Grade retention and academic performance: a difficult relationship?

Luis Alejandro Lopez-Agudo

Departamento de Economía Aplicada (Estadística y Econometría). Facultad de Ciencias Económicas y Empresariales. Universidad de Málaga.

Plaza de El Ejido s/n, 29013, Málaga (España). E-mail: lopezagudo@uma.es. Tel.: +34 952137003. ORCID: 0000-0002-0906-3206

María Ladrón de Guevara Rodríguez

Departamento de Economía Aplicada (Estadística y Econometría). Facultad de Ciencias Económicas y Empresariales. Universidad de Málaga.

Plaza de El Ejido s/n, 29013, Málaga (España). E-mail: marialadron@uma.es. Tel.: +34 952137003.

Oscar David Marcenaro-Gutierrez

Departamento de Economía Aplicada (Estadística y Econometría). Facultad de Ciencias Económicas y Empresariales. Universidad de Málaga.

Plaza de El Ejido s/n, 29013, Málaga (España). E-mail: odmarcenaro@uma.es. Tel.: +34 952137003. ORCID: 0000-0003-0939-5064

The education debate in Spain has widely discussed the positive and negative features of grade retention on students' academic performance but, in spite of its relevance, this impact has not been assessed beyond correlation. Because of that, in this research study we analyse the influence of grade retention on students' competences, using more than 146,000 students from 6 PISA cycles (2003-2018) and an instrumental variable approach, approaching a causal influence. We find that repeating a grade in Spain seems to reduce students' competences between 1.5 and 1.7 standard deviations. We conclude that an alternative to grade retention should be found, in order to prevent students from attaining lower their competences due to repetition.

Keywords: grade retention; instrumental variables; PISA; Spain.

Acknowledgements: This work has been partly supported by FEDER funding (under Research Project PY20-00228-R); Ministerio de Ciencia e Innovación (under Research Project PID2020-119471RB-I00) and by the Andalusian Regional Government (SEJ-645). We also acknowledge the scholarship FPU20/01509 of the Ministerio de Universidades and the training received from the Programa de Doctorado en Economía y Empresa of the Universidad de Malaga.