ability. This challenges the idea that it is possible to rank teachers by their estimated quality. This is a finding that should inspire more research on estimating not only which teachers are good at raising value-added on average but also which teachers are good at raising the achievement of all their pupils.

**6 Conclusion**

What induces trust, risk-taking, and confidence in the classroom? We designed an innovative behavioural economics experiment that involved 1,200 pupils across 29 schools in Manchester, London, and Liverpool. The experiment asked pupils to purchase questions using a small endowment of £2. Each question cost 20p, a right answer doubled the 20p to 40p, and a wrong answer led to 0p. We looked at pupils’ choices in two different conditions: when they are assessed anonymously by an external examiner and when they are assessed non-anonymously by their usual teacher. Comparing their choices in these two conditions tells us how pupils perceive their teachers.

The experiment shed new light on classroom dynamics. Although, on average, teachers do not induce more confidence, trust or risk-taking behaviour than an external examiner, the experiment showed that male teachers are beneficial. In our experiment, male teachers were more effective in raising effort for both male and female pupils; pupils had higher self-esteem and better perceptions of their teachers’

---

16 There is an extensive literature on gender dynamics in schools, arguing that male teachers do indeed need to adapt to a feminised professional environment. See Decorse & Vogtle (1997) and Roulston & Mills (2000).
fairness in grading. In turn, perceptions of fairness and the effectiveness of hard work induced investment in the table.

We also show that high ability pupils are more likely to exert effort when assessed by the teacher than when assessed by the external examiner. Low ability pupils did not significantly change their behaviour when assessed by the teacher. Thus, overall, teacher-student interactions lead to a reinforcement of inequalities between low-achieving and high-achieving pupils throughout the school year. High-ability pupils were not treated more favorably however: their payoff is identical when assessed by the teacher and when assessed by the anonymous examiner.

Surprisingly, contrary to some theoretical literature that links ethnicity, gender, and socioeconomic status to self-fulfilling beliefs about performance, we do not find that any of these characteristics matter. Ethnicity, gender, and socioeconomic status explain very little of pupils’ investment and effort. free school meal pupils and minority pupils did not significantly react to the nonanonymous condition, even after controlling for pupil ability.
References


Rosenthal & Jacobson (1968), ‘Pygmalion in the classroom’, The Urban Review.


A Appendix: Description of the Experiment

A.1 Detailed Timeline

1. We determine randomly which experimenters are assigned to which classroom.

2. Pupils are assigned a random number.

3. Pupils sit at the table corresponding to the number.

4. The presenter introduces the experiment to pupils. (See instructions below).

5. Pupils answer the example definition.

6. The presenter gives one among many possible answers for the example definition.

First round

7. Pupils choose how many questions they would like to purchase, from no question to 10 questions.

8. Once this choice is made, pupils can open the envelope and have 20 minutes to provide answers.

9. Envelopes are collected.

Second round

10. Pupils get a second envelope.

11. In the nonanonymous group, the presenter states that questions will be corrected by their teacher. Pupils confirm that they know the teacher and are asked to confirm the subject that he/she teaches.

12. In the nonanonymous group, pupils write down their name and their teacher’s name on the envelope.

13. Pupils choose how many questions they would like to purchase, from no question to 10 questions.
14. Once this choice is made, pupils can open the envelope and have 20 minutes to write down their answers.

15. Envelopes are collected.

16. Pupils can leave the classroom.

17. The teacher/the external marker grades the papers.

18. Payoffs are calculated and distributed in envelopes bearing the pupil’s number.

A.2 Material - Envelopes

There were two kinds of envelopes: envelopes for the anonymous condition, without the name of the pupil nor the name of the teacher, and envelopes for the nonanonymous condition where the pupils would write down both names. Here is the envelope of the nonanonymous condition. The middle of the envelope gives an example question. In the first round, the example question was about defining “archaeologist”. In the second round, we chose not to use the example. The picture of the envelope has been rescaled to fit the page.
You are given £2:

Each coin can be either kept, or used to buy a question.

A question costs 20p.

Example of a question:

“Should he visit his grandmother and miss the train? He faces a dilemma.”

What is a dilemma?

If the answer is right... becomes

If the answer is wrong... becomes

If you invest all your coins, you can earn up to: £4

How many questions do you want to buy?

0 1 2 3 4 5 6 7 8 9 10
B Appendix: Robustness Checks

B.1 Power calculations

On average, pupils invest no more when they are assessed by their teacher versus when they are assessed by the external examiner. The effect is non significant at the 10% level, the point estimate is about 0.04 question. Section 4 has shown that this masks a considerable amount of variation.

The number of schools of the experiment was chosen to detect a reasonable effect of nonanonymous grading on questions purchased. To determine before the experiment how many observations we needed, we generated a series of datasets with a given number \( n \) of pupils and a given effect \( \delta \) of the nonanonymous condition. We then estimated the effect of the nonanonymous condition as if we ignored the value of \( \delta \). The coefficient was significant when the number of pupils \( n \) was sufficiently large.

Results indicate that with \( n=1,200 \) pupils, the minimum effect that can be detected is about 0.24 of a question. With a success rate of about 50%, this means a corresponding payoff of 2.4p. With half the number of observations, \( n=600 \), the minimum detectable effect would have been 0.35 question.

Finally, notice that using two rounds, the first round being in the anonymous condition and the second in the nonanonymous condition in the treatment group, significantly increases the power of our estimates. Relying on an experiment with only one round would have led to powers at least twice as large as the original. Thus the two-round designs combines the advantage of looking at changes for a given child and the advantage of improved statistical power.

B.2 Randomisation of the treatment

We determined what classrooms would be treated before we saw classrooms. Headteachers were not informed of which classroom would be the treatment group. Hence, we expect the assignment of the treatment and the control to be random. This is what a simple test confirms. Demographics are not significantly different between the treatment and the control group.
<table>
<thead>
<tr>
<th></th>
<th>Treatment group</th>
<th>Control group</th>
<th>p-value of the difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free school meal</td>
<td>51.2%</td>
<td>54.7%</td>
<td>0.618</td>
</tr>
<tr>
<td>Key Stage 2 score</td>
<td>87.27</td>
<td>86.46</td>
<td>0.361</td>
</tr>
<tr>
<td>White</td>
<td>68.2%</td>
<td>65.9%</td>
<td>0.524</td>
</tr>
<tr>
<td>Male</td>
<td>51.3%</td>
<td>54.7%</td>
<td>0.352</td>
</tr>
</tbody>
</table>

Table B1 - Randomisation of the Treatment

B.3 Experimenter effects

If the assignment of pupils to the presenters is truly random, there should be no difference in the number of questions chosen in the first round, where both groups are in the anonymous condition. Failure of the randomisation of the assignment of presenters to groups may lead to spurious results if specific presenters introduce the experiment in classrooms with male teachers for instance. Charisma, the tone of the voice, could affect pupils’ engagement and the number of questions they buy.

To check that, we estimated the effect of the treatment group considering only the first round. A significant effect would invalidate our methodology. The effect is not significant when considering the overall sample, when considering the sample of schools with male teachers, or when considering the sample of pupils of the lower Key Stage 2 third, and the middle Key Stage 2 third.

<table>
<thead>
<tr>
<th></th>
<th>Overall Sample</th>
<th>School with Male Teacher</th>
<th>School with Female Teacher</th>
<th>KS2 Lower Third</th>
<th>KS2 Middle Third</th>
<th>KS2 Upper Third</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effect of the treatment group</td>
<td>0.130</td>
<td>-0.167</td>
<td>0.302</td>
<td>0.481</td>
<td>-0.004</td>
<td>-0.884</td>
</tr>
</tbody>
</table>
<pre><code>                  | (0.173)        | (0.289)                  | (0.215)                    | (0.365)         | (0.328)         | (0.412)         |
</code></pre>

Table B2 – Placebo Test: Effect of the treatment Considering Round 1 only

Surprisingly, we find that the effect of the treatment group is significant for the upper third of Key Stage 2 test scores. To check whether this could explain the effect we obtain on higher ability pupils, we estimated the treatment effect on the second round only. The effect is not likely to explain the result as there is no significant difference between round 1 and round 2 effects of the treatment group.
C Appendix: Econometrics

C.1 Regressions

To get our effect of our interest, we performed a regression instead of the estimator described in the body of the text. The regression framework allows us to get more precise estimates and gives confidence intervals for the estimates.

We regress the number of questions chosen in each round \( t = 1, 2 \) for each pupil \( i \) on the effect of the 2nd round, the effect of being in the treatment group, and the effect of nonanonymity (i.e. second round of the treatment group).

\[
\text{Questions}_{i,t} = \alpha \text{Round2}_{i,t} + \delta \text{Round2} \times \text{Treatment}_{i,t} + u_i + \varepsilon_{i,t}
\]

where \( i \) is the pupil, \( t = 1, 2 \) is the round, \( \text{Round2}_{i,t} \) is a dummy variable for the 2nd round, \( \text{Treatment}_{i,t} \) is a dummy variable for the treatment group, \( \text{Round2} \times \text{Treatment}_{i,t} \) is a dummy for the treatment group in the 2nd round. \( u_i \) is a fixed effect, \( \varepsilon_{i,t} \) is the residual of this OLS regression. The coefficient of interest is \( \delta \), i.e. the effect of being nonanonymously assessed on the number of questions chosen. \( \alpha \) measures pupils’ learning in-between the first and the second round, i.e. how pupils react after having seen the first round of 10 questions. The fixed effect \( u_i \) increases the power of the estimations. Since the treatment is randomly allocated, omitting the fixed effect \( u_i \) does not significantly affect the point estimate of \( \delta \).

Without the fixed effect \( u_i \), the estimator of \( \delta \) is exactly the one that is presented in the body of the report.
When estimating the effect of the treatment for different types of teachers, we also used a regression framework with interactions and fixed effects to increase the power of the estimates. For instance, the following regression estimates the effect of the treatment for male teachers and for female teachers

\[
\text{Questions}_{i,t} = \alpha \text{Round2}_{i,t} + \delta_{\text{male}} \text{Round2} \times \text{Treatment} \times \text{MaleTeacher}_{i,t} + \delta_{\text{female}} \text{Round2} \times \text{Treatment} \times \text{FemaleTeacher}_{i,t} + u_i + \varepsilon_{i,t}
\]

estimates the effect of nonanonymity \(\delta_{\text{male}}\) when assessed by a male teacher and the effect of nonanonymity \(\delta_{\text{female}}\) when assessed by a female teacher. This regression identifies \(\delta_{\text{male}}\) and \(\delta_{\text{female}}\) as long as learning between round 1 and round 2 is identical in groups assessed by a male teacher and in groups assessed by a female teacher. This is a reasonable assumption since teachers play a role in the experiment in the second round only.

However, the assumption may not hold when considering differential effects for pupils of different ability levels. Indeed, low-ability pupils are likely to react differently after the first round. They are likely to increase the number of questions purchased by a lower amount than higher ability pupils. To account for that effect, we estimated the effect using matching on Key Stage 2 scores. This allows pupils of different ability levels to react differently to the first round and identifies the effect of interest.

To understand that point, write \(TE(y)\) the treatment effect of an individual with test score \(y\). And notice that the following observable quantity identifies the treatment for an individual with test score \(y\):

\[
TE(y) = E(\text{Questions}_{i,2} - \text{Questions}_{i,1} \mid y, T) - E(\text{Questions}_{i,2} - \text{Questions}_{i,1} \mid y, C)
\]

And the average treatment effect will then be:

\[
ATE = E(TE(y))
\]
We performed the estimation of this average treatment effect using Mahalanobis matching on Key Stage 2 test scores. Results for subgroups do not significantly differ from the results obtained in OLS regressions.
D Appendix: The Risk-Return Trade-Off

In this section, we formalise the risk-return trade-off of students and we provide a definition of risk aversion. Risk aversion measures how students strike a balance between the return and the risk of purchasing questions.

The standard economic framework is the expected utility of Von Neumann and Morgenstern. Instead of maximizing the expected payoff pupils are assumed to maximize their expected utility of the payoff. This is detailed below.

In that setting, pupils choose the fraction of their endowment of £2 that will be used to purchase questions. The optimal number of questions purchased $n^*$ is:

$$n^* = \arg \max \left[ u(2 - 0.20\times n - e \times n + 0.40\times \sum_{i=1}^{n} X_i) \right]$$

where $e$ is the cost of effort, and $X_i=1$ if the answer to question $i$ is correct and $X_i=0$ otherwise. $X_i$ is a random variable with expectancy $E(X_i)=p_{\text{perceived}}$ the perceived probability of a right answer, and with variance $V(X_i)=p_{\text{perceived}}(1-p_{\text{perceived}})$.

Model (5) is a complex model. A simpler equivalent alternative considers a continuous choice model where the choice is what fraction of the sum will be used to purchase questions.

$$\lambda^* = \arg \max \left[ u(2(1-\lambda) + 4\lambda Z) \right]$$

where $0<Z<1$ is the fraction of right answers, with mean $E(Z)=p_{\text{perceived}}$ and variance $V(Z)=p_{\text{perceived}}(1-p_{\text{perceived}})$.

A constant relative risk aversion utility function is

$$u(x) = -\frac{1}{\sigma} e^{-\frac{\sigma}{x}}$$

where $x$ is the payoff and $\sigma$ measures risk aversion. A higher value of $\sigma$ lowers $\lambda^*$. 

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As mentioned in the body of the text, intrinsic motivation may partly drive results. In that case, the pupil trades off not only monetary costs and benefits but also other costs and benefits that matter outside the context of the experiment. A way to represent that calculation is to introduce these nonmonetary motives into equation (5):

\[
\begin{align*}
n^* &= \arg\max \ E \left[ u(2 - 0.20 \times n + 0.40 \times \sum_{i=1}^{n} X_i - e \times n + \pi \times n + a \times \sum_{i=1}^{n} X_i) \right] \\
&= \left( D - 6 \right)
\end{align*}
\]

where \( e \) is effort, \( \pi \) is the utility of “showing hard work”, and \( a \) is the utility derived from impressing the teacher. The utility of showing hard work \( \pi \) shifts investment \( n^* \) upwards, and the utility of impressing the teacher \( a \) also shifts investment \( n^* \) upwards.

A particular outcome happens when \( \pi \) is sufficiently large. In that case, pupils have an incentive to purchase more questions, since there is no net cost. In that case they would buy 10 questions.

Based on this modelling, the treatment effect – the difference between being corrected by the teacher and being corrected by the external examiner – is explained by:

- Differences in the perceived probability of getting a right answer \( p_{\text{perceived}} \).
- Willingness to show hard work \( \pi \), or utility derived from impressing the teacher \( a \).

Also, differences in investment across different types of teachers reflect:

- Differences in the perceived probability of getting a right answer \( p_{\text{perceived}} \).
- Differences in the willingness to show hard work \( \pi \), or differences in the utility derived from impressing the teacher \( a \).