Elite Universities and the Intergenerational Transmission of Human and Social Capital

Online Appendix

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A Institutions: Further Details

A.1 Elite schools and elite occupations

This section of the Online Appendix provides additional detail on the Chilean primary and secondary education system, extending the discussion in section 2 of the main text. The Chilean school system is organized in two education cycles: primary education—grades 1 to 8—and secondary education—grades 9 to 12. Education is provided by three types of schools: public schools, voucher schools, and non-subsidized private schools. Public schools are free and are funded through student vouchers.[11] Voucher schools are private, but they are publicly subsidized through the voucher system. These schools were able to charge tuition fees on top of the voucher between 1994 and 2015. However, the amount of the voucher they received decreased as their tuition fees increased. Non-subsidized private schools are fully funded through tuition fees and are considerably more expensive than voucher schools.

According to the registers of the Ministry of Education, in the class of 2018—the last one we observe in our data—40% of the students attended a public school, 50% a voucher school, and 10% a private school. For this paper we further divide private schools in two categories: non-elite private schools and elite private schools.

To identify elite private schools we follow an approach similar to Zimmerman (2019). We focus on the cohorts graduating from high school and entering college in the 1970s and 1980s and identify a set of seven schools that consistently place their alumni in elite business and political positions. To identify these schools we rely on three reports produced by a head hunting firm—Seminarium (2003a,b, 2013)—that characterized the education trajectories of business and political leaders in 2003 and 2010. The business leaders characterized in these reports correspond to owners and corporate executives of firms with turnovers above USD 250 million. The political leaders include presidents, ministers, vice ministers, senators, and representatives. When ranking schools according to their representation in different elite occupations, seven traditional elite private schools consistently appear in the top 10. These seven schools are Colegio Craighouse, Colegio de los Sagrados Corazones de Manquehue, Colegio del Verbo Divino, Colegio San Ignacio El Bosque, Colegio Tabancura, Saint George College, and The Grange School. Figure A.I illustrates the share of individuals in elite occupations and in the whole population by type of high school. Alumni of non-elite private and elite private schools are over represented in elite occupations, but this phenomenon is particularly pronounced for the latter group. Despite representing 1% of the high school graduates, their shares in elite occupations fluctuate between 15% (among representatives) and 45% (among large firms owners).

The traditional elite private schools historically enrolled only male students, and some are still male only. Further, many new private schools opened in the 1980s and later, and some these may now be "elite" in their own right. We therefore extend our definition of elite private schools to include both traditional elite schools for women and new elite

[11] In the early 1980s the Chilean school system suffered a major transformation. Public schools were transferred from the Ministry of Education to the municipalities. In addition, the funding system was changed and a voucher system was introduced.

schools.

We identify traditionally elite women's schools in a data-driven way, by looking at schools where the sisters of male students in traditional elite schools enroll. For this exercise we rely on family links available for recent cohorts (i.e., 2004-2018). Using these links we ranked schools according to the share of sisters of elite boys enrolling in them. Table A.I presents this ranking. The list includes some of traditional elites that used to be only for men (e.g., The Grange School), traditional elite female schools (e.g. Villa Maria Academy), and a set of schools founded in the 1980s or later (e.g. Colegio Cumbres, founded in 1986). We end up with a list of seven schools that were and in many cases still are female-only. These schools are Dunalastair, Sagrado Corazon de Apoquindo, Villa Maria Academy, Santa Ursula, Colegio Los Andes, Colegio Huelen, and La Maisonnette.

We identify the new elite schools by compiling a list of eight schools that grew out of traditional elite schools in the 1980s or later. These schools were founded either by alumni of the traditional elite schools or by the same organizations (such as religious groups) that run traditional elite schools. These eight schools are Colegio Apoquindo, Colegio Cordillera, Colegio San Benito, Colegio Cumbres, Colegio Los Alerces, Colegio Monte Tabor y Nazareth, Colegio Everest, and Colegio Huinganal.

Our finding from Table 1 of the main text that elite private school students differ dramatically from other students in terms of social capital name indices suggests that our approach to classification—which did not take name indices into account—is a reasonable one. Data on the schools attended by the children of graduates from traditional elite schools provides further support for our approach. We identify the high schools where graduates from traditional elite schools scoring near the admission cutoff to an elite college program send their children.

Table A.II reports the 25 most common such schools, which together account for 74% of children of parents who attended the traditional elite schools. Schools in our elite group make up the top 12 most common schools in this set, and 19 of the top 25. Later in this Online Appendix we show that the main results of the paper are robust to different definitions of elite schools. We show that the results hold when focusing only on the 14 "traditional elite schools", and also when using a slightly broader definition of elite schools (i.e., all the schools in Table A.II).

Table 1 in the main text describes the distribution of college entrance exam scores by high school type. Figure A.II provides more detail. Students completing their secondary education in elite private schools perform better in the college admission exam than those who complete their secondary education in subsidized and non-elite private schools. Indeed, very few students from subsidized schools score at the very top of the college admission exam. The difference is less pronounced when looking at the graduates of non-elite private schools. Many of them are able to obtain very high scores in the college admission exam.

In section 2.2 of the main text we discuss the overrepresentation of elite private school graduates at selective universities and elite degree programs. Figure A.III provides more detail on this point, and how it relates to elite application and enrollment. Elite private school graduates not only perform better in the college admission exam. Even after conditioning on students' performance in the college admission exam, the graduates of elite private schools are considerably more likely to apply and to be admitted to elite college programs. When looking at students in the top 5% of the college admission exam, we find that the graduates of elite private schools are 15 percentage points more likely to apply to an elite college program than the graduates of non-elite private schools. When comparing them with the graduates of subsidized schools, we find a difference of around 25 percentage points.

The differences we find in applications explain almost completely the gap we document in enrollment. These differences affect the composition of the student body of elite colleges and elite college programs. Among the freshmen starting in any of the elite universities—i.e., University of Chile and Catholic University of Chile—in 2019, 53.46% came from subsidized schools, 36.07% from non-elite private schools, and 10.47% from an elite private school. The over representation of non-elite and elite private school alumni is even larger in the most prestigious programs—i.e., business, law, engineering and medicine—where they represented 43.48% and 17.43% of the first year enrollment respectively. As illustrated in Figure A.IV, it is 16 times more likely to find an elite private school graduate in these programs than in the whole population. Table A.III shows that this over representation phenomenon of elite private school graduates peaks in University of Chile and in the Catholic University of Chile. When looking at the composition of the student body of other selective universities in the country, the shares of elite private school graduates drop dramatically. These results suggest that elite private schools influence their alumni education trajectories in ways that go beyond human capital.

Figure A.V further characterizes schools in terms of their location, fees, social pedigree, and academic results. Panel (a) illustrates the location of non-elite and elite schools in Santiago. The elite schools are concentrated in the north-east, which not surprisingly is also the most expensive area of the city. As Panels (b) and (c) show, elite schools are among the most expensive of the country. However, there are a few similarly expensive non-elite private schools. According to Panels (c) and (d) the graduates of these elite schools obtain very high scores in the college admission exam. Nevertheless, the graduates of some non-elite schools obtain similarly high scores. The dimension in which elite schools really stand out is the social pedigree of their students.

In the main body of the paper we present an exercise to further understand the role of exposure to alumni of elite K-12 schools in college on children's trajectories. For this exercise, we take advantage of the fact that within elite schools, there is a group that belong to the same Catholic organization—the Opus Dei—and that have strong social links between them. Exploiting this feature of the Chilean setting, we study how exposure to specific group of elite peers during college influence children's trajectories. As shown in Figure A.VI, Opus Dei and the rest of the elite schools are located in very similar neighborhoods (panel a), charge similar tuition fees, and have similar eliteness levels (panel b). The two elite schools that rank highest in social pedigree are Opus Dei schools, but the rest of the Opus Dei schools in the sample are similar to other elite schools in this index.

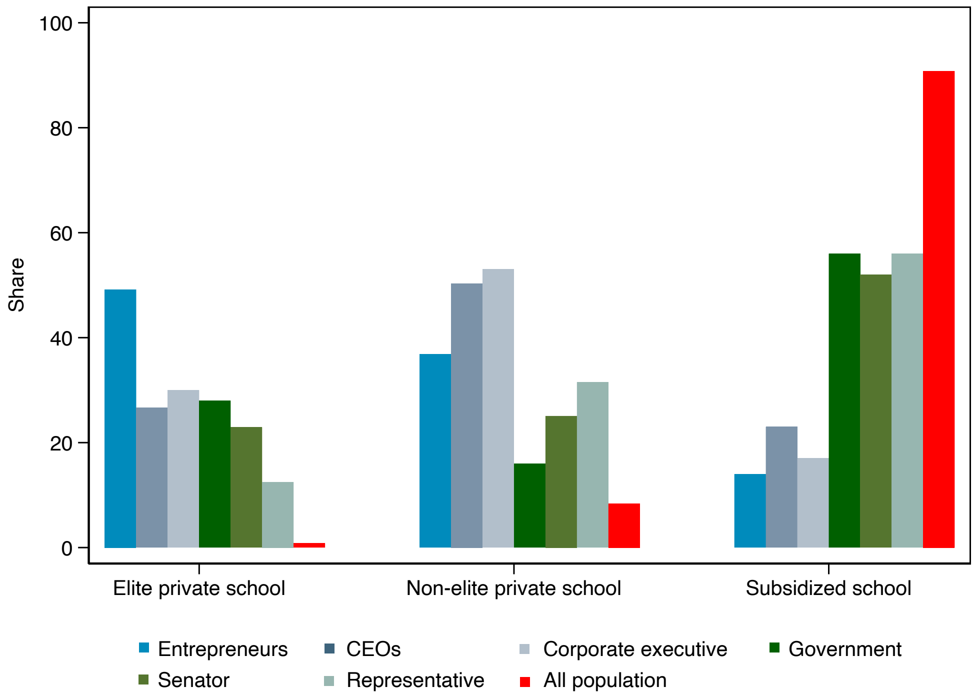
A.2 Elite colleges and higher education finance

This section supplements section 2.2 of the main text with some additional detail on elite universities and higher education finance in Chile. In the main text we note that alumni of UC and PUC make up a large share of business and political elites. As reported in Figure A.VII, more than 60% of the individuals in business or political elite positions come from one of these two institutions.

Turning to college finance, taking the university admission exam and applying to universities is free for students graduating from subsidized high schools (i.e., public and voucher schools). In addition, since tuition fees in Chile are relatively high, there are generous funding programs available for students. Eligibility for different types of financial aid depends on socioeconomic and academic criteria. Subsidized student loans, for instance, are currently available to everyone whose average score in the reading and math section of the admission exam is above the percentile 40. The largest scholarship programs currently require a higher score and are only available for students in the bottom 70% of the income distribution.[12]

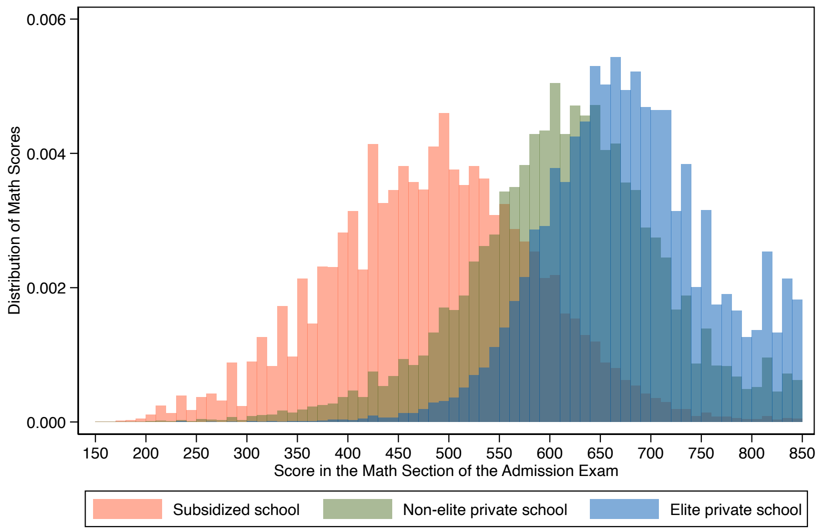
[12] The financial aid system has experienced important transformation in recent years. In addition to making some existing benefits available to more students, new programs have been introduced. For instance, starting in 2015, students in the bottom 60% of the income distribution were eligible for free higher education. Regardless of their scores on the admission exam, if a university that has agreed to participate of the free higher education program admits them, they do not need to pay fees. Universities receive from the government a reference tuition fee for each student admitted under this program.

Figure A.I: Share of individuals in elite occupations by type of high school

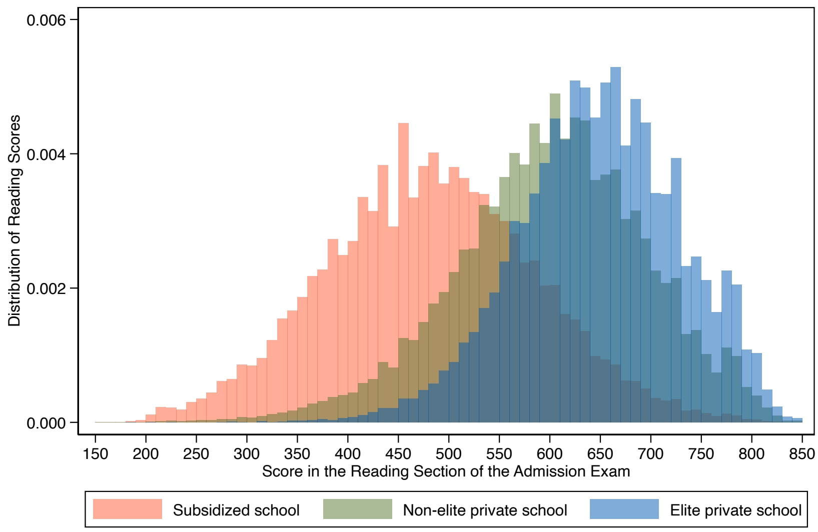


This figure illustrates the share of individuals graduating from elite private, non-elite private and subsidized high schools in different elite occupations and in the whole population. Elite occupations include leadership positions in business and politics. The data for figures comes from three reports developed by Seminarium—a specialized head hunting consulting firm—in 2003 and 2010. See section A.1 for details.

Figure A.II: Distribution of Scores in the College Admission Exam by Type of School



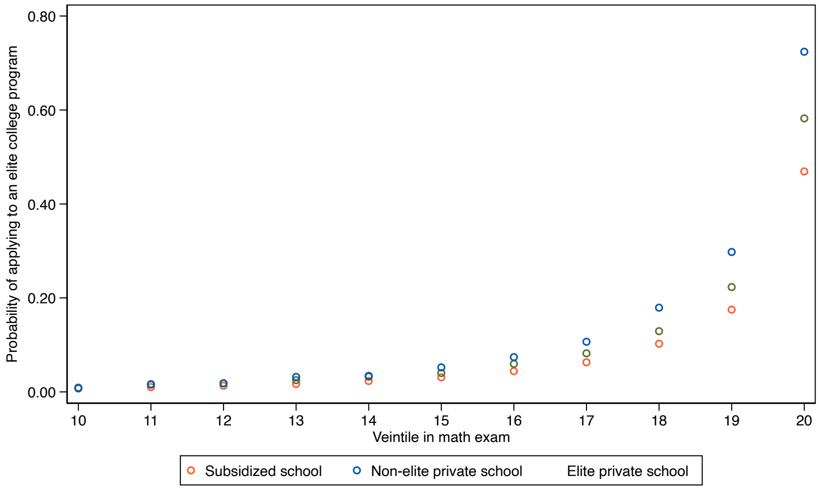
(a) Mathematics Scores



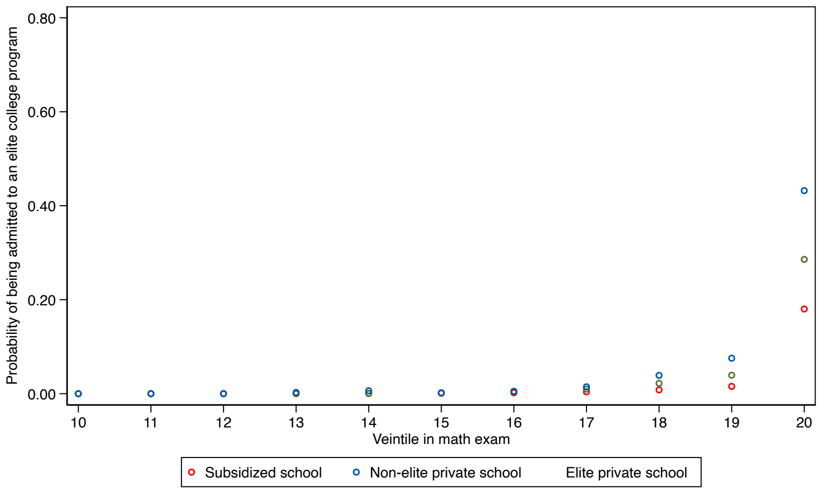
(b) Reading Scores

This figure illustrates the distributions of math and reading scores in the college admission exam distinguishing by the type of school that applicants attended. The plotted distributions only include applicants taking the exam between 2002 and 2017.

Figure A.III: Probability of Applying and being Admitted to an Elite College Program by Type of School



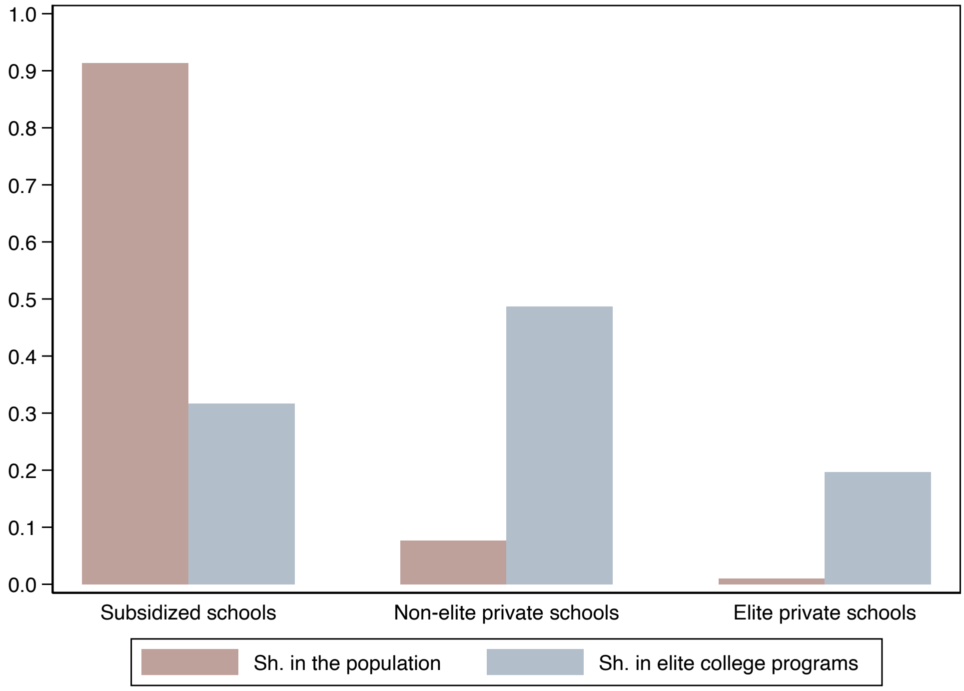
(a) Pr. of applying to an elite college program



(b) Pr. of being admitted to an elite college program

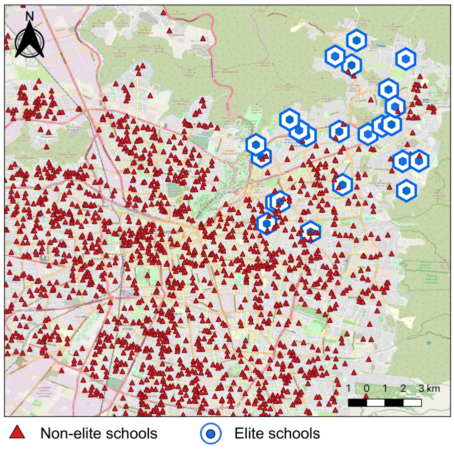
This figure illustrates the probability of applying and being admitted to a top college program for students at different levels of the academic performance distribution. The figure allows these probabilities to vary depending on the type of school in which applicants completed their secondary education. The plotted distributions includes students graduating from high school between 2002 and 2017.

Figure A.IV: Share of individuals in elite college programs by type of school

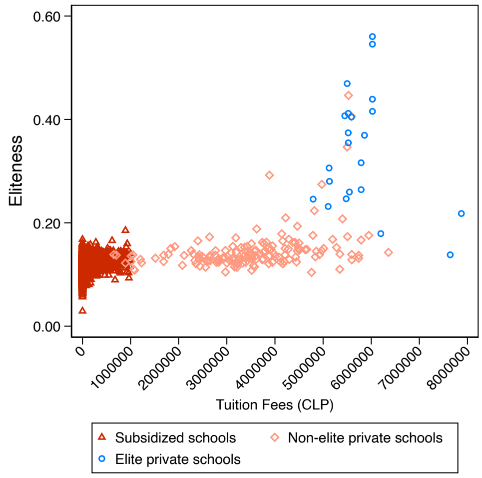


This figure illustrates the share of individuals graduating from different types of schools admitted to elite college programs. The figure also presents the shares that different types of schools represent in the population. The data behind this figure comes from individuals completing high school between 2003 and 2017.

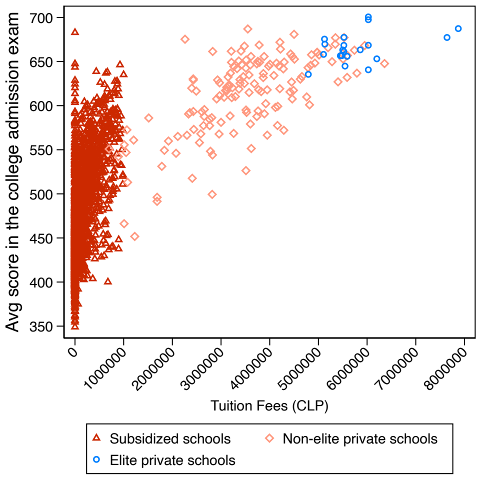
Figure A.V: Characteristics of K-12 schools



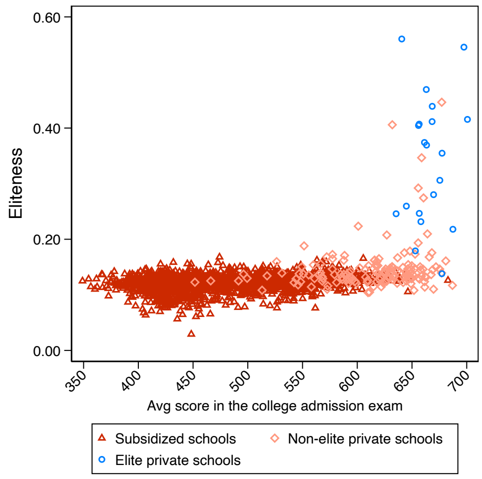
(a) Geographic distribution of schools



(b) Elite names index and tuition fees



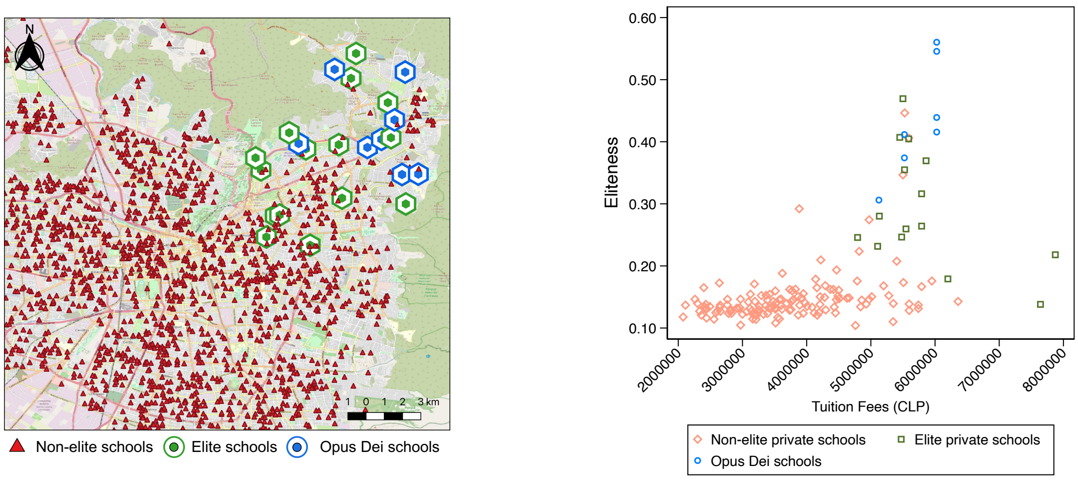
(c) College admission exam and tuition fees



(d) Elite names index and admission exam

This figure describes subsidized, non-elite private and elite private K-12 schools along four dimensions: location, tuition fees, elite names index, and scores in the college admission exam. Panel (a) illustrates where non-elite and elite schools are located in Santiago, the capital city of Chile. Panel (b) illustrates the relationship between tuition fees and the elite last name index discussed in the paper. Panel (c) illustrates the relationship between tuition fees and average performance in the college admission exam. Finally, panel (d) illustrates the relationship between average performance in the college admission exam and the elite names index. See section A.1 for details.

Figure A.VI: Characteristics of Opus Dei K-12 private schools

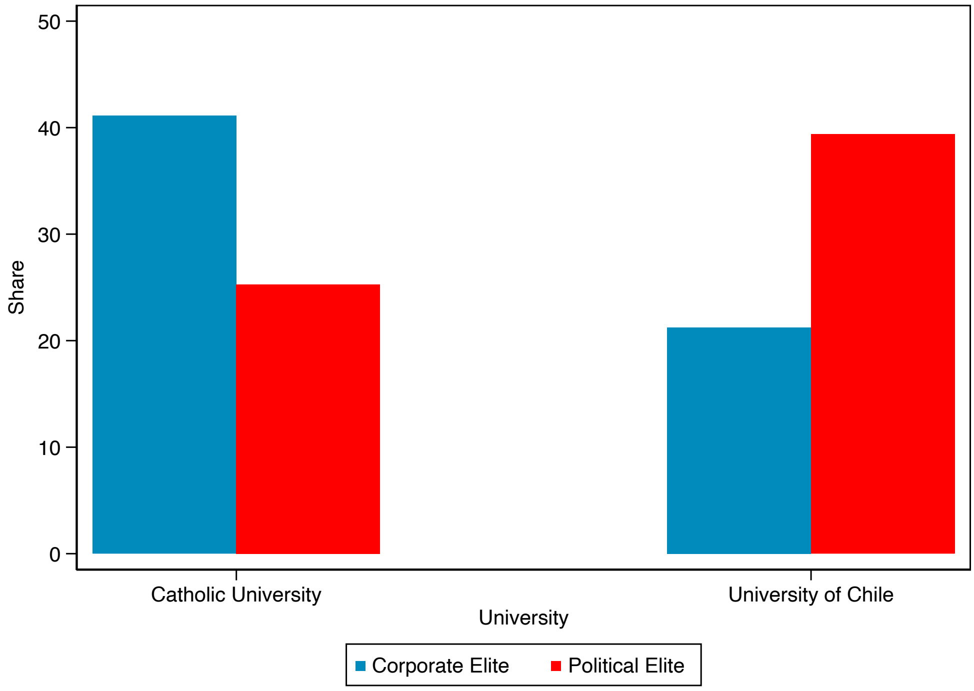


(a) Geographic distribution of elite schools

(b) Elite name index and tuition fees

This figure characterizes two different type of elite schools: Opus Dei and non Opus Dei. Panel (a) illustrates the locations of these schools, while panel (b) their elite name index and tuition fees. Both groups of schools are quite similar in terms of location, fees, and eliteness.

Figure A.VII: Share of individuals in elite occupations by university



This figure illustrates the share of individuals graduating from the two most selective universities in Chile—i.e., Universidad de Chile and Universidad Católica—and their participation in elite business and politics occupations. The data behind these figures comes from three reports developed by Seminarium—a specialized head hunting consulting firm—in 2003 and 2010. See section A.2 for details.

Table A.I: Schools attended by sisters of boys enrolled in traditional elite K-12 schools

Rank (1)	School (2)	Share of sisters (%) (3)
1	Colegio Cumbres	11.86
2	Colegio Los Andes de Vitacura	11.78
3	Colegio Everest	7.68
4	Colegio Villa Maria Academy	7.57
5	Colegio Los Alerces	7.24
6	Colegio Tabor y Nazareth	7.14
7	Colegio del SC de Apoquindo	6.17
8	Colegio Saint George College	5.03
9	Colegio San Benito	4.77
10	Colegio Huelén	4.54
11	SS.CC. de Manquehue	3.78
12	Colegio Santa Úrsula	3.75
13	Colegio The Grange School	3.06
14	Colegio Apoquindo	1.56
15	Colegio Dunalastair	1.38
16	Colegio La Maisonnette	1.10
Total		88.41

Notes: The table presents the schools most commonly attended by the sisters of boys enrolled in traditional elite K-12 schools. The share were computed using the universe of high school graduates registering for the university admission exam between 2003 and 2018. See section A.1 for details.

Table A.II: K-12 schools attended by children of parents who attended older elite K-12 schools

Rank (1)	School (2)	Share of children of elite parents (%) (3)
1	Colegio Cumbres*	6.66
2	Colegio Everest*	6.66
3	Colegio del Verbo Divino*	5.22
4	Colegio Saint George*	5.17
5	Colegio San Benito*	4.99
6	Colegio The Grange School*	4.75
7	Colegio Villa Maria Academy*	4.54
8	Colegio Tabancura*	4.37
9	Colegio Tabor y Nazareth*	3.90
10	Colegio Los Andes*	3.43
11	Colegio Cordillera*	2.63
12	Colegio Los Alerces*	2.40
13	Colegio San Anselmo	2.35
14	Colegio SS.CC. de Manquehue*	1.98
15	Colegio Santiago College	1.88
16	Colegio San Isidro	1.79
17	Colegio Santa Úrsula*	1.65
18	Colegio Padre Hurtado y Juanita de los Andes	1.58
19	Colegio San Ignacio El Bosque*	1.51
20	Colegio SC de Apoquindo*	1.48
21	Colegio Huelén*	1.41
22	Colegio Craighouse*	1.08
23	Colegio The Newland School	1.03
24	Colegio Francisco de Asís	0.96
25	Colegio La Maissonette*	0.96
Total		74.39

Notes: The table presents the schools most commonly chosen by elite parents (those who attended older elite K-12 schools) near the admission threshold of an elite college program for their children. The stars indicate schools that we identify as elite private schools using our classification scheme. See Online Appendix A.1 for details.

Table A.III: Share of Students from Elite Schools in Different College Programs

College	Business/Economics (1)	Civil Engineering (2)	Law (3)	Medicine (4)
Universidad Católica de Chile	29.7	22.6	25.3	11.8
Universidad de Chile	13.9	6.0	9.5	6.7
Universidad de Concepción	0.4	0.1	0.7	0.5
Universidad Católica de Valparaíso	2.9	1.6	3.8	
Universidad Técnica Federico Santa María	3.3	3.9		
Universidad de Santiago	7.6	4.4		3.6
Universidad Austral	0.6		0.4	0.3
Universidad de Valparaíso	0.6	2.0	0.5	1.9

Notes: The table presents the share of elite school students admitted into different college programs. Figures were computed using individuals applying to college between 1978 and 2003. See Online Appendix A.1 for details.

B Variable construction

This section provides additional details on variable construction.

B.1 Tuition fees

School tuition fees were obtained from two sources. First, from the Ministry of Education we obtained information on the tuition fees charged by voucher schools. Voucher schools were allowed to charge tuition fees on top of the voucher between 1994 and 2015. We normalized these tuition fees so they reflected the 2021 level of prices. The information on the tuition fees charged by private schools was manually collected. To reduce the number of schools for which we needed this information, we focused on the private schools attended by the children of individuals applying to elite college programs whose scores put them within the bandwidth we use in our main analyses. In most cases, this information was available on the websites of the schools. If the tuition fees on the website did not correspond to 2021, we adjusted them so they would reflect 2021 price levels. In a few cases, however, we directly called the schools to inquire about their prices. Combining these different sources we were able to collect data on the tuition fees charged by the schools attended by more than 80% of the children in our sample. As reported in Table 6 in the main text, there is no change at the cutoff in the probability of observing the tuition fees that parents paid for their children K-12 schools.

B.2 K-12 school value added

One of the variables we use to characterize the K-12 school that the children of elite college program applicants attend is the school value added. To build this variable we exploit the fact that in Chile there is a standardized test—SIMCE—that is regularly applied to primary and secondary education students. For this exercise, we focus on the test scores that students obtain when they are in grade 10 (this is the only high school grade in which the standardized test is applied). We combine the test scores with a rich vector of socioeconomic and demographic students' characteristics and estimate the following specification:

$$Y_{it} = \beta_0 + \Sigma_{k=1}^{K} \beta_k X_{kit} + \mu_t + \mu_{s(it)} + \varepsilon_{it}$$

where Y_{it} is the average of the scores that students obtain in the reading and math section of the exam, X_{kit} is one of the K controls we include in this specification, μ_t is a year fixed effect, and μ_s is a school fixed effect. Our measure of school value added is given by μ_s.

The controls X_{kit} include gender, dummies for birth year, dummies for parental education (less than high school, completed high school, vocational higher education, university education), dummies for three household income categories (low, middle, high), dummies for three categories of books at home (less than 10, 10 to 50, more than 50), and two dummies indicating the availability of a computer and of Internet at home.

B.3 Neighborhood characteristics

In Section 6.3.5 we study how parents' admission to elite college programs affects the neighborhood in which they live when their children complete high school. To characterize neighborhoods, we compute the average elite name index, tuition fees, and college admission exam scores of children within a 100- and 200-meter radius of each child's home address, excluding the reference child. We identify neighbors using data from Barrios-Fernández (2022). This data contains geocoded addresses of students completing high school between 2004 and 2012 in three regions of Chile: the Metropolitan Region of Santiago, the Valparaiso Region, and the Biobio Region. More than 60% of the student population comes from one of these three regions. We match children in our sample with his/her neighbors completing high school between 2004 and 2012. We build this measure only for children old enough to complete high school between 2004 and 2012 in one of the three regions in which we observe addresses. On average, these children have 38.65 neighbors in a 100 meters radius, and 128.50 neighbors in a 200 meters radius.

We do not have information on the characteristics of the houses in which children live with their parents, but we do observe the value of the square meter at the census block level. Census blocks are the smallest geographic unit used in the Chilean census, and in urban areas they coincide with actual city blocks. As in the case of the variables described in the previous paragraph, we build this variable for children completing high school between 2004 and 2012 in the three regions for which we observe addresses. The land prices used in this section are reported in an inflation adjusted account unit, UF.

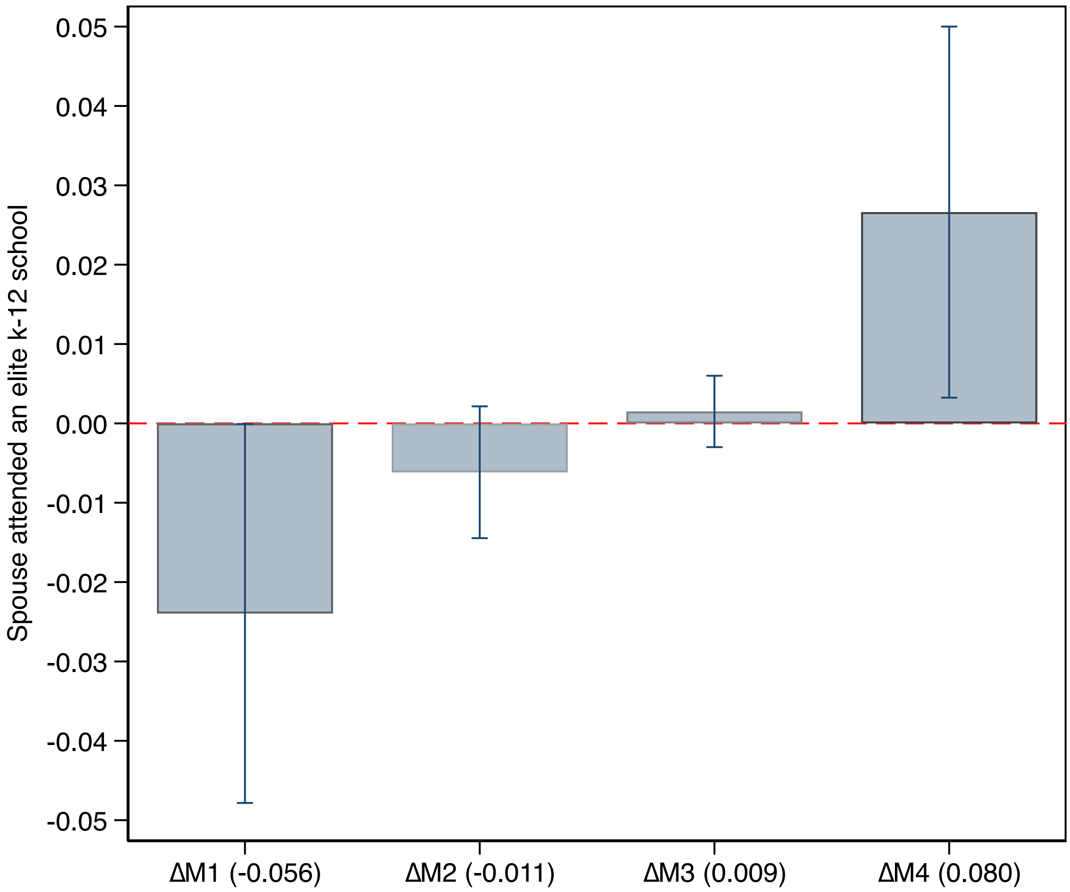
B.4 Marriage market strength in college degree programs

In section 6.4 we develop program-specific measures of marriage market prospects. The goal is to capture variation in the likelihood that non-elite individuals admitted to specific college programs will marry elite individuals. We build a measure M_{dt} that is equal to the share of non-elite admitted students marrying elite individuals for each college program d and each application year t. When computing these shares for individuals applying to college in year t we only used applicants from other years t^{-}.

The point of this measure is that admission to degrees with higher values of M_{dt} should raise the rate at which non-elite students go on to marry elite students. We test its performance by estimating regression discontinuity specifications of the form given in equation (1), splitting by quartile of ΔM—the difference between the value of M_{dt} at the target and next-option degree for a given individual. For context, panel (c) of Figure 8 in the main text reports how values of M_{dt} at the degrees where students are admitted change across the cutoff. For students in the top quartile of ΔM, admission to the target degree raises M_{dt} at the degree where they are admitted by 0.08. Changes in M_{dt} are close to zero in the middle two quartiles, and negative in the bottom quartile. If actual marriage outcomes track measures track our measure of marriage market opportunity, we should observe similar patterns, though perhaps different magnitudes.

We report results in Figure B1, with each bar representing a regression discontinuity estimate. We observe an increasing pattern across quartiles of ΔM, with negative effects in the bottom quartile, approximately zero effects in the middle two quartiles, and positive effects in the top quartile. In short, the change applicants experience in the probability of marrying into the elite is proportional to ΔM_{dt}. We interpret this as evidence that our measure of marriage market opportunity does a credible job of predicting changes in marriage market experiences for individuals randomized into different degree programs.

Figure B1: Effect of admission to an elite college program on marriage market outcomes



This figure reports regression discontinuity estimates from equation 1 where the outcome is an indicator for whether one's spouse attended an elite private high school, splitting the sample by cross-threshold changes in our measure of degree-specific marriage market prospects M. Each bar is a regression discontinuity estimate and the sample is split by quartiles of ΔM, from the bottom quartile on the left to the top quartile on the right. Numbers in parentheses on the horizontal axis the mean values of cross-threshold changes in M within the quartile as reported in Panel (c) of figure 8. Vertical bars are 95% CIs. See section B.4 for details.

C Intergenerational correlations

C.1 Alternate human capital measures

The rank-rank correlations between child and parent scores in the main text are based on college admissions exams. However, not all children take the college admission exam. As reported in Table 2, the college admission exam is taken by 75% of high school graduates, and by around 90% of children for whom we identify parents. In this section we complement the results in the main body of the paper by estimating rank-rank correlations that use children's performance on a standardized test applied to all students at the end of grade 10 rather than their college entrance exam scores. The grade 10 standardized test is known as the SIMCE. The downside of the SIMCE measure is that the test is not administered every year. Thus, these rank-rank correlations only include children who were in grade 10 in 2001, 2003, 2006, 2008, 2010, 2012, 2013 or 2015.

We find similar patterns to those reported in the main text. Panel (a) of Figure C.I displays rank-rank correlations between children and mothers, while panel (b) displays correlations between children and fathers. Although the slopes are slightly smaller than those obtained using the admissions exam data for children's ranks, a clear positive correlation remains. In addition, the children of parents who attended elite private high schools obtain on average higher scores, with convergence across social status groups as mother's test scores rise but not as father's test scores rise.

C.2 Intergenerational correlations between fathers and children

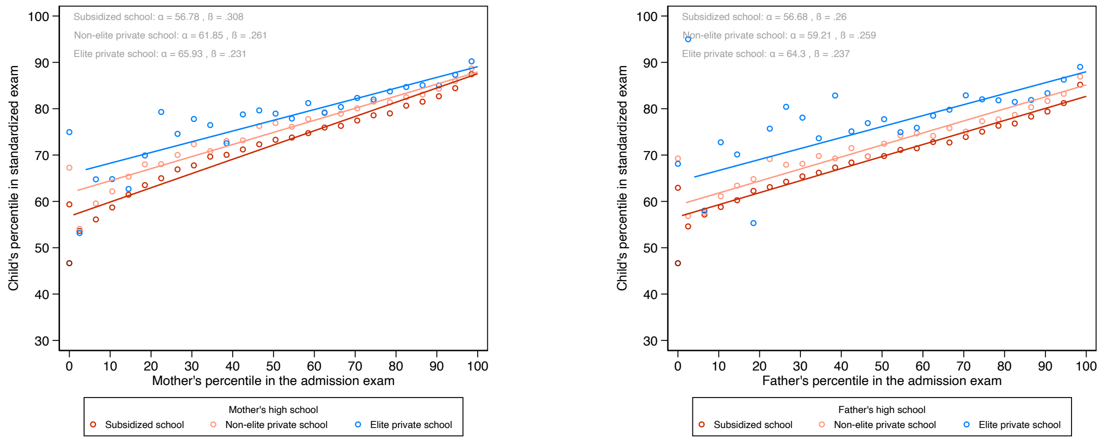
In section 4 we discuss correlations between mothers' outcomes and outcomes for children. This section presents a parallel analysis of correlations between fathers' outcomes and children's outcomes. Figure C.II reproduces main text Figure 2 but using data for fathers rather than mothers. Panel (a) presents rank-rank correlations between fathers' and children's performance on the college admission exam. As in the case of mothers, we find a positive rank-rank correlation of between 0.3 and 0.4. As noted in the main text, an important difference we observe is that slopes are similar across different levels of fathers' social capital. Unlike what we observed for mothers, there is little convergence at the top of the score distribution. Results for other outcomes parallel those in main text Figure 2.

Figure C.III repeats main text Figure 3 but using data for fathers rather than mothers. Qualitative patterns are similar across the board.

C.3 Intergenerational correlations between parents and children

Figure C.IV reproduces main text Figure 2, replacing outcomes for mothers with average outcomes for both parents. The sample is limited to children for whom we have college admissions exam data for both parents. Broad patterns are similar to those reported in the main text. Panel (a) in Figure C.IV presents rank-rank correlations between parents and children's performance on the college admission exam. We find a positive rank-rank correlation of between 0.3 and 0.5. The slopes estimated when focusing on parents who attended subsidized or non-elite private K-12 schools are larger than when looking independently at mothers or fathers. Other measures of children's human and social capital also improve with parents' average performance on the college admission exam.

Figure C.I: Correlations between Parents' Scores in the College Admission Exam and Children's Scores in SIMCE

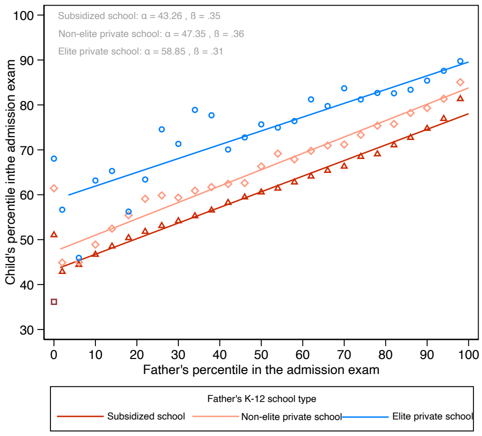


(a) Mothers

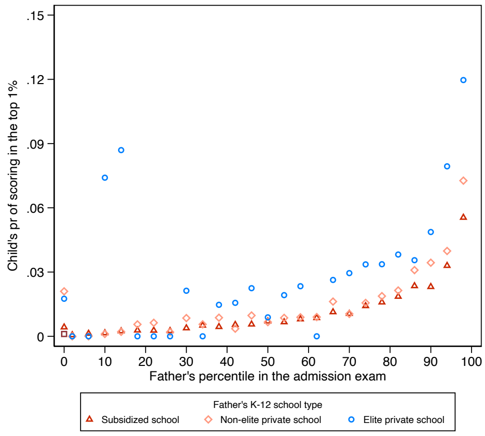
(b) Fathers

This figure illustrates rank-rank correlations between parents' scores in the college admission exam and their children scores in the SIMCE. The SIMCE is a standardized test that students take at the end of grade 10. We allow the correlations to vary depending on the type of high school attended by the parents. Panel (a) focuses on correlations between mothers and children, while panel (b) between fathers and children.

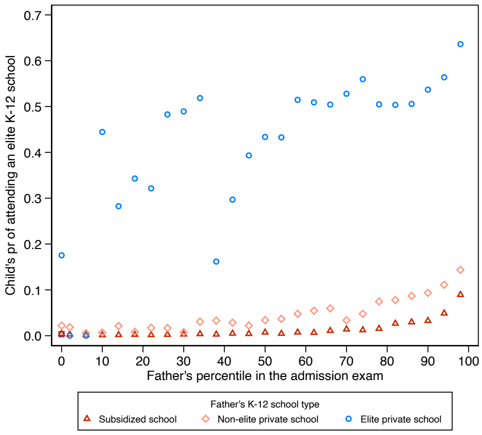
Figure C.II: Correlations between Fathers' Scores and Children's Outcomes by father's K-12 school type



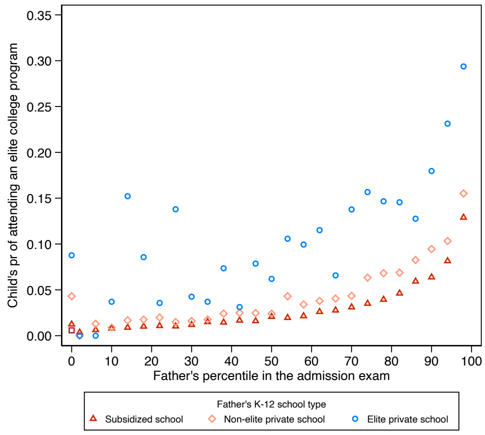
(a) Rank-rank correlations



(b) Child scores in top 1%



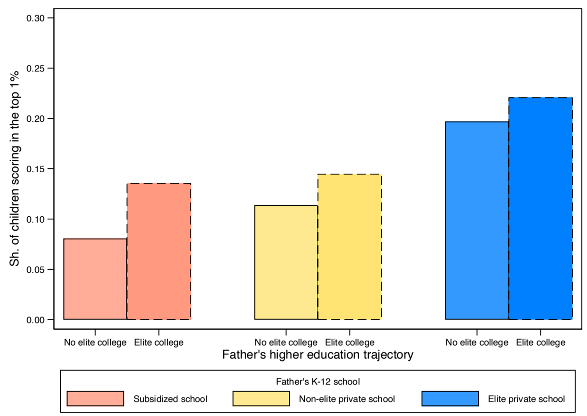
(c) Child attends elite high school



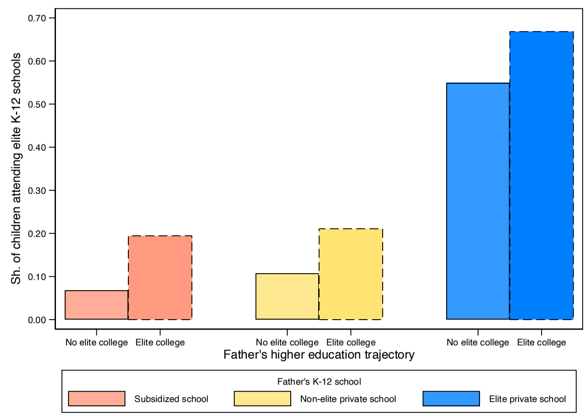
(d) Child attends elite college program

This figure illustrates correlations between different children outcomes and their fathers' percentile in the university admission exam distribution. For each outcome we allow the relationship to vary depending on the type of high school attended by the father. Panel (a) illustrates the relationship between fathers' and children's percentiles in the university admission exam. Panel (b) focuses on the probability that a child reaches the top 1% in the university admission exam distribution; panel (c) on the probability that a child attends an elite school; and panel (d) on the probability that a child attends an elite college program. The linear relations illustrated in panel (a) ignore zeros. Maroon circles in all panels illustrate cases in which we do not observe fathers' high school and scores. See section C.3 for details.

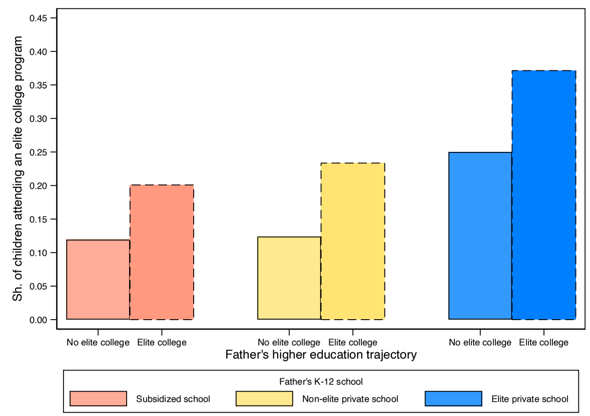
Figure C.III: Child outcomes by father's elite college attendance.



(a) Child scores in top 1%



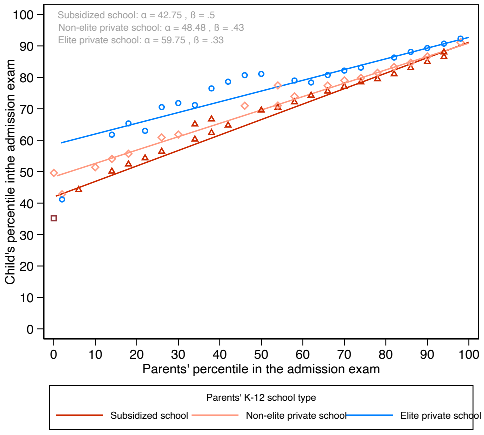
(b) Child attends an elite high school



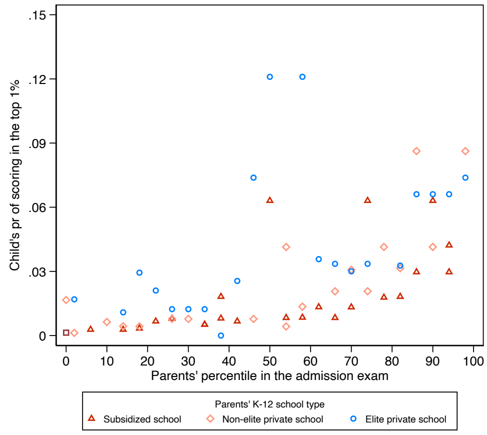
(c) Child attends elite college program

This figure illustrates how children's outcomes relate to whether their fathers attended elite college degree programs. All fathers in the sample used to build this figure scored in the top 1% of the university admission exam. The colors of the bars denote the type of high school attended by the father. Light bars with solid borders illustrate means for children whose fathers did not attend an elite college program. Dark bars with dashed borders illustrate the means for children whose fathers did attend an elite college program. Panel (a) shows the probability that a child scores in the top 1% of the university admission exam distribution. Panel (b) shows the probability that a child attends an elite K-12 school. Panel (c) shows the probability that a child attends an elite college program. See section C.3 for details.

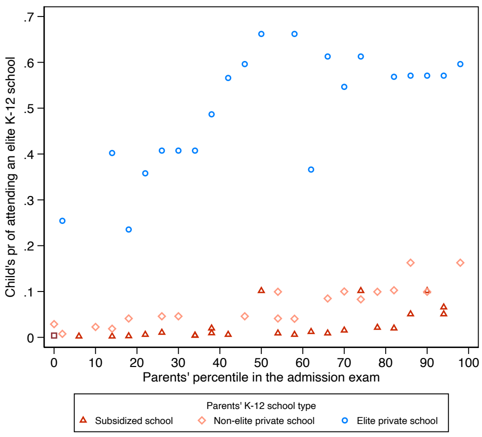
Figure C.IV: Correlations between Parents' Scores and Children's Outcomes



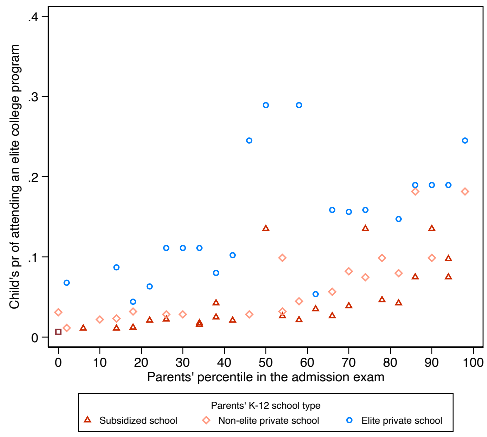
(a) Rank-rank correlations



(b) Child scores in top 1%



(c) Child attends elite high school



(d) Child attends elite college program

This figure illustrates correlations between different children outcomes and their parents' percentile in the university admission exam distribution. For each outcome, we allow the relationship to vary depending on the type of high school attended by the parents. We classify children's social background based on the most exclusive of their parents' high school. Panel (a) illustrates the relationship between parents' and children's percentiles in the university admission exam. Panel (b) focuses on the probability that a child reaches the top 1% in the university admission exam distribution; panel (c) on the probability that a child attends an elite school; and panel (d) on the probability that a child attends an elite college program. The linear relations illustrated in panel (a) ignore zeros. Maroon circles in all panels illustrate cases in which we do not observe parents' high school and scores. See section C.3 for details.

D Additional results

D.1 Changes in fertility at the cutoff

Figure 5 in the main text reports that parents' chances of having at least one child do not change when they cross the cutoff for admission to an elite degree program. Figure D1 repeats this exercise but using the number of children applicants have as the outcome of interest. We see no evidence of a change in this variable across the admissions cutoff.

D.2 Regression discontinuity estimates for additional educational outcomes and sample definitions

This section provides figures and tables that supplement our main analysis of the elite college regression discontinuity in section 6.1 of the main text.

Figure D2 reproduces main text figure 6 using the full elite college applicant sample rather than restricting to parents not from elite high schools.

Tables D1 and D2 report estimates of equation 1 for outcomes beyond those reported in main text Table 4. Key results are as follows. Panel (a) of Table D1 reports estimated effects of parent elite admission on children's attendance at non-elite private schools. The effects here are almost identical in magnitude to the effects of parent admission on children's elite private school attendance, but with negative signs. The primary margin of substitution at the cutoff is between elite and non-elite private schools. This panel also reports results for an alternate measure of child social capital: the "Who's Who" elite name index at the high school the child attends. Effects for this index are almost identical to the effects for the polo club index that we report in the main text.

Panels (b), (c), and (d) of Table D1 report results for additional human capital measures. These measures are the high school GPA component of the college admissions score, taking the college admissions exam, scoring in the top 5% or top 10% on the college admissions exam, and achieving a combination of grades and test scores high enough to permit admission for some program in an elite college or an elite program in an elite college. We observe null effects across all of these outcomes.

Panel (a) of Table D2 show that parent elite admission raises children's chances of applying to an elite college by roughly the same amount as the increase in elite college enrollment reported in main text Table 4 (the enrollment effect is 0.0237 in the full sample; the application effect is 0.0253). The finding that application patterns change rationalizes the increase in enrollment despite null effects on the human capital measures that determine admissions outcomes.

Panels (b) and (c) of Table D2 describe how parents' elite admission shapes alternate measures of children's educational trajectories. The elite name indices of children's college peers rise with parent elite admission (c). These effects are present in the full sample and for children of non-elite parents; results for children of elite parents are noisily estimated. Children become more likely to follow a comprehensive "elite trajectory"—from an elite high school to an elite college—when their parents are admitted to an elite degree program (d).

In Table D3 we replicate the analyses looking at changes in children's college peers, but focusing only on children who are actually admitted to a college that participates in the centralized admission system. The estimates we obtain are very similar to the ones presented in panel (b) of Table D2, in which we include non-admitted children in the sample and assign them college peer values based on averages among non-admitted students. That the treatment of non-admitted students does not affect our findings makes sense given that children's rates of admission to any college are high and do not change when parents cross the admissions cutoff.

D.3 Further details on educational expenditure

We supplement our discussion of educational expenditure effects in main text section 6.3.2 and Table 6 with additional graphical evidence. Figure D3 shows regression discontinuity plots for key outcomes reported in Table 6. We see a clear discontinuity in educational expenditure but no increase in the rate at which students attend non-elite expensive schools. The discontinuity in the school-type based expenditure index is clear. As reported in the main text, the shift towards elite private schools explains most of the overall increase in educational expenditures.

D.4 Effects of attributes of parents' college programs on children's outcomes

We expand the analyses presented in Section 6.4.2 by allowing parental admission effects to vary depending on the target and next-option field of study. For this exercise we classify each degree in our sample in ten fields of study following the International Standard Classification of Education (ISCED-F 2013).[13]. We define the fields of study at the two-digits level, with the exception of *Businesses administration and law*. In this case, we separate *Business and administration* from *law*. Based on this classification, we generate a variable that identifies the target and next-option field of study (F_{ijct}) and estimate the following specification:

$$\begin{aligned} E_{ijct} =& \beta_0 + \beta_1 A_{ijct} + \beta_2 A_{ijct} \times \Delta E_{ijct} + \beta_3 A_{ijct} \times \Delta Q_{ijct} + \beta_4 A_{ijct} \times \Delta M_{ijct} \\ &+ \beta_5 \Delta E_{ijct} + \beta_6 \Delta Q_{ijct} + \beta_7 \Delta M_{ijct} + \Sigma_f \gamma_f A_{ijct} \times 1(F_{ijct} = f) \\ &+ f(S_{ijct}, \mathbf{\Delta X}_{ijct}, F_{ijct}; \theta) + \mu_c + \mu_{c'(ijct)} + \mu_f + \mu_t + \varepsilon_{ijct}. \end{aligned} \tag{10}$$

E_{ijct} is an outcome for child i of parent j applying to program c in cohort t and A_{ijct} is an indicator for i's admission to c in year t. β_1 is the main effect of admission to the target degree relative to an observably identical next choice. β_2, β_3, and β_4 are coefficients on the main regressors of interest—interactions between admission and the change in degree-specific peer attributes across the cutoff. In addition, we allow the threshold crossing effect to vary depending on the target and next-option field of study. Controls include main effects of $\mathbf{\Delta X}_{ijct} = [\Delta E_{ijct}, \Delta Q_{ijct}, \Delta M_{ijct}]$, as well as a continuous linear function

[13] Visit this link for further details

of S_{ijct} that is allowed to vary above and below the cutoff and to interact linearly with the $\mathbf{\Delta X}_{ijct}$ and with F_{ijct}. We include fixed effects for target degree c, next option degree c', target $\times$ next-option field of study, and application cycle.

Table D4 reports the results of these regressions for our main outcomes. When reporting coefficients, we standardize the $\mathbf{\Delta X}_{ijct}$ to have mean zero and standard deviation one. As in the case of specifications discussed in Section 6.4.2, parent exposure to alumni of elite K-12 schools during college increases a child's probability of attending an elite K-12 school, an elite college, and an elite college program. It also increases a child's share of college peers from elite K-12 schools and college peers' elite name index. It does not, however, impact child's test scores or college program selectivity measured by peer test scores. As in our previous analyses, parent college degree selectivity does not seem to improve children's outcomes. The share of non-elite individuals marrying elite individuals only seems to improve a child's probability of attending an elite K-12 school. Allowing for differential effects depending on the fields of study chosen by parents does not change the conclusions discussed in the main body of the paper.

D.5 Heterogeneity by high school and degree type

We extend the elite college regression discontinuity analysis by digging deeper into heterogeneity by high school type and college degree program. We first consider splits within the sample of non-elite parents by breaking out parents who attended subsidized public and voucher schools from parents who attended non-elite private schools. Figure D4 reports estimated regression discontinuity effects that split the non-elite sample in this way. We observe similar effects on children's elite high school attendance for parents from subsidized and non-elite private high schools. Effects on human capital outcomes are null in both groups. Effects on college outcomes are noisily estimated but again fairly similar across groups. Table D5 replicates the main analyses distinguishing between children whose parents attended subsidized schools and those whose parents attended non-elite private schools. Both groups of children are affected by their parents' admission to elite college programs.

In Figure D5 we study whether the effects documented in the main body of the paper are driven by parents being admitted to business oriented programs or to medicine. This distinction is potentially important, because Zimmerman (2019) shows that the distributional effects of admission are very different for business-oriented and medical programs. Business-oriented programs help students from private school backgrounds reach the very top of the income distribution and top corporate leadership roles, but have limited effects for students from other backgrounds. In contrast, medical programs raise average income for all students but do not help them reach the very top of the income distribution.

As reported in Tables D6 and D7, we find that admission to both types of elite college programs raise the chances that children of non-elite parents of attend elite private high schools, but that effects for medical programs are somewhat larger than for the business-oriented programs (0.0546 vs. 0.0265).

D.6 Parents from Santiago vs parents from other regions of the country

Because all of the elite K-12 schools and colleges are located in Santiago, one hypothesis worth studying is whether the effects we document for children are driven by parents moving to Santiago to attend college. To explore this hypothesis, we replicate our main analyses splitting the sample depending on whether parents attended K-12 schools located in Santiago or in other cities. The idea is that for parents living in Santiago before college, the geographic mobility effects of attending college in Santiago are likely more limited. Tables D8 and D9 present our results.

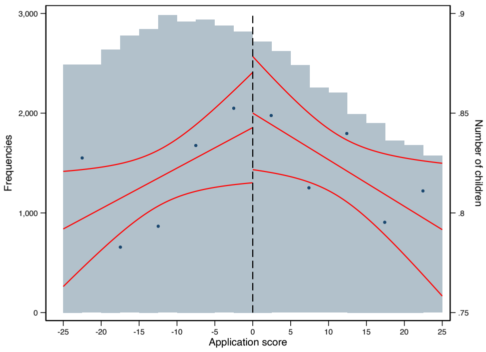
We find that attending an elite college program makes parents more likely to send their children to an elite K-12 school regardless of whether they (the parents) attended high school in Santiago or not. The estimated coefficient is slightly larger for parents who attended K-12 schools in Santiago, suggesting that parents' migration to Santiago is not an important driver of our results.

Paralleling our findings for the pooled sample, we find no human capital gains in either geographical group. When splitting the sample between parents from Santiago and from other cities, the increase we find on children's probability of attending an elite college becomes not significant. However, the coefficients are very similar to the ones documented in the main body of the paper.

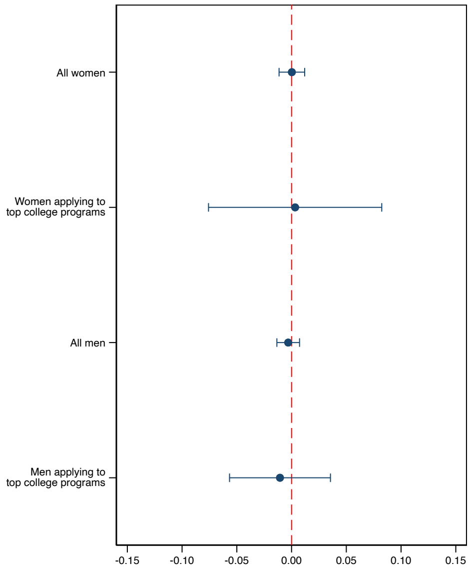
D.7 Additional results on children's neighborhood

This section shows that the results presented on Section 6.3.5 on changes in neighborhood characteristics are robust to use a 200 meter radius instead of a 100 meter radius to define a child's neighborhood. Table D10 present the estimates of this additional exercise.

Figure D1: Admission to elite college programs and fertility



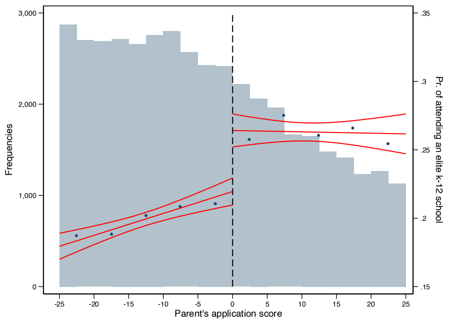
(a) Change in Number of Children



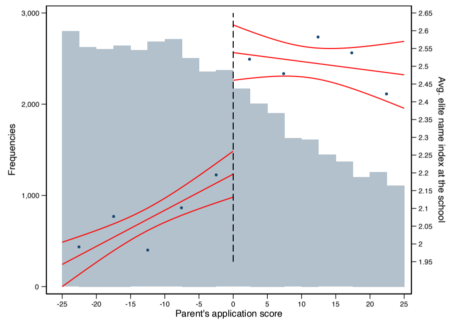
(b) Change in Number of Children for different Sub-samples

This figure illustrates changes on the number of children we observe for college applicants. Panel (a) focuses on individuals applying to elite college programs between 1976 and 2002. The running variable corresponds to individuals' college application score. It is centered around the admission cutoff of their target college program. Each dot represents outcome averages at different levels of individuals' application score. The red lines correspond to linear regressions and their 95% confidence intervals and were independently estimated at each side of the cutoff. The blue bars in the background illustrate the distribution of the running variable—i.e., individuals' application score—in the estimation sample. Panel (b) illustrates the estimated effects for independent group of individuals applying to college in the same period. Each dot corresponds to the estimated coefficient for a different sub-sample of college applicants. The dot at the very top illustrates the threshold crossing effect for all women applying to college between 1976 and 2002. The second dot focuses only on the subset of women applying to elite college programs. The third dot studies what happens with all men applying to college between 1976 and 2002. And finally, the fourth dot illustrates the crossing threshold effect for men applying to elite college programs. The dots represent the estimated coefficient, and the bars 95% confidence intervals. See section D.1 for details.

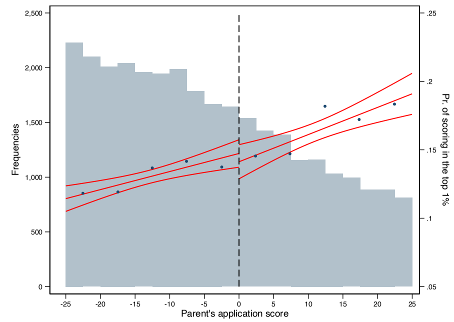
Figure D2: Effect of parents' admission to an elite college program on children's outcomes– full sample



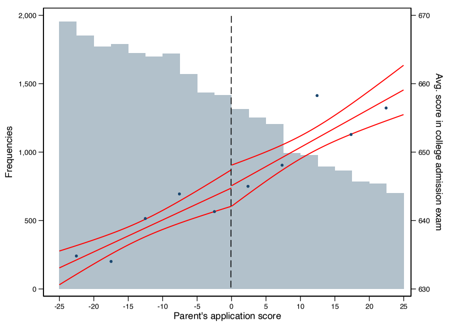
(a) Child attends elite K-12 school



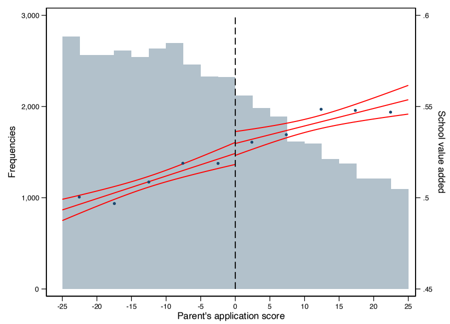
(b) Name index in child's school



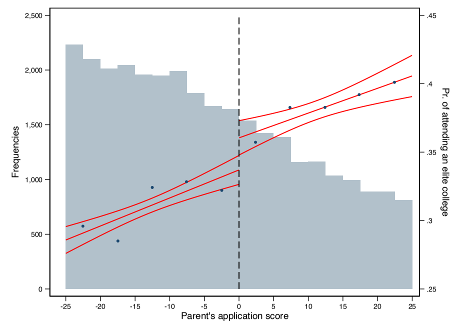
(c) Child scores in top 1%



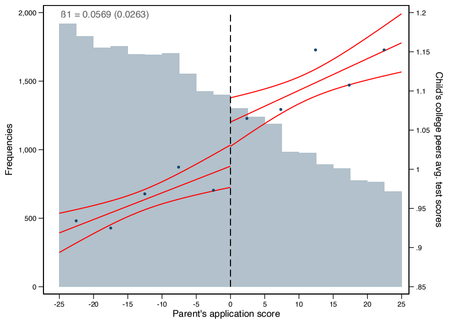
(d) Child's admissions exam score



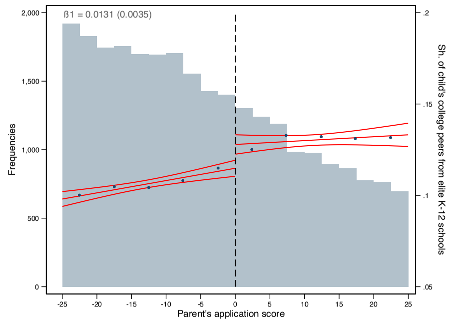
(e) Child's K-12 school value added



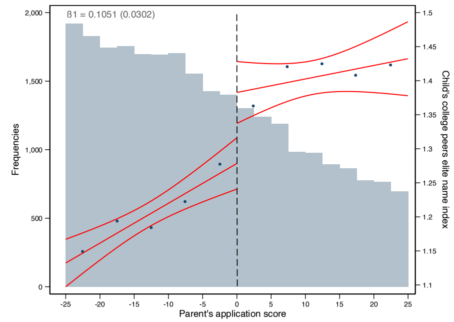
(f) Child attends an elite college



(g) Child's college peers test scores



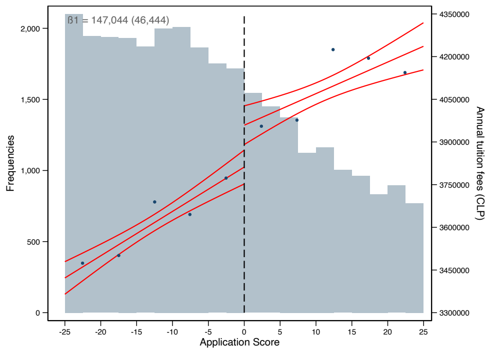
(h) Child's college peers from elite schools



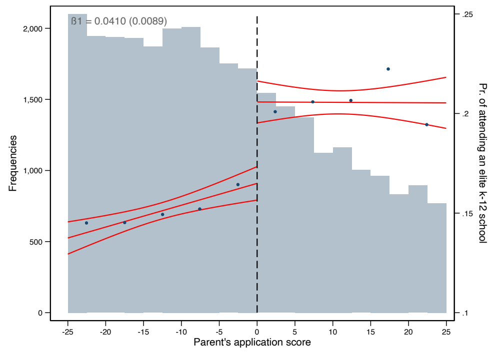
(i) Child's college peers name index

This figure illustrates how outcomes for children change when one of their parents gains admission to an elite college program. The sample is limited to parents applying to elite college programs. Parents are included in the sample regardless of what kind of high school they attended. Panel (a) shows the probability that the children attend an elite K-12 school. Panel (b) shows the elite name index at the children's K-12 school. Panel (c) shows children's probability of scoring in the top 1% of the college admission exam distribution. Panel (d) shows the average score children obtain in the college admission exam. Panel (e) shows the value added of children's K-12 school. Panel (f) shows children's probability of attending an elite college (i.e., University of Chile or Catholic University). The running variable is the parent's application score. It is centered around the admission cutoff at the target elite degree program. Each dot represents outcome averages at different levels of parents' application score. The red lines are fitted values from linear regressions and their 95% confidence intervals, fit separately on each side of the cutoff. The blue bars in the background illustrate the distribution of the running variable in the estimation sample. See section D.2 for details.

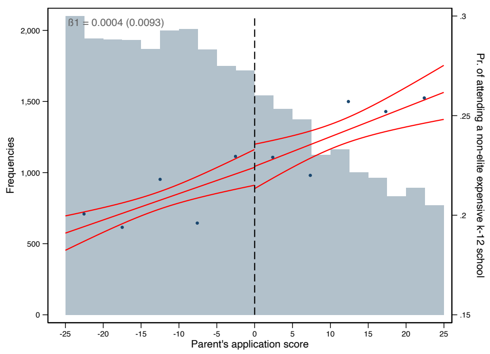
Figure D3: Effect of parents' admission to an elite college program on educational expenditure



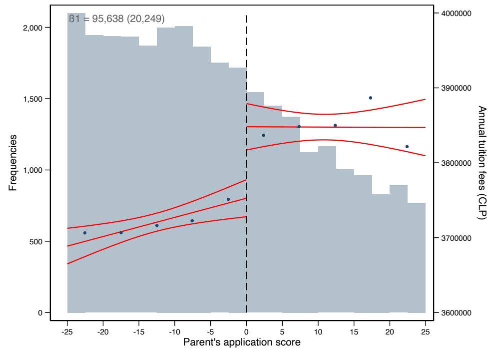
(a) Tuition fees



(b) Pr. of attending an elite school



(c) Pr. of attending a non-elite expensive school



(d) Δ in tuition fees explained by Δ in elite schools attendance

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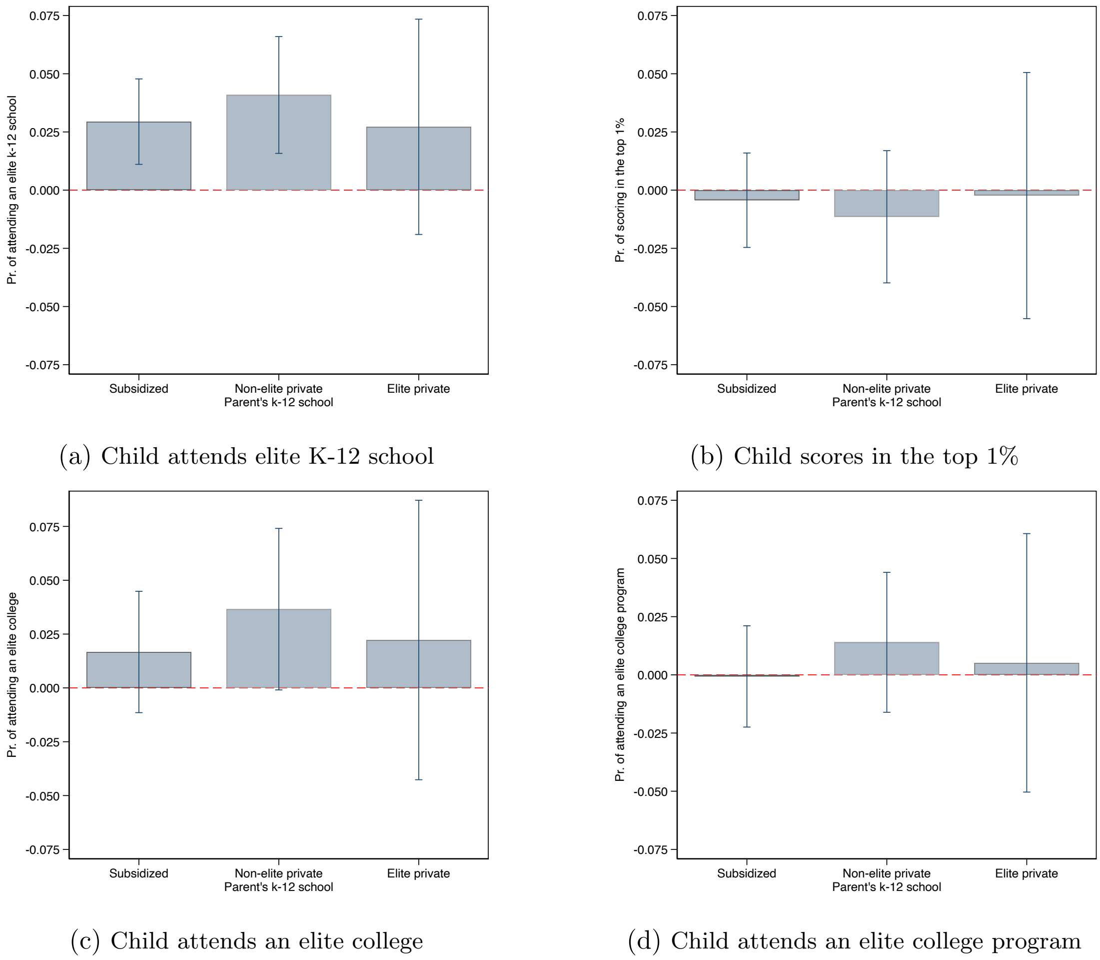
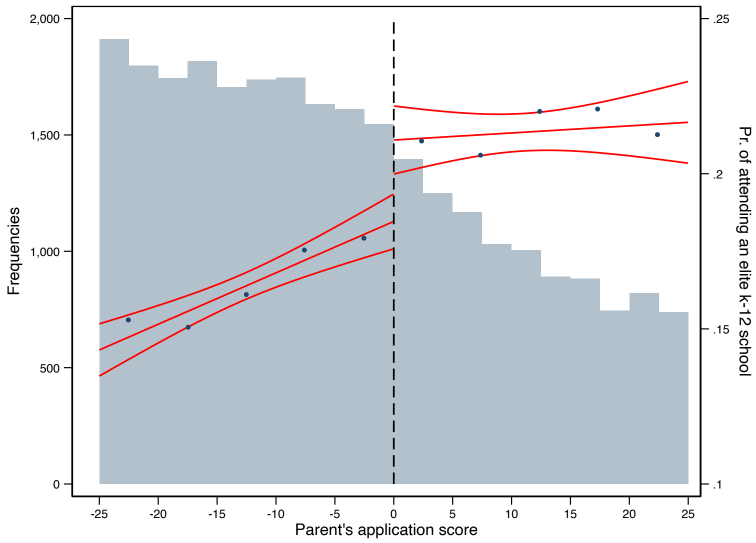
This figure shows how parents' admission to an elite college program changes their expenditures on their children's education. Panel (a) illustrates the change in annual tuition fees paid by parents marginally admitted to an elite college program in their children K-12 schools. Panels (b) and (c) show how the probability of sending children to an elite and non-elite expensive private K-12 school changes at the cutoff. Finally, panel (d) studies how much of the increase in tuition fees documented in panel (a) is explained by parents becoming more likely to send their children to an elite K-12 school. To implement this exercise, we replaced the actual fees charged by elite and non-elite schools by the average fee on each category. In all cases, the running variable corresponds to parents' application score to elite college programs. It is centered around the admission cutoff of their target programs. Each dot represents the mean of the outcome variable at different levels of parents' application score. The red lines correspond to linear regressions and their 95% confidence intervals and were independently estimated at each side of the cutoff. The blue bars in the background illustrate the distribution of the parents' scores in the estimation sample. See section D.3 for details.

Figure D4: Effect of parents' admission to an elite college program on their children's outcomes–alternate high school splits

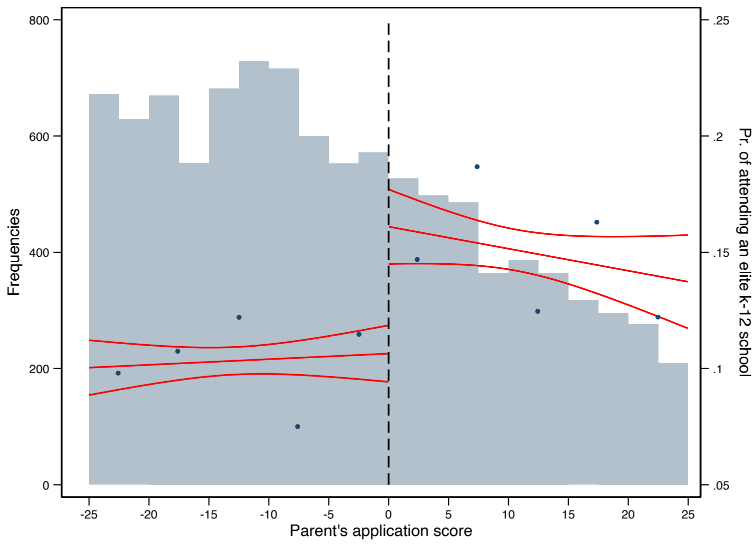


This figure illustrates the effects of parents' admission to elite college programs on their children's educational trajectories depending on the type of K-12 school attended by the parent. In panel (a) the outcome is children's probability of attending an elite K-12 school. In panel (b) the outcome is children's probability of scoring in the top 1% of the college admission exam. In panel (c) the outcome is children's probability of attending an elite college. In panel (d) the outcome is children's probability of attending an elite college program. Each coefficient is estimated using our main specification in the set of parents who attended subsidized, non-elite private, and elite private schools, respectively. See section D.5 for details.

Figure D5: Effect of parents' admission to an elite college program on their children's K-12 school type, split by parents' field of study



(a) Business and Law



(b) Medicine

This figure illustrates how the probability of attending an elite private school changes for the children of non-elite parents when one of their parents gains admission to a top college program. Panel (a) focuses on cases in which parents gain admission to top business and law programs, while panel (b) on cases in which parents gain admission to top medical schools. The running variable corresponds to the parents' application score to top college programs. It is centered around the admission cutoff of their target program. Each dot represents the share of children going to university at different levels of parents' application score. The red lines correspond to linear regressions and their 95% confidence intervals and were independently estimated at each side of the cutoff. The blue bars in the background illustrate the distribution of the parents' scores in the estimation sample. See section D.5 for details.

Table D1: Parents' admission to an elite college program and children's outcomes—additional outcomes

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending a non-elite private school			WW elite name index at K-12 school		
Parent admitted to target program = 1	-0.0440	-0.0344	-0.0408	0.3342	0.2847	-0.0507
	(0.0091)	(0.0096)	(0.0233)	(0.0506)	(0.0483)	(0.1508)
Observations	42696	37268	5428	42696	37268	5428
Counterfactual mean	0.632	0.673	0.312	2.537	2.127	5.706
	Panel B - Effects on child's pr. of taking the college admission exam and scoring in the top 1%					
	Pr. of taking the college admission exam			Pr. of scoring in the top 1%		
Parent admitted to target program = 1	-0.0044	-0.0007	-0.0313	-0.0060	-0.0075	-0.0023
	(0.0077)	(0.0081)	(0.0241)	(0.0081)	(0.0084)	(0.0270)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.869	0.871	0.852	0.137	0.129	0.209
	Panel C - Effects on child's college admission exam and on college admissions					
	Pr. of scoring in the top 5%			Pr. of being admitted to any college		
Parent admitted to target program = 1	0.0007	-0.0013	0.0079	-0.0020	0.0022	-0.0308
	(0.0109)	(0.0115)	(0.0330)	(0.0073)	(0.0076)	(0.0239)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.336	0.325	0.438	0.8830	0.8862	0.8546
	Panel D - Effects on child's eligibility for elite college programs					
	Pr. of being eligible for an elite college			Pr. of being eligible for an elite college program		
Parent admitted to target program = 1	-0.0007	-0.0046	0.0286	0.0216	0.0143	0.0761
	(0.0100)	(0.0108)	(0.0252)	(0.0119)	(0.0126)	(0.0362)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.763	0.752	0.870	0.413	0.398	0.553

Notes: The table presents estimates obtained from specification (1) that illustrate the effect of elite and non-elite parents' admission to an elite college program on their children's education trajectories. The sample varies across panels. Panel A focuses on children old enough to have enrolled in primary education (i.e., born before 2014). Panels B to D focus on children old enough to have applied to college in the period we observe (i.e., born before 2001). Standard errors clustered two ways at the parent × chile level are presented in parentheses. See section D.2 for details.

Table D2: Parents' admission to an elite college program and children's outcomes—additional outcomes

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
Panel A - Effects on child's college applications						
	Pr. of applying to an elite college			Pr. of applying to an elite college program		
Parent admitted to target program = 1	0.0253	0.0206	0.0516	0.0013	-0.0009	0.0125
	(0.0120)	(0.0128)	(0.0347)	(0.0113)	(0.0119)	(0.0363)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.505	0.488	0.662	0.290	0.276	0.420
Panel B - Effects on child's college peers' test scores and school of origin						
	College peers' avg test scores (std)			Share of college peers from elite K-12 schools		
Parent admitted to target program = 1	0.0569	0.0517	0.0642	0.0131	0.0134	-0.0005
	(0.0263)	(0.0282)	(0.0697)	(0.0035)	(0.0036)	(0.0121)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.953	0.998	1.410	0.106	0.094	0.219
Panel C - Effects on college peers' elite name index						
	Polo elite name index in college program			WW elite name index in college program		
Parent admitted to target program = 1	0.1051	0.1087	-0.0225	0.1161	0.1192	-0.0176
	(0.0302)	(0.0308)	(0.1039)	(0.0330)	(0.0338)	(0.1101)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	1.199	1.093	2.171	1.389	1.273	2.448
Panel D - Effects on child's whole educational trajectory						
	Pr. of attending an elite K-12 school and an elite college			Pr. of attending an elite K-12 school and an elite college program		
Parent admitted to target program = 1	0.0314	0.0233	0.0548	0.0074	0.0054	0.0023
	(0.0076)	(0.0072)	(0.0326)	(0.0059)	(0.0055)	(0.0277)
Observations	30663	27204	3458	30663	27204	3458
Counterfactual mean	0.111	0.083	0.364	0.060	0.045	0.199

Notes: The table presents estimates obtained from specification (1) that illustrate the effect of elite and non-elite parents admission to an elite college program on their children education trajectories. All the results in this table were estimated focusing on children old enough to have applied to college in the period we observe (i.e., born before 2001). Standard errors clustered two ways at the parent × child level are presented in parentheses. See section D.2 for details.

Table D3: Parents' admission to an elite college program and children's peers in college—Only children admitted to college

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Child's college peers' avg test scores (std)			Child's share of college peers from elite K-12 schools		
Parent admitted to target program = 1	0.0574	0.0531	0.0563	0.0132	0.0136	-0.0013
	(0.0263)	(0.0282)	(0.0695)	(0.0035)	(0.0036)	(0.0121)
Observations	26292	23439	2852	26292	23439	2852
Counterfactual mean	1.004	0.959	1.413	0.106	0.094	0.220

Notes: The table presents estimates obtained from specification (1) that illustrate the effect of elite and non-elite parents admission to an elite college program on the college peers of their children. All the results in this table were estimated focusing on children old enough to have applied to college in the period we observe (i.e., born before 2001) and who were actually admitted to college. Standard errors clustered two ways at the parent × child level are presented in parentheses. See section D.2 for details.

Table D4: Effects of attributes of parents' college programs on children's outcomes

	Pr. of attending an elite K-12 school	High school GPA	Avg. score in admission exam	Attends an elite college	Attends an elite college program	Avg. peer score in college program	Sh. of peers from elite K-12 schools in college program	Elite name index among college program peers (P)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Parent admitted in target major = 1 × ΔE	0.0104**	0.3597	-0.2546	0.0210***	0.0099**	0.0074	0.0065***	0.0512***
	(0.0043)	(1.4440)	(1.2913)	(0.0061)	(0.0045)	(0.0156)	(0.0019)	(0.0165)
Parent admitted in target major = 1 × ΔQ	-0.0068***	-1.3424	-2.3932**	-0.0085**	-0.0033	-0.0241**	-0.0017	-0.0181*
	(0.0020)	(1.1806)	(1.0240)	(0.0041)	(0.0027)	(0.0115)	(0.0011)	(0.0094)
Parent admitted in target major = 1 × ΔM	0.0069*	-0.0379	0.4401	-0.0100*	0.0007	0.0099	-0.0004	-0.0022
	(0.0037)	(1.3506)	(1.1976)	(0.0055)	(0.0038)	(0.0143)	(0.0017)	(0.0145)
Observations	350983	242545	242545	276984	276984	239194	239194	239194
Counterfactual outcome mean	0.063	603.149	600.829	0.187	0.072	0.647	0.048	0.695

Notes: This table presents estimates from parametric regression discontinuity specification 10 of the effects of attributes of the programs to which parents are admitted on outcomes for children. Each column is a single specification. Reported coefficients are interactions between parental admission to target degree and differences between the attributes of the target and next-option degree program. We consider differences along four dimensions: share of college peers from elite high schools (E), average college peer exam scores (Q), and share of non-elite college peers who marry alumni of elite K-12 schools (M). In addition, we allow the effect to vary depending on the fields of the target and next-option degree. We distinguish between ten fields following the ISCED-F 2013 definitions. Thus, the specification includes fixed effects defined by the target and next-option field of study combination, as well as interactions between these effects and scoring above the admission cutoff. All the variables are in standard deviation units. Samples vary across columns due to data availability. Column (1) focuses on children old enough to observe attending primary education (i.e., born before 2014). The rest of the columns focus on children old enough to observe applying to college (i.e., born before 2001). The regressions in columns (3) and (4) focus on the students we observe completing high school and taking the college admission exam. "Elite name index among college peers (P)" is the polo club elite name index. We control for a linear polynomial of the running variable, the slope of which is allowed to change at the cutoff. The slope of the running variable on both sides of the cutoff is allowed to vary with E, Q and M. It is also allowed to change depending on the target and next-option field of study combination. The main effects of E, Q, and M are also included in the specification. We also control for parents' application-year and parents' target program and next option fixed effects. Standard errors clustered two ways at the parent-child level are presented in parentheses. "Counterfactual mean" is the mean below-threshold value of the depend variable.

Table D5: Effect of parent admission to an elite college program on children's outcomes by parent high school type

	All non-elite parents (1)	Subsidized school parents (2)	Non-elite private school parents (3)	All non-elite parents (4)	Subsidized school parents (5)	Non-elite private school parents (6)
Panel A - Effects on child's K-12 school						
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0332	0.0294	0.0409	0.3038	0.2672	0.3700
	(0.0077)	(0.0094)	(0.0128)	(0.0491)	(0.0644)	(0.0745)
Observations	37268	22100	15168	36204	21396	14808
Counterfactual mean	0.158	0.137	0.191	1.730	1.608	1.918
Panel B - Effects on child's human capital						
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0075	-0.0043	-0.0114	-0.6569	-1.5148	1.3397
	(0.0084)	(0.0103)	(0.0145)	(2.2445)	(2.8523)	(3.5960)
Observations	27204	17225	9978	23789	15351	8437
Counterfactual mean	0.129	0.124	0.139	637.936	633.265	646.886
Panel C - Effects on child's college program characteristics						
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0517	0.0393	0.0786	0.0134	0.0137	0.0139
	(0.0282)	(0.0356)	(0.0461)	(0.0036)	(0.0043)	(0.0065)
Observations	27204	17225	9978	27204	17225	9978
Counterfactual mean	0.953	0.890	1.073	0.094	0.082	0.116
Panel D - Effects on child's type of college and program						
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0227	0.0167	0.0366	0.0050	-0.0007	0.0140
	(0.0115)	(0.0144)	(0.0191)	(0.0090)	(0.0111)	(0.0153)
Observations	27204	17225	9978	27204	17225	9978
Counterfactual mean	0.315	0.309	0.327	0.147	0.143	0.154

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on outcomes for their children. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). The specification also includes a second degree polynomial of the running variable, parents' application-year fixed effect, and parents' target program fixed effect. Standard errors clustered two ways at the child × parent level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.1 for details.

Table D6: Effect of parent admission to an elite college program on children's outcomes (business, engineering, and law)

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
Panel A - Effects on child's K-12 school						
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0455	0.0265	0.0479	0.3635	0.2956	-0.0597
	(0.0095)	(0.0093)	(0.0246)	(0.0634)	(0.0607)	(0.1710)
Observations	31901	27166	4735	31072	26369	4703
Counterfactual mean	0.243	0.175	0.692	2.374	1.881	5.566
Panel B - Effects on child's human capital						
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0063	-0.0083	-0.0061	0.2287	-1.0101	4.6720
	(0.0092)	(0.0096)	(0.0287)	(2.4638)	(2.6822)	(6.0613)
Observations	22486	19482	3003	19475	16972	2502
Counterfactual mean	0.129	0.118	0.207	637.503	633.225	669.527
Panel C - Effects on child's college program characteristics						
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0598	0.0504	0.0645	0.0145	0.0141	0.0021
	(0.0305)	(0.0332)	(0.0746)	(0.0043)	(0.0044)	(0.0131)
Observations	22486	19482	3003	22486	19482	3003
Counterfactual mean	0.989	0.932	1.417	0.113	0.098	0.226
Panel D - Effects on child's type of college and program						
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0221	0.0224	0.0040	0.0151	0.0149	0.0070
	(0.0126)	(0.0134)	(0.0354)	(0.0100)	(0.0105)	(0.0304)
Observations	22486	19482	3003	22486	19482	3003
Counterfactual mean	0.326	0.308	0.453	0.153	0.142	0.236

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite business, engineering, or law program on outcomes for their children. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). Standard errors clustered two ways at the child × parent level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.1 for details.

Table D7: Effect of parent admission to an elite college program on children's outcomes (medicine)

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
Panel A - Effects on child's K-12 school						
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0460	0.0546	-0.0872	0.3017	0.3372	-0.1414
	(0.0138)	(0.0132)	(0.0745)	(0.0811)	(0.0772)	(0.4509)
Observations	10795	10102	693	10522	9835	687
Counterfactual mean	0.138	0.112	0.569	1.477	1.322	3.986
Panel B - Effects on child's human capital						
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0047	-0.0064	0.0424	1.0437	0.2720	13.3731
	(0.0168)	(0.0171)	(0.0844)	(3.9716)	(4.1000)	(17.3359)
Observations	8175	7720	452	7206	6817	387
Counterfactual mean	0.161	0.157	0.224	651.052	649.756	677.062
Panel C - Effects on child's college program characteristics						
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0539	0.0584	0.1331	0.0100	0.0123	0.0226
	(0.0522)	(0.0538)	(0.2140)	(0.0062)	(0.0063)	(0.0348)
Observations	8175	7720	452	8175	7720	452
Counterfactual mean	1.022	1.005	1.363	0.086	0.082	0.176
Panel D - Effects on child's type of college and program						
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0277	0.0225	0.1672	-0.0193	-0.0185	0.0129
	(0.0214)	(0.0220)	(0.1014)	(0.0170)	(0.0173)	(0.0791)
Observations	8175	7720	452	8175	7720	452
Counterfactual mean	0.326	0.308	0.453	0.153	0.142	0.236

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite medicine program on outcomes for their children. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). Standard errors clustered two ways at the child × parent level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.1 for details.

Table D8: Parents' admission to an elite college program and children's outcomes—parents from Santiago

	Non-elite parents (1)	Elite parents (2)	All parents (3)	Non-elite parents (4)	Elite parents (5)	All parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an elite K-12 school			Pr. of attending a non-elite private K-12 school		
Parent admitted to target program = 1	0.0394	0.0272	0.0546	-0.0404	-0.0408	-0.0522
	(0.0099)	(0.0236)	(0.0103)	(0.0126)	(0.0233)	(0.0116)
Observations	21039	5428	26467	21039	5428	26467
Counterfactual mean	0.152	0.676	0.249	0.684	0.312	0.615
	Panel B - Effects on child's human capital					
	Avg. score in the college admission exam			Pr. of scoring in the top 1%		
Parent admitted to target program = 1	-2.4602	5.5176	-0.4762	-0.0032	-0.0023	-0.0020
	(3.0665)	(5.5996)	(2.7129)	(0.0114)	(0.0270)	(0.0105)
Observations	12740	2891	15632	14797	3458	18256
Counterfactual mean	635.623	670.473	641.634	0.121	0.209	0.136
	Panel C - Effects on child's type of college and college program					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0184	0.0222	0.0208	0.0091	0.0052	0.0092
	(0.0156)	(0.0331)	(0.0141)	(0.0121)	(0.0283)	(0.0111)
Observations	14797	3458	18256	14797	3458	18256
Counterfactual mean	0.320	0.450	0.342	0.142	0.235	0.158

Notes: The table presents estimates obtained from specification (1) that illustrate the effect of elite and non-elite parents' admission to an elite college program on their children's education trajectories. Only parents from the Santiago region are included in this table. Samples vary across panels. Panel A focuses on children old enough to have enrolled in primary education (i.e., born before 2014). Panels B to C focus on children old enough to have applied to college in the period we observe (i.e., born before 2001). Standard errors clustered at the family level are presented in parentheses. See section D.6 for details.

Table D9: Parents' admission to an elite college program and children's outcomes—parents from outside Santiago

	(1)	(2)
	Panel A - Effects on child's K-12 school	
	Pr. of attending an elite K-12 school	Pr. of attending a non-elite private K-12 school
Parent admitted to target program = 1	0.0268	-0.0272
	(0.0120)	(0.0147)
Observations	16229	16229
Counterfactual mean	0.166	0.659
	Panel B - Effects on child's human capital	
	Avg. score in the college admission exam	Pr. of scoring in the top 1%
Parent admitted to target program = 1	0.3918	-0.0160
	(3.2898)	(0.0126)
Observations	11049	12407
Counterfactual mean	640.514	0.139
	Panel C - Effects on child's type of college and college program	
	Pr. of attending an elite college	Pr. of attending an elite college program
Parent admitted to target program = 1	0.0267	-0.0016
	(0.0170)	(0.0135)
Observations	12407	12407
Counterfactual mean	0.310	0.152

Notes: The table presents estimates obtained from specification (1) that illustrate the effect of non-elite parents admission to an elite college program on their children education trajectories. Only parents from outside the Santiago region are included in this table. Panel A focuses on children old enough to have enrolled in primary education (i.e., born before 2014). Panels B to C focus on children old enough to have applied to college in the period we observe (i.e., born before 2001). Standard errors clustered at the family level are presented in parentheses. See section D.6 for details.

Table D10: Effect of parents' admission to an elite college program on children's neighborhood

	All parents (1)	Non-elite parents (2)	Elite parents (3)
	Panel A - Elite name index		
Parent admitted in target major	0.2174 (0.0762)	0.1902 (0.0765)	0.2623 (0.2497)
Observations	9424	8579	845
Counterfactual outcome mean	1.902	1.721	3.909
	Panel B - Avg. tuition fees		
Parent admitted in target major	119,853 (43,812)	111,408 (45,176)	104,268 (116,107)
Observations	9424	8579	845
Counterfactual outcome mean	1554473.305	1469199.343	2501308.338
	Panel C - Avg. scores in the college admission exam		
Parent admitted in target major	5.7717 (2.1233)	4.8490 (2.2411)	7.7065 (4.3817)
Observations	9423	8578	845
Counterfactual outcome mean	594.384	590.498	637.523
	Panel D - Census block square meter average price (UF)		
Parent admitted in target major	1.9528 (1.0852)	1.4541 (1.1388)	1.3382 (2.4436)
Observations	9423	8578	845
Counterfactual outcome mean	52.051	50.489	67.913

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on the characteristics of the neighborhood in which they lived when their children completed high school. We split the sample by parents' high school type as noted in columns. Outcomes are listed in panel sub-headers. We only observe addresses for children completing high school in the Santiago, Valparaiso, and Biobio regions. More than 60% of the student population attends school in one of these three regions. While the analyses presented in panels A to C focus on characteristics of neighbors living in a 200 meter radius, the analysis in panel D focuses on the average square meter price in a census block. In urban areas, a census block coincides with an actual block. The specification includes parents' application-year fixed effect and parents' target program fixed effect. Standard errors clustered two ways at the parent × child level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.3.5 for details.

E Changes in children's friends

This section studies whether parent admission to elite college programs affects the social status of the friends that their kids make in K-12 school. To implement these analyses we rely on data from the Longitudinal Study of Tobacco, Alcohol, and Drug Consumption carried on by the Catholic University of Chile between 2008 and 2011 (see Valenzuela and Ayala, 2011, for further details). This study followed a group of roughly 4,500 students starting seventh grade in 2008 over the course in four years. A survey implemented at the beginning of the study asked each student to report the number and identity of their closest friends. With the support of the Ministry of Education we were able to link the data collected through the survey with our administrative records and compute for each individual the social status of their closest friends based on the elite name index introduced in Section 2.

Using this data we implement two types of analyses. First, we present descriptive evidence that the relationship between an individual's social status and the social status of his/her friends is almost entirely explained by the K-12 school he/she attends. Panels (a) and (b) in Figure E1 show the distribution of the elite name index in the whole student population and in the survey. Although private schools are overrepresented in the survey, the distribution of the elite name index in the survey is similar to its distribution in the population.

Panel (c) in Figure E1 illustrates the relationship between the average elite name index of friends and own elite name index. When plotting the raw relationship between these variables, we find that average social status of friends grows with an individual own social status, particularly at the top of the distribution. However, this positive relationship goes away when controlling for school fixed effects.[14]

These findings suggest that the eliteness of one's friends is not that strongly related to one's own family prestige, *conditional on the the high school one attends*. We interpret our descriptive results as support for the idea that the identities of the high schools that students attend are strong predictors of social capital accumulation.

Our second exercise directly tests the effects of parents' admission to colleges with higher shares of elite peers on children's propensity to become friends with high-status peers in high school. Our approach is to estimate versions of the regression discontinuity specifications from equation 1 that take the eliteness of children's survey-reported friend groups as the outcome variable.

We modify this specification in several ways to fit the size and design of the survey sample. First, we drop the fixed effects for parent target degree that are included as controls in equation 1. Including these controls is not feasible in our survey-based specifications because many degrees in our much smaller survey sample have only a few parents listing them as a target. These controls were included in equation 1 for precision and removing them does not compromise the regression discontinuity design.

[14] Specifically, we regress own and friends elite name index on a set of school indicator dummies, compute the residuals from these regression, and plot the relationship between the residuals of own and friends' elite name index. We add the sample mean back to the residuals for visual comparability.

Second, we adopt a weighting scheme to accommodate the survey's sampling procedure. The survey oversampled students from private and elite K-12 schools. For instance, although in 2008 only 0.77% of seventh grade students were enrolled in an elite K-12 school, in the survey this group of students represented 4.56% of the sample. We reweight using inverse sampling probability by high school type, so that shares of students in public, voucher, private, and elite K12 schools in the reweighted survey sample match shares in the full population.

Third, and finally, we focus on stripped-down specifications that split by the value of ΔE at parents' target and next choice options. This follows from our findings in Table 9 that changes in college elite peer shares are key drivers of intergenerational social capital accumulation as measured by high school type. In cases where ΔE is positive, we estimate standard regression discontinuity specifications and report the effects of admission to the target program. However, in the cases where ΔE in exposure to alumni of elite K-12 schools is negative, we redefined the indicator of admission as a dummy variable taking the value one for individuals scoring *below* the score of the last applicant admitted to the target degree, and multiply the running variable by minus one. That is, the admission indicator in these specifications always indicates admission to the degree program with the higher share of elite students. This allows us to estimate in a single specification the effect of parent admission to a degree that increases his/her exposure to alumni of elite K-12 schools, pooling across all admissions margins where the elite peer share changes.

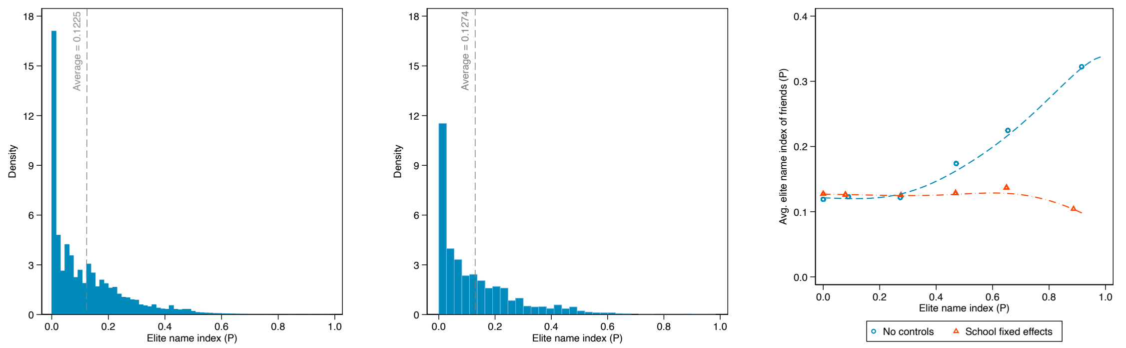
Figure E2 shows how the average elite name index of kids' friends changes with parent admission to a target college program that increased (panel a) or decreased (panel b) exposure to alumni of elite K-12 schools during college relative to the next option. Discontinuities are visually clear in both graphs. Parents who target and are admitted to programs with higher shares of elite peers go on to have children with higher-status friends. Parents who target and are admitted to programs with *lower* shares of elite peers go on to have children with *lower* status friends.

Table E1 pools the two panels into a single regression specification, with the admission indicator always equal to one at the degree with the higher value of of E, as described above. The first column reports the effect of admission on the probability that a child appears in the friendship survey. This probability is very low, since relatively few students are surveyed. Changes in magnitude across the threshold are small and statistically insignificant, mitigating concerns related to differential censoring. The second column limits the sample to the surveyed population, and reports the effect of admission on the probability that a child has more than five friends. Here again we do not see meaningful effects.

The third column in Table E1 reports our key results: parent admission to programs with higher elite peer shares raises the average elite name index of children's friends. The index value rises by 0.03, roughly a 30% of a standard deviation of the average elite name index of friends in the whole sample. As shown in the fourth column, these children also experience an increase in the average elite name index of the K-12 school they attend. This increase represents more than two thirds of the increase we find on the elite name index of their friends, suggesting that an important part of the latter effect is driven by the K-12 school they attend.

Finally, the fifth column of Table E1 reports the effects of parent admission to a program with higher-status peers on the probability a child attends an elite school. The effect here does not differ statistically from zero at conventional levels (p=0.12) but is almost identical in size to what we report for parent admission to elite college programs in Table 4.

Figure E1: Own vs friends' elite name index



(a) Elite name index distribution in the whole population

(b) Elite name index distribution in the survey

(c) Avg. elite name index of friends vs own elite name index

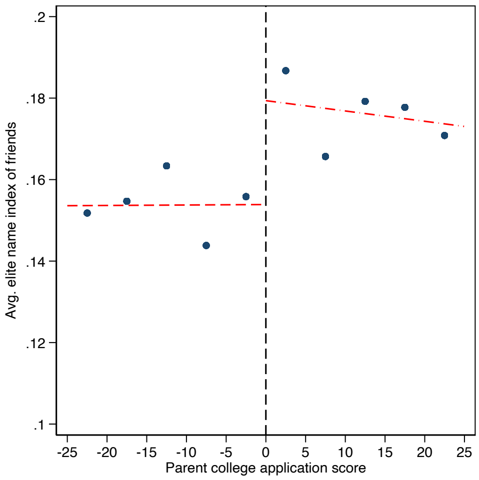
This figure illustrates the distribution of the elite name index in the whole student population (panel a) and in the survey data (panel b). It also illustrates the relationship between the average social status of friends and and individual own social status (panel b). Social status is measured by the elite name index introduced in Section 2 of the paper. Blue circles and blue dashed lines illustrate this relationship with no controls. Red triangles and orange dashed lines illustrate the relationship after partialling out school fixed effects from both variables. After partialling out school fixed effects, we added the mean of each variable to their residuals for illustration purposes. The lines correspond to local polynomials fitted using a Gaussian kernel and a bandwidth of 0.2 elite name index points. Results are very similar when using lowess regressions instead. These results are available upon request

Table E1: Parents exposure to elite peers in college and children's friends in grade seven

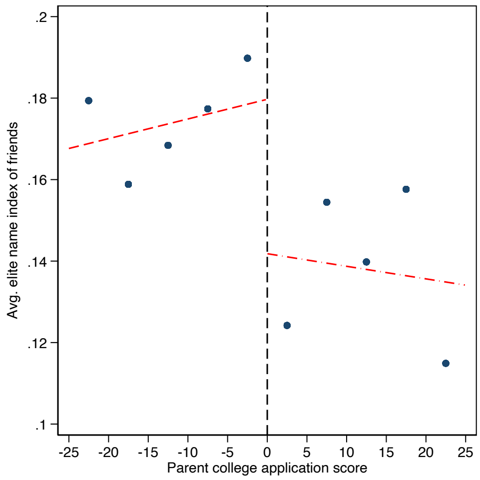
	Pr. of observing children's friends (1)	Pr. of having more than 5 friends (2)	Avg. elite name index of children's friends (3)	Avg. elite name index of children's K-12 school (4)	Pr. of attending an elite K-12 school (5)
Parent admitted to degree that increases ΔE	0.0003	-0.0067	0.0299	0.020	0.0308
	(0.0002)	(0.0699)	(0.0148)	(0.010)	(0.0200)
Observations	812530	1066	1066	1066	1066
Counterfactual outcome mean	0.002	0.568	0.161	0.169	0.159

Notes: This table presents the results of a specification that studies whether parent admission to a degree that increases his/her exposure to alumni of elite K-12 schools affects the number and characteristics of their kids' friends. As in the rest of the paper, these specifications use a bandwidth of 25 points. All specifications in odd columns control for a linear function of the running variable which slope is allowed to change at the cutoff. Column (1) looks at changes in the probability of having data on children's friends, column (2) looks at changes in the probability that children have five or more friends, column (3) look at changes in the average elite name index of children's friends, column (4) at changes on the average elite name index in children's K-12 school, and finally, column (5) looks at changes in children's probability of attending an elite K-12 school. The standard deviation of the average elite name index of friends in the survey sample is 0.1025. Thus, the effect reported in column (3) represents an increase of 30% of a standard deviation in the average elite name index of friends.

Figure E2: Parents exposure to elite peers in college and elite name index of children's friends in grade seven



(a) $\Delta E > 0$



(b) $\Delta E < 0$

This figure illustrates how parent exposure to alumni of elite K-12 schools during college affects the social status of the friends of their children. Panel (a) illustrates the change experienced by children whose parents were marginally admitted into degrees that increased their exposure to alumni of elite K-12 schools. Panel (b) illustrates the change experienced by children whose parents were marginally admitted into degrees that decreased their exposure to alumni of elite K-12 schools. Blue dots represent outcome means at different levels of the running variable. The red lines correspond to linear regressions and were independently estimated at each side of the cutoff.

F Robustness checks

We test the robustness of our main findings to a variety of alternative specifications.

F.1 Controlling for predetermined covariates

Table F1 reproduces key analyses from main text Table 4 but adds a set of predetermined covariates as control variables. These covariates are parent's gender, parent's type of K-12 school, child's gender, child's birth year, self-reported household earnings, and self-reported family size. Adding these controls does not affect our findings.

F.2 Alternative bandwidths

Figure F1 illustrates how the effect of parent elite admission on children's social capital depends on the bandwidth used to estimate the regression discontinuity specification. We vary the bandwidth used in five point intervals from 10 points to 40 points (i.e., 15 points on either side of our main bandwidth of 25 points). Effects in the full sample and for non-elite parents are stable. Effects for elite parents become somewhat larger at narrow bandwidths, suggesting that the estimates we report in the main text for this group are if anything conservative. Table F2 replicates table 4, but using a bandwidth of 10 points. Although in some cases we lose precision, the main results discussed in the paper are still apparent under this specification.

F.3 Placebo cutoffs

We conduct an additional "placebo cutoff" robustness exercise. We create placebo cutoffs at 10 point intervals from 30 points below to 30 points above the true cutoff, and re-estimate the regression discontinuity specifications at each placebo value. We focus on children's elite private school attendance as the outcome of interest. Figure F2 reports results from this exercise. The zero value on the horizontal axis corresponds to the true cutoff—i.e., the actual treatment.

In the full sample and in the sample of non-elite parents, the placebo estimates are universally small and do not differ statistically from zero at conventional levels. In the smaller elite parents sample, estimates are noisy but also do not differ statistically from zero.

F.4 Alternative elite K-12 school definitions

We consider two alternative ways of identifying elite private schools. The first approach limits elite schools to only the traditional elites, as defined in Section A.1. The second approach defines as elite the 25 most popular schools among the children of parents who themselves graduated from elite schools, as listed in Table A.II.

Tables F3 and F4 present results from these exercises. Our main results do not qualitatively change when using these alternative elite definitions.

F.5 Polynomial of degree two

Regression discontinuity specifications in the main text use linear controls for the running variable. Linear specifications are standard in the regression discontinuity literature, but we nevertheless assess the robustness of our findings to quadratic controls. Figure F3 displays regression discontinuity plots using quadratic controls, taking children's attendance at an elite private school as the outcome of interest. We find similar results to our main specifications, with the one exception being that we find larger effects for elite parents.

To further explore the robustness of our results to controlling for a quadratic polynomial of the running variable, in Table F5 we replicate the results in Table 4. Point estimates for children's social capital, human capital, and college type effects are all similar under this alternate specification, though in some cases less precisely estimated. We do see somewhat smaller effects for the attributes of children's college peers. Overall, these findings support our main claims that parents' elite admission shapes children's social but not human capital.

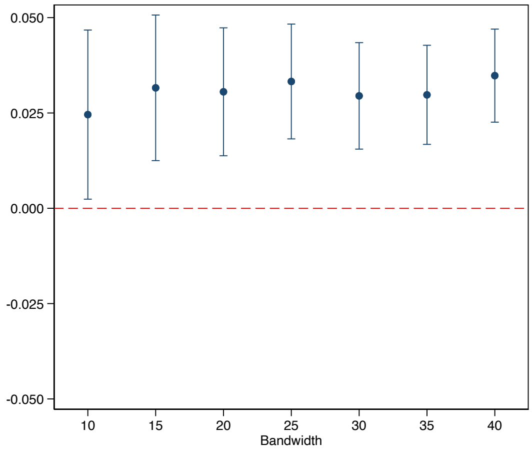
F.6 Other sample definitions

We consider two alternative approaches to sample construction. First, our main analysis limits the sample to parents' first time applying through the centralized system. Table F6 eliminates the first application restriction, considering all applications. As in the main analysis, we find that parents' elite admission raises child social capital and changes the attributes of college degree programs, but doesn't increase human capital accumulation. Our results for children's social capital, children's human capital, and the observable attributes of children's college programs (Panels A through C) are very similar to those reported in the main text. Point estimates and below-threshold means decline somewhat, with similar effects in percentage terms. Precision increases with the larger sample size. We do observe a more noticeable decline in the "attend an elite college" coefficient (Panel D, left side) relative to the main text. This coefficient remains positive but is only marginally significant (roughly the ten percent level) in the expanded sample.

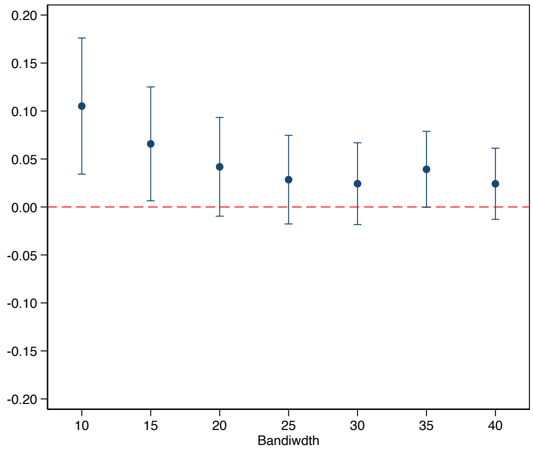
Second, we consider specifications that focus on the set of parents who can be matched to Ministry of Health birth records. As described in section 3, we construct parent-child links using datasets from DEMRE and the Ministry of Health. While the Ministry of Health data provide mother-child links for all children born in the country, children show up in the DEMRE data only if they participate in the admissions testing process in some way. As we describe in sections 3 and 5, the vast majority of children do participate in this process, and we see no evidence of imbalance in selection into the sample on the basis of treatments of interest. Nevertheless, it is interesting to ask whether our results would look different if we considered only parents whose (potential) children would show in the Ministry of Health data. These data cover mothers with who give birth between 1992 and 2010, so we focus on women who applied to college between 1990 and 2003.

Table F7 presents results from this exercise. The sample is dramatically reduced relative to the main text because of the cohort restriction and restriction to female applicants. The full sample count for school type falls from 42696 in Table 4 to 6589. However, we still find that parent admission to elite college raises child social capital, with somewhat larger effects than in the main analysis (Panel A). For human capital (Panel B), we use elementary and secondary grade SIMCE scores rather than admissions exam scores because very few children in this sample are old enough to have participated in the college admissions process. As in the main text, we find null effects. We do not report results for college outcomes because few children in this subsample have applied to college.

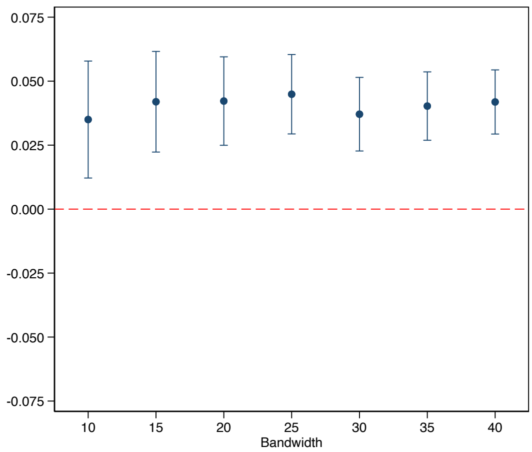
Figure F1: Effect of parents' admission to an elite college program on children's probability of attending an elite school—alternative bandwidths



(a) Non-elite parents



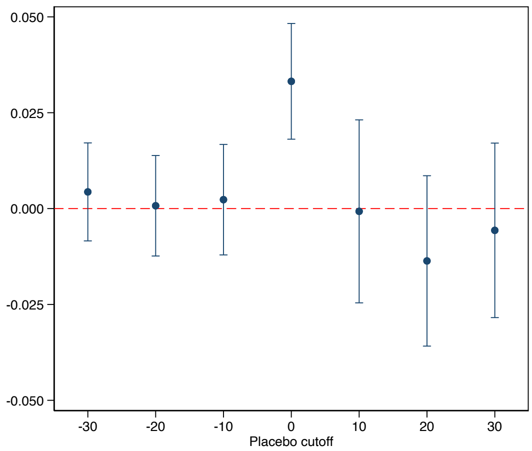
(b) Elite parents



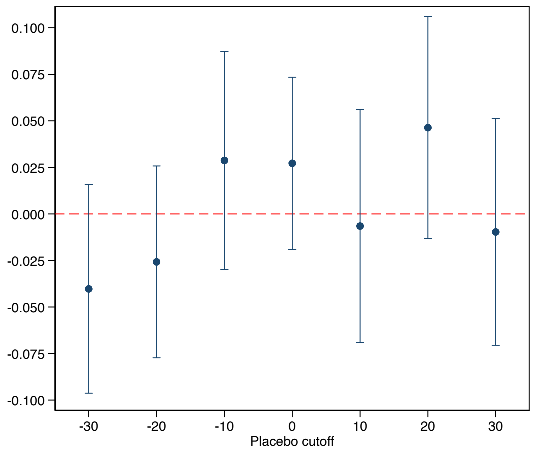
(c) All parents

This figure presents estimates of equation 1 for a variety of alternative bandwidths beyond our main bandwidth of 25 points. The outcome is an indicator for whether their child attends an elite private school. Each point corresponds to a regression discontinuity estimate obtained running our main specification with a different bandwidth. Panel (a) uses the sample of non-elite parents. Panel (b) uses the sample of elite parents. Panel (c) uses the full sample of parents. Confidence intervals are computed using standard errors clustered two ways at the parent × child level. See section F.2 for details.

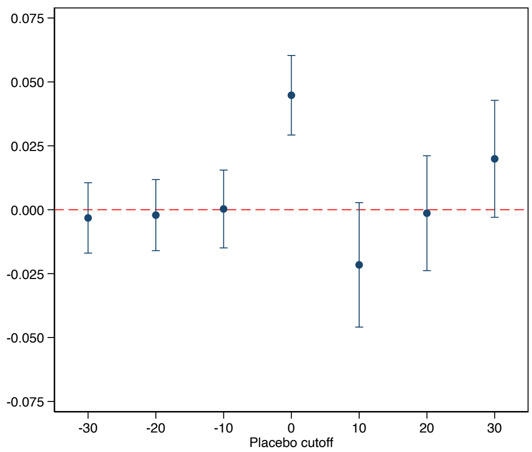
Figure F2: Effect of parents' admission to an elite college program on children's elite high school attendance—placebo cutoffs



(a) Non-elite parents



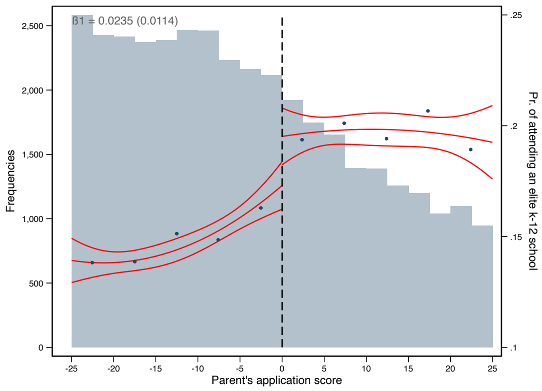
(b) Elite parents



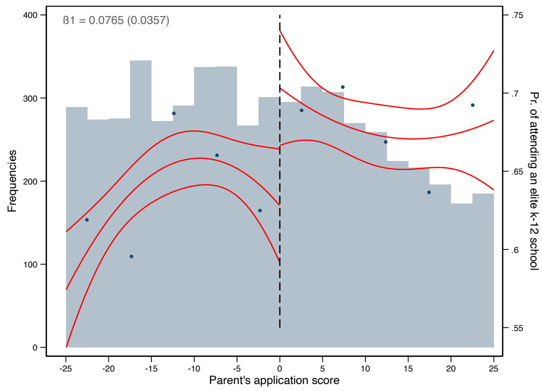
(c) All parents

This figure illustrates estimates for the effects of parents' admission to an elite college program on their children's probability of attending an elite school. Each point corresponds to an estimate obtained using equation 1, but changing the location of the admission cutoff used in estimation to a variety of false "placebo" values. The numbers on the x-axis indicate the distance between placebo cutoffs and the actual cutoff. Panel (a) focuses on non-elite parents, panel (b) on elite parents, and panel (c) on the full sample of parents. Confidence intervals are computed using standard errors clustered two ways at the parent $\times$ child level. See section F.3 for details.

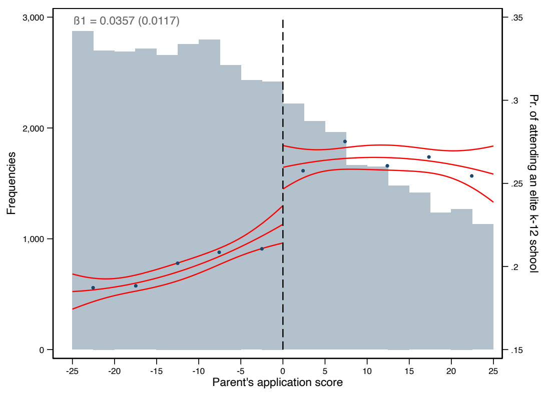
Figure F3: Effect of parents' admission to an elite college program on children's elite private school attendance—polynomial of degree 2



(a) Non-elite parents



(b) Elite parents



(c) All parents

This figure illustrates estimates for the effects of parents' admission to an elite college program on their children's probability of attending an elite school. Panel (a) focuses on non-elite parents, panel (b) on elite parents, and panel (c) on the full sample of parents. The red lines are quadratic polynomials and their 95% confidence intervals and were independently estimated at each side of the cutoff. The blue bars in the background illustrate the distribution of the parents' scores in the estimation sample. Reported coefficients and standard errors are based on quadratic fits with standard errors clustered two ways at the parent $\times$ child level. See section F.5 for details.

Table F1: Parents' admission to an elite college program and children's outcomes—additional controls

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0391	0.0305	0.0555	0.3452	0.3158	0.3180
	(0.0099)	(0.0096)	(0.0337)	(0.0596)	(0.0580)	(0.1979)
Observations	21860	19240	2619	21860	19240	2619
Counterfactual mean	0.186	0.127	0.660	1.889	1.491	5.055
	Panel B - Effects on child's human capital					
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0024	-0.0062	0.0262	0.0803	-1.5471	10.1989
	(0.0102)	(0.0107)	(0.0335)	(2.2931)	(2.4947)	(5.7618)
Observations	20715	18175	2539	20485	17952	2532
Counterfactual mean	0.150	0.139	0.239	639.650	635.886	669.269
	Panel C - Effects on child's college program characteristics					
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0597	0.0454	0.1289	0.0113	0.0106	0.0068
	(0.0289)	(0.0315)	(0.0708)	(0.0037)	(0.0039)	(0.0123)
Observations	20715	18175	2539	20715	18175	2539
Counterfactual mean	1.008	0.957	1.414	0.105	0.091	0.220
	Panel D - Effects on child's type of college and program					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0214	0.0133	0.0754	0.0046	0.0007	0.0388
	(0.0133)	(0.0142)	(0.0386)	(0.0107)	(0.0112)	(0.0347)
Observations	20715	18175	2539	20715	18175	2539
Counterfactual mean	0.365	0.344	0.527	0.171	0.158	0.277

Notes: The table presents estimates obtained from equation 1 augmented to include additional covariates. The specification controls for a linear polynomial of the running variable—i.e., parents' application score—which slope is allowed to change at the cutoff. The specification also includes parents' application-year and parents' target college program fixed effect. The specification also controls for parent's gender, parent's type of K-12 school, child's gender, child's birth year, household earnings, and family size. Household earnings and family size are self reported by students when registering for taking the college admission exam at the end of high school. Earnings are reported in broad categories. The sample only includes children born before 2001 who are old enough to register for the exam and report variables used as controls. Standard errors clustered two ways at the parent × children levels are presented in parentheses. See section F.1 for details.

Table F2: Effect of parent admission to an elite college program on children's outcomes (Bandwidth = 10)

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0350	0.0246	0.1051	0.3005	0.3034	0.2593
	(0.0117)	(0.0113)	(0.0362)	(0.0771)	(0.0735)	(0.2460)
Observations	19847	17219	2626	19847	17219	2626
Counterfactual mean	0.225	0.162	0.694	2.192	1.725	5.574
	Panel B - Effects on human capital					
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0056	-0.0021	-0.0179	-0.6776	-1.1721	2.5139
	(0.0118)	(0.0123)	(0.0416)	(3.0795)	(3.2770)	(8.9340)
Observations	13828	12235	1591	11978	10659	1317
Counterfactual mean	0.1463	0.1369	0.2256	644.795	641.694	671.890
	Panel C - Effects on college program characteristics					
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0533	0.0501	0.1068	0.0046	0.0064	-0.0041
	(0.0382)	(0.0409)	(0.1006)	(0.0052)	(0.0053)	(0.0178)
Observations	13828	12235	1591	13828	12235	1591
Counterfactual mean	1.026	0.981	1.424	0.1110	0.0977	0.2273
	Panel D - Effects on type of college and program					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0174	0.0193	0.0038	0.0063	0.0097	-0.0131
	(0.0155)	(0.0165)	(0.0463)	(0.0125)	(0.0130)	(0.0428)
Observations	13828	12235	1591	13828	12235	1591
Counterfactual mean	0.341	0.3278	0.434	0.165	0.155	0.251

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on outcomes for their children. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). Standard errors clustered two ways at the child × parent level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.1 for details.

Table F3: Parents' admission to an elite college program and children's outcomes—traditional elite schools only

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending a traditional elite school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0183	0.0181	-0.0254	0.3431	0.3007	0.0013
	(0.0070)	(0.0069)	(0.0241)	(0.0518)	(0.0492)	(0.1552)
Observations	42696	36889	5807	42696	36889	5807
Counterfactual outcome mean	0.148	0.115	0.388	2.146	1.714	5.241
	Panel B - Effects on child's human capital					
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Non-elite parent admitted to target program = 1	-0.0060	-0.0079	0.0017	0.3738	-0.7963	6.1967
	(0.0081)	(0.0084)	(0.0259)	(2.0936)	(2.2626)	(5.2612)
Observations	30663	26857	3805	26681	23481	3199
Counterfactual mean	0.137	0.128	0.212	641.157	637.521	670.810
	Panel C - Effects on child's college program characteristics					
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program=1	0.0569	0.0511	0.0780	0.0131	0.0131	0.0065
	(0.0263)	(0.0285)	(0.0652)	(0.0035)	(0.0036)	(0.0113)
Observations	30663	26857	3805	30663	26857	3805
Counterfactual mean	0.998	0.948	1.411	0.106	0.092	0.217
	Panel D - Effects on college program characteristics					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Non-elite parent admitted to target program = 1	0.0237	0.0215	0.0269	0.0056	0.0040	0.0100
	(0.0108)	(0.0115)	(0.0315)	(0.0086)	(0.0090)	(0.0272)
Observations	30663	26857	3805	30663	26857	3805
Counterfactual outcome mean	0.329	0.313	0.452	0.156	0.146	0.237

Notes: This table presents estimates obtained from equation 1 that illustrate the effect of parents' admission to an elite college program on children's outcomes. In this case, the schools used to define elite and non-elite parents and elite and non-elite schools for children include only the traditional elite schools, a sub-sample of those used in the main body of the paper. Samples vary across panels. Panel A focuses on children old enough to have enrolled in primary education (i.e., born before 2014). Panels B and C focus on children old enough to have applied to college in the period we observe (i.e., born before 2001). Standard errors clustered two ways at the parent × child level are presented in parentheses. See section F.4 for details.

Table F4: Parents' admission to an elite college program and children's outcomes—extended elite schools

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an extended elite school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0548	0.0483	0.0160	0.3431	0.2867	0.0975
	(0.0084)	(0.0084)	(0.0199)	(0.0518)	(0.0493)	(0.1473)
Observations	42696	36077	6619	41594	35027	6567
Counterfactual outcome mean	0.272	0.194	0.756	2.146	1.673	5.026
	Panel B - Effects on child's human capital					
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Non-elite parent admitted to target program = 1	-0.0060	-0.0062	-0.0064	0.3738	-0.3652	3.5640
	(0.0081)	(0.0085)	(0.0247)	(2.0936)	(2.2811)	(4.9890)
Observations	30663	26455	4206	26681	23180	3499
Counterfactual mean	0.137	0.127	0.208	641.157	637.048	671.210
	Panel C - Effects on child's college program characteristics					
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program=1	0.0569	0.0531	0.0680	0.0131	0.0131	0.0073
	(0.0263)	(0.0287)	(0.0626)	(0.0035)	(0.0036)	(0.0109)
Observations	30663	26455	4206	30663	26455	4206
Counterfactual outcome mean	0.998	0.942	1.411	0.106	0.091	0.216
	Panel D - Effects on child's type of college and program					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Non-elite parent admitted to target program = 1	0.0237	0.0235	0.0191	0.0056	0.0057	0.0044
	(0.0108)	(0.0116)	(0.0300)	(0.0086)	(0.0090)	(0.0261)
Observations	30663	26455	4206	30663	26455	4206
Counterfactual outcome mean	0.329	0.311	0.453	0.156	0.144	0.241

Notes: This table presents estimates obtained from equation 1 that illustrate the effect of parents' admission to an elite college program on children's outcomes. In this case, the schools used to define elite and non-elite parents and elite and non-elite schools for children include all the schools in Table A.II. Samples vary across panels. Panel A focuses on children old enough to have enrolled in primary education (i.e., born before 2014). Panels B and C focus on children old enough to have applied to college (i.e., born before 2001). Standard errors clustered two ways at the parent × child level are presented in parentheses. See section F.4 for details.

Table F5: Effect of parent admission to an elite college program on children's outcomes—second degree polynomial

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0344	0.0222	0.0761	0.2509	0.2660	-0.1024
	(0.0117)	(0.0114)	(0.0357)	(0.0773)	(0.0742)	(0.2405)
Observations	37268	5428	42696	37268	5428	42696
Counterfactual mean	0.158	0.676	0.216	1.730	5.362	2.146
	Panel B - Effects on human capital					
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0072	-0.0017	-0.0439	-2.4994	-3.6566	6.4856
	(0.0118)	(0.0123)	(0.0405)	(3.0801)	(3.2835)	(8.5035)
Observations	27204	3458	30663	23789	2891	26681
Counterfactual mean	0.129	0.209	0.137	637.936	670.473	641.157
	Panel C - Effects on college program characteristics					
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0183	0.0215	-0.0073	0.0018	0.0101	-0.0552
	(0.0159)	(0.0168)	(0.0492)	(0.0125)	(0.0130)	(0.0428)
Observations	27204	3458	30663	27204	3458	30663
Counterfactual mean	0.953	1.410	0.998	0.094	0.219	0.106
	Panel D - Effects on type of college and program					
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0174	0.0193	0.0038	0.0063	0.0097	-0.0131
	(0.0155)	(0.0165)	(0.0463)	(0.0125)	(0.0130)	(0.0428)
Observations	27204	3458	30663	27204	3458	30663
Counterfactual mean	0.302	0.439	0.315	0.147	0.235	0.156

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on outcomes for their children. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). The specification also includes a second degree polynomial of the running variable, parents' application-year fixed effect, and parents' target program fixed effect. Standard errors clustered two ways at the child $\times$ parent level are presented in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section 6.1 for details.

Table F6: Effect of parents admission to an elite college program on children's outcomes (Multiple applications)

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
Panel A - Effects on child's K-12 school						
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0351	0.0236	0.0200	0.2556	0.2082	-0.1261
	(0.0061)	(0.0059)	(0.0207)	(0.0387)	(0.0360)	(0.1383)
Observations	65471	58197	7274	65471	58197	7274
Counterfactual mean	0.189	0.138	0.654	1.901	1.541	5.157
Panel B - Effects on child's human capital						
	Pr. of scoring in the top 1%			Avg. score in the college admission exam		
Parent admitted to target program = 1	-0.0003	-0.0015	-0.0012	0.2598	-0.3973	1.5691
	(0.0062)	(0.0065)	(0.0224)	(1.6892)	(1.7963)	(4.7561)
Observations	47836	43011	4823	41539	37454	4084
Counterfactual mean	0.126	0.118	0.196	636.481	633.601	665.347
Panel C - Effects on child's college program characteristics						
	Peer avg score in the college admission exam			Sh of peers from elite K-12 schools in college		
Parent admitted to target program = 1	0.0497	0.0466	0.0233	0.0110	0.0112	-0.0063
	(0.0213)	(0.0227)	(0.0574)	(0.0028)	(0.0028)	(0.0100)
Observations	47836	43011	4823	47836	43011	4823
Counterfactual mean	0.950	0.910	1.352	0.098	0.086	0.209
Panel D - Effects on child's type of college and program						
	Pr. of attending an elite college			Pr. of attending an elite college program		
Parent admitted to target program = 1	0.0136	0.0131	0.0050	0.0037	0.0024	0.0085
	(0.0086)	(0.0091)	(0.0277)	(0.0067)	(0.0069)	(0.0236)
Observations	47836	43011	4823	47836	43011	4823
Counterfactual mean	0.313	0.301	0.433	0.144	0.136	0.222

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on outcomes for their children. It differs from the main text analysis in that it includes parents applications across multiple application cycles, not just the first one. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panels B to D use data on children old enough to have applied to college in our sample period (i.e., born before 2001). The specification also includes parents' application-year fixed effect, parents' target program fixed effect, and parents' next best program fixed effect. Standard errors clustered two ways at the parent × child level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section F.6 for details.

Table F7: Effect of mother admission to an elite college program on children's outcomes (1990-2003)

	All parents (1)	Non-elite parents (2)	Elite parents (3)	All parents (4)	Non-elite parents (5)	Elite parents (6)
	Panel A - Effects on child's K-12 school					
	Pr. of attending an elite private school			Elite name index in K-12 school		
Parent admitted to target program = 1	0.0736	0.0449	0.1056	0.3998	0.3744	-0.2268
	(0.0195)	(0.0191)	(0.0420)	(0.1257)	(0.1062)	(0.2907)
Observations	6589	5127	1462	6589	5127	1462
Counterfactual mean	0.254	0.153	0.685	2.324	1.540	5.642
	Panel B - Effects on child's human capital					
	Pr. of scoring in the top 1%			Avg. score in the SIMCE (Grade 4)		
Parent admitted to target program = 1	-0.0227	-0.0235	-0.0164	-0.5115	-2.2599	4.7445
	(0.0157)	(0.0175)	(0.0356)	(1.7946)	(2.0915)	(3.4931)
Observations	4625	3566	1058	4472	3452	1019
Counterfactual mean	0.087	0.086	0.093	315.043	314.159	318.713

Notes: The table presents estimates of regression discontinuity specification (1) that describe the effect of parent admission to an elite college program on outcomes for their children. It differs from the main text analysis because it includes only applications from mothers who applied to an elite college between 1990 and 2003. We split the sample by parent's high school type as noted in columns. Outcomes are listed in panel sub-headers. Samples vary across panels. Panel A uses data on children old enough to have enrolled in primary education within our sample period (i.e., born before 2014). Panel B focuses on children who reached grade 4 in 2002 or between 2005 and 2018 (i.e., the years in which we observe SIMCE scores). The specification also includes parents' application-year fixed effect, parents' target program fixed effect, and parents' next best program fixed effect. Standard errors clustered two ways at the parent × child level are in parentheses. "Counterfactual means" are below-threshold mean values of the outcome of the dependent variable. See section F.6 for details.

G VAR model

This section provides further detail on the back of the envelope calculation presented in Section 7 of the main text. We model dynasties that evolve over time. Dynasties are endowed in each period with social and human capital. Given these values, they choose the "eliteness" of the college they attend. After college, they match to a spouse who is also characterized by human capital, social capital, and college eliteness. The social and human capital of the next generation in the dynasty are then determined as a function of parents' average social capital, human capital, and college eliteness.

This conceptual setup gives rise to the following VAR:

$$S_{it} = \alpha_0 + \alpha_1 \overline{S}_{it-1} + \alpha_2 \overline{H}_{it-1} + \alpha_3 \overline{E}_{it-1} + e_{1t} \tag{1}$$

$$H_{it} = \beta_0 + \beta_1 \overline{S}_{it-1} + \beta_2 \overline{H}_{it-1} + e_{2t} \tag{2}$$

$$E_{it} = \gamma_0 + \gamma_1 S_{it} + \gamma_2 H_{it} + e_{3t} \tag{3}$$

$$S^s_{it} = \delta_0 + \delta_1 S_{it} + \delta_2 H_{it} + \delta_3 E_{it} + e_{4t} \tag{4}$$

$$H^s_{it} = \phi_0 + \phi_1 S_{it} + \phi_2 H_{it} + e_{5t} \tag{5}$$

$$E^s_{it} = \psi_0 + \psi_1 S_{it} + \psi_2 H_{it} + \psi_3 E_{it} + e_{6t} \tag{6}$$

S_{it}, H_{it}, and E_{it} are social capital, human capital, and college eliteness for dynasty i in generation t. We continue to measure human capital using entry exam scores. We measure social capital as the polo club name score eliteness of the K-12 school an individual attends. As discussed in sections 2 and 6.1, this is a continuous analog of the binary "elite K-12 school" categorization. We measure college "eliteness" as the average value of social capital of the college peers of an individual, as in section 6.4. S^s_{it}, H^s_{it}, and E^s_{it} are the same variables for the spouse, and $\overline{S}_{it}$, $\overline{H}_{it}$, and $\overline{E}_{it}$ are average values of the individual and the spouse. The e_{kt} are error terms, which we assume are statistically independent with mean zero and variances to be estimated.

Our approach to calibrating the model is to estimate the parameters governing elite colleges' role in production and matching using instrumental variables specifications that parallel the regression discontinuity designs in section 6.4. We then fill in the remaining parameters using OLS regressions similar to our analysis in section 4, restricting college effects to the estimated values in from the discontinuity designs.

We start by creating instruments based on the characteristics of the target and fallback options of parents, following our approach in section 6.4. We characterize each college-major combination in terms of the social capital of the students it admits and of the social capital of the spouses of these students. We then construct measures ΔE and ΔE^{spouse} based on the gap between the peer eliteness and spousal eliteness of each marginal applicant's target and fallback college program.

To calibrate equation 1, we estimate an IV specification of the following form:

$$S_{ijc\tau} = \alpha_1 \overline{S}_i + \alpha_3 \overline{E}_i + \mathbf{D_{ijc\tau}}\Gamma + \mu_c + \mu_{c'(ijc\tau)} + \mu_\tau + \varepsilon_{ijc\tau} \tag{7}$$

$S_{ijc\tau}$ is the social capital of child i of parent j applying to program c in application cohort

τ. The endogenous regressors are parent average social capital $\overline{S}_i$ and parent average college eliteness $\overline{E}_i$. We instrument for these variables using the admission interactions $A_{ijc\tau} \times \Delta E$ and $A_{ijc\tau} \times \Delta E^{spouse}$. $\mathbf{D_{ijc\tau}}$ is a vector of controls that includes the main effects of ΔE and ΔE^{spouse}, linear terms in admissions score $Score_{ijc\tau}$ that may vary above and below the cutoff, interactions between the $Score_{ijc\tau}$ terms and the ΔE and ΔE^{spouse} terms, and the main effect of admission $A_{ijc\tau}$. The μ_c, $\mu_{c'}$, and μ_τ are fixed effects for target degree, next option degree, and application cohort, as in main text equation 2. We estimate this specification in the sample of college applicant parents for whom we observe spouse and child outcomes.

This specification is an IV analogue of main text equation 2. Intuitively, crossing an admissions threshold where the value of ΔE is large raises one's own college eliteness, which in turn raises couple-average college eliteness $\overline{E_i}$. If individuals who attend more elite colleges are more likely to marry spouses who also attend elite colleges, this will also raise $\overline{E_i}$. Crossing an admission threshold where the value of ΔE^{spouse} is large raises spouse social capital which in turn raises couple-average social capital $\overline{S}_i$. Own social capital is by definition fixed at the time of application. The exclusion restriction imposed here is that couple-average social capital and couple average college eliteness are the only channels through which admission to degree programs with high levels of E or E^{spouse} shape child outcomes.

This approach recovers estimates of the social capital and college eliteness parameters in equation 1, α_1 and α_3. Note that although equation 1 also includes a human capital term, we cannot estimate it using the IV approach because, as we report in Table 7 of the main text, elite admission does not affect spouse human capital, and own human capital as defined here is fixed at the time of admission. We therefore recover the human capital coefficient α_2 using restricted OLS. Specifically, we estimate

$$S_{it} = \alpha_0 + \hat{\alpha_1}\overline{S}_{it-1} + \alpha_2\overline{H}_{it-1} + \hat{\alpha_3}\overline{E}_{it-1} + e_{1it} \tag{8}$$

restricting coefficients α_1 and α_3 to the values recovered from the IV specification. We use the residuals from this specification to compute an estimate of the variance of e_{1t}. We estimate this specification in subset of the IGC sample for whom we observe human and social capital outcomes for both parents.

We calibrate equation 2 in a similar way. We first obtain an estimate for β_1 by running an IV specification in which $\overline{S}_i$ is instrumented with an interaction between $A_{ijc\tau}$ and ΔE^{spouse}. Then, we obtain estimates for β_0 and β_2 by running an OLS specification in which β_1 is restricted to take the value obtained in the IV specification.

We follow this approach for equations 4 and 6 as well, using the sample of parents for whom we observe spouses. For equation 4, we first obtain an estimate for δ_3 from a specification in which we instrument E_{it} with an interaction between A_{jt} and ΔE_{jt}. We then recover δ_0, δ_1 and δ_2 via an OLS specification in which we restrict δ_3 to take the value obtained from the IV specification. The right hand side variables on equation 6 are the same as in equation 4, so we follow the same approach to calibrate it.

We estimate the two remaining equations, equations 3 and 5, using OLS. We estimate equation 3 using the full sample of children, and we estimate equation 5 using the sample of parents for whom we observe spouses.

Table G1 presents results from the above estimation steps. The column number matches the equation in the VAR. Rows are independent variables. We indicate with the superscript “2SLS” estimates obtained through 2SLS, and with the superscript “OLS” estimates obtained from constrained OLS regressions. The row at the bottom of the table presents the estimates of the variance of the error terms e_{it}.

With these parameter estimates in hand, we use standard VAR techniques to obtain the MA(∞) representation of the VAR(1) process, and use the MA representation to obtain expressions for the variance and autocovariance matrices of S_{it} and H_{it} as functions of model parameters. In addition to computing variance and autocovariance matrices for estimated parameter values, we compute these matrices under counterfactual assumptions about the causal role of college attendance.

Table G1: VAR parameters estimation

	Children's outcomes			Spouse's characteristics		
	S_{it}	H_{it}	E_{it}	S^s_{it}	H^s_{it}	E^s_{it}
	(1)	(2)	(3)	(4)	(5)	(6)
$\overline{S_{it-1}}$	0.373^{2SLS}	0.161^{2SLS}				
	(0.246)	(0.050)				
$\overline{H_{it-1}}$	0.272^{OLS}	0.445^{OLS}				
	(0.004)	(0.005)				
$\overline{E_{it-1}}$	0.431^{2SLS}					
	(0.087)					
S_{it}			0.472^{OLS}	0.271^{OLS}	0.097^{OLS}	0.072^{OLS}
			(0.003)	(0.004)	(0.003)	(0.001)
H_{it}			0.382^{OLS}	0.115^{OLS}	0.265^{OLS}	0.075^{OLS}
			(0.004)	(0.004)	(0.004)	(0.001)
E_{it}				0.058^{2SLS}		0.040^{2SLS}
				(0.014)		(0.002)
Observations	553,839	553,839	157,352	88,976	88,976	88,976
Cragg-Donald Wald F statistic	16.134	431.737		3853.52		3853.52
Var(e)	0.616	0.646	0.651	0.820	0.542	0.092

Notes: The table presents estimates from 2SLS and OLS regressions described in Section G. We use these regressions to calibrate the VAR describing the evolution of human and social capital across generations introduced in Section G. Column numbers match the equations on the VAR. We indicate with the superscript 2SLS estimates obtained from 2SLS regressions in which we instrument the endogenous variable with an interaction between crossing and admission threshold and ΔE or ΔE^s. These regressions focus only on parents scoring near a college admission cutoff and as in the main body of the paper control for the running variable—i.e., a parent application score—and by parent application year and parent target degree fixed effects. We indicate with the superscript OLS estimates obtained from constrained OLS regressions in which some of the parameters were forced to take the values obtained by the 2SLS. In equations (1) and (2) standard errors are clustered at the child level; while in equations (4) to (6) at the parent level. In equation (3) we simply use heteroskedasticity robust standard errors. The final row presents estimates for the variance of the random terms associated with each equation of the VAR.

H Admissions policy changes and intergenerational mobility

This section provides further details on the exercise we implement to study the potential consequences of changnes in admissions policy on the persistence of social capital across generations. Specifically, we study the consequences of programs that boosts the application scores of students from different kinds of high schools (either subsidized or elite) by giving them a bonus that ranges between 5 and 50 points (i.e., between 15% and 135% of the application score's standard deviation).

H.1 Auxiliary model

Our goal is to understand how shifts in the allocation of parents to degree programs shape social and human capital outcomes for children. We focus on parents' share of college peers from elite high schools as the causal channel of interest. This follows evidence from Table 9. Let Y_{ij} denote the outcome for child i of parent j observed in the data, and Y_{ij}^h denote the same outcome under counterfactual degree assignment h. We let

$$Y_{ij}^h = Y_{ij} + \gamma(E_{ij}^h - E_{ij}), \tag{1}$$

so that the counterfactual outcome rises and falls with the change in the share of elite peers at the parents' college degree program, $E_{ij}^h - E_{ij}$. Y_{ij} and E_{ij} are observed, so the challenges here are 1) to recover E_{ij}^h, the counterfactual assignment, and 2) to recover γ, the effect of college elite peer share on outcomes of interest.

H.2 RD estimation

We recover γ using a simplified version of specification (2) that studies how parents' elite peer share impacts children's social capital (measured by the Polo elite name index introduced in Section 2) and children's human capital (measured by the average of reading and mathematics scores in the college admission exam). Specifically, we estimate the following specification:

$$\begin{aligned} Y_{ijct} =& \alpha + \beta A_{ijct} + \gamma A_{ijct} \times \Delta E_{ijct} + \delta \Delta E_{ijct} \\ &+ f(S_{ijct}, \mathbf{\Delta E}_{ijct}; \theta) + \mu_c + \mu_{c'(ijct)} + \mu_t + \varepsilon_{ijct} \end{aligned} \tag{2}$$

Y_{ijct} is the outcome for child i of parent j who applied to degree c in year t and A_{ijct} is an indicator for parent j's admission to degree c in year t. β is the main effect of parent admission to his/her target degree relative to an observably identical next choice. γ is the coefficients on the main regressor of interest—interactions between admission and the change in degree-specific exposure to alumni of elite K-12 schools across the cutoff. Controls include the main effect of $\mathbf{\Delta E}_{ijct}$, as well as a continuous linear function of S_{ijct} that is allowed to vary above and below the cutoff and to interact linearly with $\mathbf{\Delta E}_{ijct}$.

We include fixed effects for target degree c, next option degree c', and application cycle.

This specification strips down equation (2) to focus on the share of peers from elite high schools as the driver of children's outcomes. Table H1 summarizes results from this step. As in Table 9 we show that parent admission to degrees with higher elite peer shares has a large effect on child social capital but not human capital.

H.3 Assignment simulations and counterfactual outcomes

We recover E_{ij}^h for different counterfactual h using simulation exercises. Each exercise has two steps.

In the first step, we simulate program assignments in the parent generation under a given score bonus for students from subsidized high schools, holding fixed both applicants' submitted rank lists and the count of spots available in different programs. Several features of this exercise are important to note:

- We restrict attention to application years for which we observe the full list of preferences submitted for each applicant. These years are 1977, 1978, 1981, 1982, 1983, 1984, 1985, 1986, 1987, 2001, 2002, and 2003.
- Chile uses the deferred acceptance algorithm to assign college applicants to programs.
- Our understanding of the assignment process is strong enough and the quality of data high enough to recreate essentially all observed assignments. Our code replicates the allocation for 99.99% of the college applicants in our sample.
- We simulate ten counterfactual scenarios in which we increase the application score of students from subsidized schools between five and fifty points in intervals of five points. Program assignments are fully determined by seat availability, rank lists, and application scores.

Let $c(i,h)$ denote the program assigned to i under counterfactual h, and $E(c,h)$ be the share of elite K-12 students assigned to c under h. We then compute the individual-level elite shares of interest E_{ij}^h as $E_{ij}^h = E(c(i,h),h)$, that is, the share of elite peers under counterfactual h at the degree to which the student is assigned under h. In addition, we compute an alternate counterfactual share measure $\tilde{E}_{ij}^h = E(c(i,h),h_0)$, where h_0 denotes the observed baseline scenario. This alternative counterfactual is equal to the *observed* share of elite peers at the program to which i is assigned under counterfactual h; it effectively holds the causal impact of each degree fixed while reassigning students across programs.

H.4 Correlations

We compute correlations between social capital and child social capital and between child human capital and child social capital under the observed allocation and under each counterfactual allocation. Figure 11 plots the results of these calculations under our main counterfactuals (i.e., the E_{ij}, in filled points) and under counterfactuals that hold degree effects fixed (the $\tilde{E}_{ij}$, in hollow points). Each point is labeled with the size of the point bonus that students of the listed type receive. Note that the vertical axis is reversed, so that intergenerational mobility rises as one moves vertically up the graph.

Our findings trace out a "mobility-meritocracy" frontier. As one adds bonus points to applicants from subsidized schools, mobility increases. These effects are sizeable. In our primary simulations, a ten-point bonus reduces the intergenerational correlation of social capital by 10%, from 0.525 to 0.475. A 25 point bonus reduces the intergenerational correlation of social capital by 21%. However, these changes also reduce the correlation between social and human capital in the child generation. We use the term "meritocracy" as shorthand for this correlation, with the idea that it reflects the allocation of a reward (in this case social capital) on the basis of achievement (in this case, test score performance). A ten point score bonus reduces the correlation between children's social and human capital by 7.5% and a 25 point bonus by 21%. The slope of the mobility-meritocracy frontier is approximately constant over the range we consider, with a one-unit increase the correlation between child social and human capital corresponding to an 2.5 unit decrease in intergenerational social capital mobility.

Our alternate counterfactuals treat the share of elite K-12 students within each college degree program as fixed, so that all changes in reported correlations come from the reallocation of students across degree programs, not shifts in the effects of the programs on assigned students. The mobility-meritocracy frontier is steeper in these simulations: a given mobility gain can be achieved at a smaller cost to meritocratic objectives. The difference between our primary and secondary series reflects a challenge of achieving mobility gains when outcomes are determined by peer composition. As the value of the score bonus grows, elite high school student shares at more selective programs decline, reducing gains for assigned subsidzed-school students.

Table H1: Effects of parent exposure to alumni of elite K-12 schools in college on children's outcomes

	Elite name index in child's school (P)	Avg. score in college admission exam
	(1)	(2)
Parent admitted in target major=1	-0.0087	0.0148
	(0.0095)	(0.0074)
Parent admitted in target major=1 $\times$ ΔE (STD)	2.0258	0.0417
	(0.3700)	(0.1572)
Observations	350983	276984
Counterfactual mean	0.9470	0.2058

Notes: This table presents estimates from parametric regression discontinuity specification (2) of the effects of parent exposure to alumni of elite K-12 school in college on outcomes for children. Each column is a single specification. Reported coefficients are the main effect of admission to the target program and interactions between admission and differences between the share of alumni of elite K-12 schools of the target and next-option degree program. The ΔE variable is in standard deviation units. Samples vary across columns due to data availability. Column (1) focuses on children old enough to observe attending primary education (i.e., born before 2014). The second column focuses on children old enough to observe applying to college (i.e., born before 2001). "Elite name index in child's school (P)" is the polo club elite name index. We control for a linear polynomial of the running variable, the slope of which is allowed to change at the cutoff. The slope of the running variable on both sides of the cutoff is allowed to vary with ΔE. The main effect of ΔE is also included in the specification. We also control for parents' application-year and parents' target program and next option fixed effects. Standard errors clustered two ways at the parent $\times$ child level are presented in parentheses. "Counterfactual mean" is the mean below-threshold value of the depend variable.

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