
NEWSLETTER

Matthew Effect or Fair Effect

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AS the financial educational funding from the government became more adequate, what role does family education expenditure play? Does it promote educational equity? These problems are worth pondering. Many studies have found that the higher the economic status and educational level of families, the higher the monetary investment in after-class tutoring. If investment in family education can significantly promote the development of students, then policymakers should be wary of the possible “Matthew effect”. Based on this, research published in *Education & Economy* uses the data of China Education Panel Survey (CEPS) from 2013 to 2014, taking the student’s cognitive level as the dependent variable, and the monetary investment of the student’s family in after-class tutoring as the core independent variable constructs the regression model of an education production function. At the same time, students with different cognitive levels may be affected differently by investment in after-class tutoring. Therefore, Conditional Quantile Regression and Generalized Quantile Regression were used to test the possible heterogeneity. The results are as follows:

- The regression model shows that family education investment can significantly predict the cognitive level of students. For every unit increase in after-school interest or cram school that parents pay for a child over the course of a semester, the standardized cognitive test score rose 3.9 percent.
- The Conditional Quantile Regression was used to test the effect among students with low, middle, and high scores. Among the students with low scores, the regression coefficient was negative and significant, indicating that for the students with low cognitive ability, more investment in family education was not conducive to the improvement of students’ cognitive ability. Further use of Generalized Quantile Regression also found the “Matthew effect”, that is, more the investment in family human capital will widen the gap between groups of students at both ends of the cognitive ability distribution, which will lead to the “Matthew effect” that “the stronger the strong,

the weaker the weak”, which is not conducive to promoting the equity of educational outcome.

Source: Education & Economy, 2020; 36(4): 58-67.