
Market Design for School Enrollment Policies

An application to the “Social Diversity” Decree

Key features of the “Social Diversity” Decree

- Combination of priorities and quotas
 - Priorities for kids with siblings in the school (and other characteristics),
 - Borough / non borough kids, disadvantaged primary schools
- Decentralization application process
- Tie breaking rule for students in the same priority class when demand exceeds supply (lottery)
- Waiting lists

Optimal strategy for parents and pupils

(school-proposing deferred acceptance)

Apply to all acceptable schools (unless sure to get a place in one of them)

In practice

To get a sense of parents' behavior, we called all schools in French-speaking Belgium to ask them about their capacities and the number of applications they have received

59% response rate (67% in Brussels)

303 schools (72 schools in Brussels)

Focus on Brussels:

Approximate # of places = 10,000

Approximate # of applications = 30,700 (lower bound)

----- a typical parent applied to a bit more than 3 schools

Impact on congestion

- 28% of schools at capacity (68% in Brussels)
- Median school in FSC received applications for 71% of their seats
- In Brussels, the median school received 2.16 more applications than capacity

The lottery: a scapegoat?

Alternatives that have been or are being considered suffer the same drawback:

- Discretionary decision left to school directors when demand exceeds supply
- Geographical proximity as a tie-breaker when demand exceeds supply
- Lottery
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As long as parents do not know whether their applications are accepted when they apply, their best strategy is to **apply to all acceptable schools**

Market design

- In this case, centralization would solve the problem (student would submit preferences) but not all the problems and may create other problems
- Market design is the field in economics that studies how rules for allocation affect behavior and outcomes



