

Who bears the brunt? Tuition fees and educational mismatch

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The Paper

- The paper investigates the effect of tuition fee legislation on the overeducation.
- It utilizes a unique natural experiment that some states required a small amount of fee in different periods.
- Strictly exogenous shock. But mobility of students accross regions violates?
- Overeducation effect is very important. However, at first stage I would focus on labor market effects (initial wage, transition period (the period between graduation and first job)) of this legislation if no study touches this issue.

Results

- The paper finds that exposure to the tuition fees lead to higher overeducation and lower matched probability. Results are robust against potential threats.
- As mechanism, paper points out to study effort to shorten education time at the expense of lower grades to seeking additional financial resources, harming the economic performance.

Data and Identification

- She uses SEOP data
- ORU approach, which is commonly used in literature has been employed.
- In the estimation equation, I could not see individual fixed effects. Is not SOEP in a panel structure?
- If tuition fees varies by state, I would use continuous treatment. Each state takes zero in pre period and takes the tuition fee value in the post. If not, duration of fee \times fee value can be used.
- You do not need to report over-, under-education and matched outcome models. $OE + UE = -1 \times \text{mathced}$

Mechanisms & Methodology

- Do you have data to test mechanisms (increasing study effort seeking financial resources) you mentioned in the paper? Using the graduate years and labor market entrance years, can you extract the information of individuals who worked while studying?
- Placebo test in baseline specification? I would implement a event study design to your LPM spec.
- Your policy shock seems staggered. You can use recent literature (Wooldridge, 2024; Chaisemartin and D'haultfoeuille, 2023; Sun and Abraham, 2020) to obtain more robust estimates.