The Old and the Restless: Inside the Black of Box of Ability Peer Effects in the Israeli Classroom

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Abstract
In this paper, we estimate the extent of ability peer effects in the classroom and explore the underlying mechanisms through which these peer effects operate. We identify as high ability students those who skipped at least one grade (“skippers”) and as low ability students those who repeated at least one grade (“repeaters”). We show that while there are marked differences between the academic performance and behavior of skippers/repeaters and the regular students, the status of skippers and repeaters is mostly determined by first grade and therefore, it is unlikely to have been affected by their classroom peers (and to suffer from the reflection problem). Using within school variation in the proportion of these low and high ability students across cohorts of middle and high school students in Israel, we find that the proportion of high achieving peers in class has no effect on the academic performance of regular students. In contrast, the proportion of low achieving peers has a negative effect on the performance of regular students. An exploration of the underlying mechanisms of these peer effects shows that a higher proportion of low achieving students increases the level of violence and classroom disruptions, and has detrimental effects on the quality of inter-student relationships and the relationships between teachers and students. We find little evidence that a high concentration of repeaters affects teachers’ pedagogical practices. However, repeaters report that teachers are better in the individual treatment of students and in the instilment of capacity for individual study, but regular students in schools with a high proportion of repeaters report lower scores in these dimensions. This suggests that a high proportion of repeaters may crowd out some of the time that teachers spend with regular students.

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