Social capital, parental expectation, and postsecondary education enrolment

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Abstract

In this research paper, I attempt to investigate the correlation between parental expectation and postsecondary education enrolment in Indonesia. Not only parental expectation, I also aim to shed a light in higher educational attainment topic by examine the correlation between social capital and the enrolment decision because the studies that connecting parental expectation and social capital to postsecondary education enrolment were not many, especially in Indonesia. Using fourth and fifth wave of IFLS (Indonesia Family Life Survey) in 2007/2008 and 2014/2015, I find that parental expectation has a positive connection with the postsecondary education enrolment. In addition to that, two community participation variables from the dataset that I use to measure social capital also shows a significant relationship. Furthermore, the logistic regression also shows that age, marriage status, gender, ethnicity, religion, student’s academic capacity, parent’s education, wealth, and location are significant determinants. I also find interesting results that in Indonesia, girls are more likely to participate in postsecondary education compared to boys, and early marriage is the biggest obstacle to the higher education enrolment.

Introduction

Education will always play an important part in development discourse. Many studies emphasized education as a powerful tool to fight poverty and promote economic development. In 2015, United Nations promotes a global development agenda called SDG (Sustainable Development Goals) as the successor of MDG (Millennium Development Goals) which ended in the same year. The post-2015 development agenda has 17 goals and 169 targets. One of its targets (target 4.b) is to promote higher (postsecondary) education enrolment, especially in developing country.

World Bank (2000) signifies three factors of how postsecondary education could support the nation’s development. First, it promotes the income growth, which is a powerful element of poverty alleviation and improvement in people’s living standard in society. Second, it increases people choices as postsecondary education institution offers a wide range of eminence options for study. Third, postsecondary education is an essential medium for training scholars, engineers, and scientists to facilitate their research.
as well as to invent such useful technology for the society. Moreover, World Bank also states that in some
developing countries, low enrolment rates in higher education remains a focal issue for policy
maker.

A report by The Boston Consulting Group (May 2013) mentioned that Indonesian corporations
would have difficulty supplying half of their entry-level ranks by 2020. This is an indication of low enrol-
ment rates in postsecondary education in Indonesia (Kubo, 2013). Indonesia has a relatively low postsec-
ondary education enrolment rates compared to its developing neighbour countries like Malaysia, Philippine
and Thailand. In 2013, the gross enrolment rates of postsecondary education of Indonesia was 31.3%,
slightly below Philippine (33.6%) and Malaysia (38%). On the same year, Thailand has a better achieve-
ment with 51.4% of enrolment rates. As the biggest economy actor in ASEAN, the number did not reflect
the reputation.

There have been some researches in this concern focusing on different standpoints. The expensive
cost to participate in this level of education and the lack of financial resources has been accused as the
biggest obstruction to college level education (Hu, 2003; Hossler, Schmit, & Vesper, 1999). In comparison,
Fitzgerald & Delaney (2002) stated that lack of information about the exact cost of higher education is one
of the most significant factor that discourage people to enrol in such higher education. Furthermore, Santi-
ago et al. (2008) claimed that the access and the enrolment in postsecondary education have a strong em-
pirical connection with individual’s socio-economic background. This socio-economic background often
associated with the parent’s education and income where it affected the expectation of their children’s
level of education, and in the end, it will be resulted in the participation of their children in postsecondary
education (Davis-Kean, 2005).

Most of studies about parent’s expectation and its relation with children educational attainment use
‘Status Attainment Theory’ as the theoretical framework. The theory claims that children that born in upper
social status (higher education and higher income) have better potential to accomplish the same status
achievement, thus sustaining the disparity of their social status. The vital role of parent’s income can also be
explained with ‘income effect’. Since education can be seen as a normal consumption good, the effect of
income is parallel with the purchasing power of a person. Another extension of status attainment theory is
adding parental expectation in the original model. Glick & White (2004) stated that parent’s expectation is an
important factor because not only reflecting its hope, it also comprehends prediction and commitment. How-
ever, Puyosa (2009) argued that the studies using Status Attainment Theory has a limitation, which it only
focused excessively on parent’s income, while disregarding the impacts from community.

In community studies, social capital is one of the most widespread concept, which has been used
in the studies about educational problems (Dika & Singh, 2002). Research suggested that social capital has
positive impact towards school grades (Valenzuela & Dornbusch, 1994; Bankston & Zhou, 1995; Pong,
1998; Sun, 1999; Israel, Beaulieu & Hartless, 2001), years of schooling (Kalmijn & Kraaykamp, 1996; Loe-
pez, 1996; Dik & Wilson, 1999) and college enrolment (Furstenberg & Hughes, 1995; Puyosa, 2009).
With many potential benefits in education field, social capital deserves more attention as an alternative
approach to solve educational issue like low enrolment rates in postsecondary education.

To solve this low postsecondary education enrolment issue, government and development agency
should first determine what factors or characteristics that might influence a person’s decision to participate
in higher education institution. Then, a policy or project can be postulated based on the result. The out-
come may differs based on region or country. What could have happened in one country might be similar
or utterly different to another country. Nonetheless, this paper would like to contribute a very small por-
tion in the vast development studies about the higher educational attainment determinants in Indonesia.

Research Method

This research uses longitudinal household survey data from the fourth wave of Indonesian Family Life Sur-
voy (IFLS-4) and the latest wave (IFLS-5). The reason why I only use the dataset from fourth and fifth wave
of IFLS is that in the previous surveys (IFLS 1-3) it did not comprehend parental expectation variable in
their questionnaires.

Another limitation from the dataset is that there is a data reduction due to the control variables. In
the first wave of IFLS, the sample consists 7,224 households and 22,000 individuals. From that number,
6,275 or 86.9% were re-interviewed in IFLS-5. From 6275 families, there are only 3390 households which
have son/daughter aged 17-23 years old in 2014/2015. The selection of the sample age was based on two
considerations: first, the assumption that 17 years old are the normal age to graduate from secondary educa-
tion and participate in under-graduate level education. Second, 23 years old is selected to make sure that 7
years ago (2007/2008, when the IFLS-4 was held) the student were still in their secondary education (High School). Finally, the 1108 households sample are left after it was controlled by the student’s academic capacity variable. The control variable needs a school certificate of Final National Exam (EBTANAS). I will use both 3390 and 1108 households in the models to minimize the impact of data reduction.

Bofota (2013) stated that there are three determinants of children’s educational attainment. Family characteristics, children’s characteristics, and features in community. Based on the statement above, I use regression model on three Bofota’s determinants to estimate whether dependent variables of child characteristics, family characteristics and location characteristics that may have influence to the decision of postsecondary education enrolment in Indonesia. The regression model postulation is as follows:

\[ PSE_t = \beta_1 + \beta_2 Parent_{t-7} + \beta_3 Student_t + \beta_4 Location_t + \epsilon \]  

where:

- \( t \) refers to year 2014/2015. The period when the fifth wave of Indonesian Family Life Survey (IFLS-5) was occurred.
- \( t-7 \) denotes the year of 2007/2008. The period when the fourth wave of Indonesian Family Life Survey (IFLS-4) was held.
- \( \beta_1 \) = Intercept
- \( \beta_2 \) = Coefficients of parent’s characteristics
- \( Parent_{t-7} \) = Parent’s characteristics, consists of parental expectation, parent’s education, parent’s income and parent’s social capital. The independent variables was taken from IFLS-4.
- \( \beta_3 \) = Coefficients of student’s characteristics
- \( Student_t \) = Student’s characteristics, consists of student’s age, academic capacity, gender, marital status, ethnicity and religion. The independent variables was taken from IFLS-4.
- \( \beta_4 \) = Coefficients of location
- \( Location_t \) = Location where the family live. Consists of (1) rural or urban area and (2) major islands Java, Sumatra, Kalimantan, Sulawesi and Bali/NTB. The survey did not comprise Papua.
- \( \epsilon \) = Error term

Since the dependent variable is a binary (dummy variable), therefore there are three possible model that can be used in the analysis: Linear Probability Model (LPM), Probit and Logit. I will use these three models, and based on the result goodness of fit and robustness test, only one model that will be shown in the discussion.

Results and Discussion

Table 1 shows the regression result of three models using two datasets with different sample size. Model 1 uses smaller dataset as there is a data attrition owing to ‘academic capacity’ variable. In Model 1, I use all available variables and compare it with Model 2 in order to detect whether there is ‘selection biased’ in the regression’s result because of a substantial size of data attrition. Meanwhile, in Model 3, I measure two main independent variables (parental expectation and social capital) as the main objectives of this research.

The discussion for each determinant will continue as follows. Parent’s education remains an important factor to determine their Adolescence’s educational attainment. The marginal effect of 0.16 points indicates that in Indonesia, youth whose one of their parent has higher education degree are 16 percent more likely to follow their parent’s educational attainment compared to children whose parent was not enrol in higher education. The result is similar with what Goyette (2008) has found. Children whose parent have tertiary education degree have higher probability to enrol in the similar level of education. The possible explanation is when parent have higher education degree, they will likely to have a deeper information about the benefit of having higher education degree (i.e. return of education) therefore it also might influence their expectation to their children. Moreover, if we use the conceptual framework of the status attainment theory and income effect, parent’s education may have a correlation with parent’s occupation and consequently will affect their income and in the end, they will have such financial resources to help their children participating in postsecondary education.

Similar with parent’s education, parent’s income/wealth is also a significant variable that affect children’s postsecondary education enrolment. The marginal effect or additional chance of postsecondary education enrolment from poor family (let say level 1) to the middle-income family (let say level 3-5) and
to the high-income family (level 6) are 21-29% and 54% respectively. The impact of parent’s financial capacity to children’s educational attainment was not surprising. The result is in line with the Status Attainment Theory. The theory stated that being born in a wealthy family gives a person better starting point compared to a person who born in poor family in term of earning social status. Another approach to explain this topic is by using an ‘income effect’, higher education can be seen as a normal consumption good where the probability to afford the degree is parallel with the amount of the financial resource of a person/family. In Indonesia context, unlike primary and secondary education that are subsidized by government, higher education needs some amounts of money that some people considered it as an expensive thing. No wonder if lack of financial resources has been accused as the prevalent impediment to higher education (Hu, 2003).

**Table 1. Regression results**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th></th>
<th>Model 2</th>
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<th>Model 3</th>
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<tr>
<td></td>
<td>P&gt;IzI</td>
<td>dy/dx</td>
<td>P&gt;IzI</td>
<td>dy/dx</td>
<td>P&gt;IzI</td>
<td>dy/dx</td>
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<td>Parent’s characteristics:</td>
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<td></td>
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<td></td>
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<tr>
<td>Parent's Education</td>
<td>0.000 ***</td>
<td>0.238</td>
<td>0.000 ***</td>
<td>0.1589</td>
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<td>-</td>
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<td>Parent's Income (wealth level 1-6)</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Wealth level 1 (base)</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Wealth level 2</td>
<td>0.026 **</td>
<td>0.267</td>
<td>0.009 ***</td>
<td>0.1576</td>
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<td>-</td>
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<tr>
<td>Wealth level 3</td>
<td>0.002 ***</td>
<td>0.352</td>
<td>0.000 ***</td>
<td>0.2166</td>
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<td>-</td>
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<tr>
<td>Wealth level 4</td>
<td>0.000 ***</td>
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<td>0.000 ***</td>
<td>0.2719</td>
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<td>Wealth level 5</td>
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<td>0.487</td>
<td>0.021 **</td>
<td>0.2979</td>
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<tr>
<td>Wealth level 6</td>
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<td>-</td>
<td>0.021 **</td>
<td>0.5443</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Parental Expectation</td>
<td>0.000 ***</td>
<td>0.234</td>
<td>0.000 ***</td>
<td>0.1647</td>
<td>0.000 ***</td>
<td>0.2651</td>
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<td>Parent’s Social Capital:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arisan (IFLS-4)</td>
<td>0.358</td>
<td>0.038</td>
<td>0.045 **</td>
<td>0.0434</td>
<td>0.050 **</td>
<td>0.0452</td>
</tr>
<tr>
<td>Community meeting (IFLS-4)</td>
<td>0.417</td>
<td>0.417</td>
<td>0.386</td>
<td>0.0153</td>
<td>0.011 **</td>
<td>0.0498</td>
</tr>
<tr>
<td>Kerja Bakti (IFLS-4)</td>
<td>0.783</td>
<td>-0.009</td>
<td>0.408</td>
<td>-0.0145</td>
<td>0.169</td>
<td>-0.0265</td>
</tr>
<tr>
<td>Religious activity (IFLS-4)</td>
<td>0.349</td>
<td>-0.032</td>
<td>0.225</td>
<td>-0.0220</td>
<td>0.955</td>
<td>0.0011</td>
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<td>Youth’s characteristics:</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Age 17 (base)</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Age 18</td>
<td>0.612</td>
<td>-0.056</td>
<td>0.000 ***</td>
<td>0.4027</td>
<td>-</td>
<td>-</td>
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<td>Age 19</td>
<td>0.770</td>
<td>0.031</td>
<td>0.000 ***</td>
<td>0.5396</td>
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</tr>
<tr>
<td>Age 20</td>
<td>0.986</td>
<td>0.001</td>
<td>0.000 ***</td>
<td>0.5660</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Age 21</td>
<td>0.844</td>
<td>0.021</td>
<td>0.000 ***</td>
<td>0.5759</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Age 22</td>
<td>0.639</td>
<td>0.052</td>
<td>0.000 ***</td>
<td>0.6080</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Age 23</td>
<td>0.546</td>
<td>0.067</td>
<td>0.000 ***</td>
<td>0.6538</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Married</td>
<td>0.000 ***</td>
<td>-0.406</td>
<td>0.000 ***</td>
<td>-0.2934</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gender (male)</td>
<td>0.000 ***</td>
<td>-0.1799</td>
<td>0.000 ***</td>
<td>-0.1432</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ethnicity (Java)</td>
<td>0.008 ***</td>
<td>-0.1382</td>
<td>0.000 ***</td>
<td>-0.0974</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Religion (Moslem)</td>
<td>0.077 *</td>
<td>-0.0969</td>
<td>0.027 **</td>
<td>-0.0596</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Student Academic Capacity</td>
<td>0.005 ***</td>
<td>0.0248</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Location characteristics:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>0.177</td>
<td>0.049</td>
<td>0.002 ***</td>
<td>0.0621</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Island (Java)</td>
<td>0.463</td>
<td>0.038</td>
<td>0.136</td>
<td>0.0408</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

No. of obs = 1181  No. of obs = 2405  No. of obs = 2405
Prob > chi2 = 0.0000  Prob > chi2 = 0.0000  Prob > chi2 = 0.0000
Pseudo R2 = 0.0203  Pseudo R2 = 0.2884  Pseudo R2 = 0.0787

Note:
- Statistical significances are written in parenthesis: *** p<0.01, ** p<0.05, * p<0.1
- As a robustness check, the models are also estimated by using Probit Model and Linear Probability Model (LPM), the results are quite similar.

Parent’s expectation variable has positive and significant correlations with postsecondary education enrolment in Indonesia. The number of marginal effect is 0.16 points in model 2 and 0.26 points in model 3. It means that children whose parent expect them to attain higher education are 16-26 percent
more likely to participate in postsecondary education compared to the ones whose parent did not expect. The result was similar with what Fan (2001), Jeynes (2005) and Davis-Kean (2005) have found. Based on some studies, parental expectation affecting children’s achievement through parental behaviours that create: a conducive learning environment (Davis-Kean, 2005), a better parent-child communication about school (Singh et al., 1995), and provide extra-school education (Catsambis & Garland, 1997). However, this paper did not investigate the parent’s behaviour towards their children. It is not feasible to create a control group based on parent’s activity due to the data limitation issue. Therefore, the causal relationship of how parental expectation affect educational attainment in Indonesia remains a dark territory and will be left for future research.

The regression result in model 3 indicates that in four parent’s social capital measurements taken from the survey, there are only two measurements (Arisan and community meeting) that show a significant relationship with postsecondary education enrolment decision. However, the result is different with Model 1 and Model 2. In Model 1, none of social capital measurements are significant and in Model 2, only Arisan that shows significant relationship. The possible explanation are (1) there is attrition bias, and/or (2) the community meeting was influenced by other independent variables. The marginal effects indicate the additional odds-small numbers, which about 5 percent. Parents, who involve in community activity like Arisan and community meeting, have bigger probability to befriend with many people and build networks. From the networks they have built, they may get information about the option, location, cost and benefit of higher education. They might know various people with different profession and education that might alter their expectation or decision. In Indonesia, it is common to use neighbour recommendation or information to decide the education choice. I have found several blogs and websites of how parents decide their children’s school based on the neighbour information and trend.

While the result is similar with what Furstenberg & Hughes (1995) and Puyosa (2009) have found, the broad interpretation of social capital might give a bias indication. Different conceptualization and measurement may result diversely. I use Bourdieu’s conceptualization of social capital and interpret the capital as the information channel from community because one of the biggest obstacle in postsecondary education enrolment is the lack of information (Gladieux, 2002; Fitzgerald & Delaney, 2002; Paulsen & St. John, 2002). However, I could not investigate the quantity and quality of the information resource. What I did in this paper is only to measure the quantity of the ‘possibly information channel’. Therefore, a further research using different data and measurement is needed to have better insight about the exact relationship.

In this variable of age, there is a significant different result between model 1 and model 2. The logit regression in model 1 shows that the variable is not significant. On the other hand, model 2 shows positive and significant marginal effects. I have tried to re-confirm the result in model 1 by changing the age range to 18-23 years old and omitting the ‘academic capacity’ variable (since it is the variable that exist only in model 1), but the result is relatively similar. Therefore, I assume that there is selection bias caused by data attrition.

The baseline age is 17 years old. Increasing age is in line with increasing probability to enrol in postsecondary education institution. However, there is a relatively big leap of additional probability from the age of 17 to older age (18-23). This can be interpreted as, in Indonesia, there is no smooth transition from high school to post-secondary education or some of youth are still in High School or already graduate but still in the period of enrolment preparation.

Another possible explanation lies on the big gap of number of the state owned institutions and the private ones. State owned institutions remain the favourable option for student because it offers a relatively low cost and better quality than the private one. Meanwhile, the institution supply from the government does not meet the excessive demand of prospective students. As the consequences, after the students had failed in the first chance due to the tough competition, a student may enrol in the next 1-2 year in the state owned institution or in their second choice: private higher education institution.

The result also indicates that marriage has negative significant marginal effects of -0.40 point in model 1 and -0.24 in model 2. The number implies that in population, the youth aged 17-23 years old who have already married are having 29-40 percent lower probability to participate in higher education than the ones who are not married. Compared to others determinants, the number indicates that marriage is the biggest obstacle in postsecondary education enrolment in Indonesia. People who already married may have different priorities than to pursue educational attainment. They may have to work to support their
family, especially when they already have children. Therefore, they may have no time to participate in higher education.

Early marriage is one of the prevalent social issues in Indonesia. Olson (2015), a representative from UNICEF Indonesia, highlighted the negative impact of early marriage in Indonesia. She exclaimed that there are at least three effects from early marriage in Indonesia. First, the bride is more likely to stop her education; second, early marriage might bring severe health risks for mother and child; and third, early marriage might lead to poverty trap which is then passed on to the next generation. In the same occasion, Eko Maryadi, a senior member of AJI (Independent Journalist Alliance of Indonesia) and Chairperson of the South-East Asia Press Alliance stated that early marriage in Indonesia is frequently hidden behind other issue. At the same time, Minister of Women Empowerment and Child Protection, Yohana Yembise, remarked the fact that early marriage in Indonesia remains a critical development issue in Indonesia.

In both model 1 and model 2, gender variable has negative and significant marginal effect of -0.18 points and -0.14 points, respectively. Since men are the baseline, it means that in Indonesia, women have surpassed men in higher education odds. Female aged 17-23 years old are 14-18 percent more likely to participate in postsecondary education compared to male. Better academic capacity and greater incentives may explain why young women could outpace men in higher education degree (Buchman & DiPrete, 2006). In addition, she also remarked that since the NELS data in US were collected, women have achieved a lead in postsecondary education enrolment, as well as graduation. In developing country like Indonesia, the result is contradictory with the stereotype where women have lower chance to pursue higher education because of the patriarchy culture. However, this finding is similar with OECD report in 2015, which mentioned that in Indonesia women has significantly surpassed men in postsecondary education enrolment since the early 2008. According to the report, the proportion is relatively balanced in bachelor and master/PhD programs but in diploma level, women are the majority.

Independent variable of ethnicity has significant marginal effect in 1 percent of significance level in both model 1 and model 2. The direction sign shows a negative value, and the marginal effect are -0.13 and -0.09 in model 1 and model 2 respectively. Since Javanese is the baseline measurement, it means that a Javanese kid aged 17-23 years old has lower odds to enroll in tertiary education for 9-13 percent compare to non-Javanese kid. This result may confront the popular belief in Indonesia since Java Island has enjoyed the development more than other islands. Java Island compared to other main islands (Sumatra, Kalimantan, Sulawesi and Papua) probably did not reflect the enrolment rates because Java as an island also has the biggest and diverse population in Indonesia. Another possible explanation is, since the traditional profession in rural area of Java is farmer and something that is related with agricultural skill, they do not seem to need higher education, therefore, the motivation of youth to enroll in higher education institution is low.

The regression results from model 1 and model 2 indicate that in Indonesia, religion is a significant variable to shape the decision in higher education enrolment of youth aged 17-23 years old. Moslems are having 5-7% lower probability to enroll in postsecondary education compared to others religion (Christian, Catholic, Hindu, Buddha and Confucian). The result is similar with what Suryadharma et al. (2006) have found. They mentioned that in Indonesia, religion is one of socio-economic factors that affect primary education student to enroll in secondary education. While the result may seem convincing, the process of how religion may affect the enrolment decision needs a rigorous further study. Indonesian demographic structure where the majority (about 87%) are Moslem may play a role in this part. Using National Exam score as a proxy to children’s academic capacity, the regression indicates that the variable is significant with the marginal effect of 0.0248 points. In 0-10 scale of exam score, student has additional 2.5 percent probability to enroll in tertiary education for each additional score. The result is not surprising. In Indonesia context, the more children have academic capacity, the more they have higher possibility to pass national selection test to enter state owned higher education institution (SPMB). Academic capacity also might have a role in shaping parent’s expectation and creating simultaneous relationship.

I use two variables, which are available in the survey in order to picture how location/geography might influenced the decision of postsecondary education enrolment. Firstly, whether the family lives in urban or rural area; secondly, whether the family lives in Java Island, or in other main islands. The regression result in model 2 shows that instead of the island variable, the urban variable is a significant variable. Meanwhile, in model 1, none of location variables are significant. The possible explanation is selection bias was occurred owing to data attrition.
Based on Model 2 result, youths that live in urban area are 6 percent more likely to participate in higher education institution than the ones who live in rural area. At least there are two approaches to interpret this finding based on ‘income effect’. First, people in rural area may suffer additional expenses caused by transportation or housing cost; Secondly, families that live in the urban area more likely to have better income than family that live in the rural area.

Conclusion

In the studies about education attainment, inequality in accessing postsecondary education is one of the important concerns to policy makers (Puyosa, 2009) and there have been some researches in this concern focusing on different standpoint of socio-economic backgrounds. Most of the studies used ‘Status Attainment Theory’ as the theoretical framework. The theory claims that children that born in upper social status (higher education and higher income) are having better chance to accomplish the same status achievement. In Indonesia context, this paper also has statistical result to support the theory. I found that children whose parent have postsecondary education degree and better financial resource have better chance to enroll in postsecondary education compared to those who are not. Another way to see the impact of financial resource is by using the ‘income effect’ approach. Postsecondary education can be viewed as a normal consumption good where it can be ‘bought’ as long as the consumer have the money. Thus, increasing real income of a person will increase the purchasing power to pay the educational cost. This finding is similar with some studies in developed country, such as the United States of America.

The status attainment theory has developed since then. One extension of the theory is to incorporate parental expectation into the original model. Not only reflecting its hope, parental expectation also indicates prediction and commitment. One of the paper objectives is to know whether parental expectation has positive correlation with children’s postsecondary education enrollment in Indonesia. The regression result using Logit model shows that parent’s expectation is a significant variable. Parental expectation can be influenced by at least two factors. First, the information that parents have about the benefit of having higher education degree (Rational Choice Theory). In this case, parent’s education might have a role in parent’s knowledge about the higher education advantage. The increasing return to postsecondary education in Indonesia might conform the earlier assumption. Secondly, parental expectation can be affected by the parent’s income as postsecondary education is a normal consumption good. Their expectation is simply because they can afford the tuition fee and etc. The positive correlation finding is in line with several studies that are found in developed country (e.g. United States). Despite the causal relationship is an arguable topic, the future possibility to use parental expectation to study or perhaps to solve the postsecondary education enrolment issue in Indonesia is slightly open.

One of the critique to the status attainment theory is that it only focused excessively on financial resource and ignoring the effect from community. The impacts from the community that can be a supplement to the original theory was social capital concept which was introduced by Lin (1999). The regression result indicates that two out of four variables that had been used to measure the social capital was significant. However, different conceptualization might resulted a dissimilar finding. There are two main conceptualizations of social capital in education literature (Bourdieu, 2011; Coleman, 1988). I use Bourdieu’s social capital and measure the quantity of community cohesion, while Coleman’s approaches might have an unalike result.

Academic capacity, age, marriage status, ethnicity and gender remain as the significant determinants in order to explain the postsecondary education enrollment decision. The notably result was gender variable. The regression output indicates that in Indonesia, female is more likely to enroll in higher education compare to male. The result was in line with what happened in United States. Better grades and greater incentives might help to explain why women outpace men in higher education (Buchman & DiPrete, 2006). In developing country like Indonesia, where normally many people believe that girls have limited opportunity to pursue higher education, the result was quite surprising. Another key finding of this paper is that early marriage is the biggest obstacle in postsecondary education. This is dissimilar with several researches in United States that considered financial resource as the biggest obstacle. Thus, if the government of Indonesia has a vision to solve the low enrollment rates in higher education, they should put more focus on the early marriage issue. It is needed to enlighten the society about the negative impact of early marriage (i.e. health risk and poverty trap issue) and the benefit of postsecondary education enrollment (i.e. economic return to higher education).
However, I would like to highlight some limitations in this paper. The first issue is selection bias. In this study, selection bias occurs when some families in the population are insufficiently represented in the dataset due to data attrition. By comparing regression results from different data size and model, I consider Social Capital, Age and Urban variables are having high possibility of having selection bias. Secondly, Parental Expectation indeed has an endogeneity risk. Which means that the children’s characteristic is possible to affect the parent’s expectation and the causal relationship would be in two-way directions. In this paper, I did not use ‘treatment group’ to investigate the causal relationship of parental expectation and enrolment decision due to data feasibility, therefore a better research with improved methodology is needed to investigate the causal impact of parental expectation to children educational outcomes. Moreover, the research method that I use did not study the causal relationship of social capital and postsecondary education enrolment for the similar reason.

Related to the social capital, my biggest limitation is an over dependency to one survey dataset. I measure the social capital with what I can find in the dataset in specific period, meanwhile there is a possibility that different measurement and different period may give a more relevant analysis (i.e. how active the parent in school, the quality of relationship, etc.). The social capital measurement has been a big concern in research tradition (Fukuyama, 2001). A further research with better methodology than this paper is needed to have better knowledge in the connection of social capital and educational attainment.

References


