Glossary of Key Terms and Acronyms

Behavioral economics: A field of research that seeks to explain why individuals make choices that may seem at odds with traditional economic rationality.

CADE: Computer-Assisted Data Entry, the systems by which institutional records for study respondents are collected.

CAPI: Computer-Assisted Personal Interviewing, essentially personal interviews conducted by staff in the field.

CATI: Computer-Assisted Telephone Interviewing, essentially out-bound calling of study respondents.

Comparative statics analysis: An analysis that, holding all other factors constant (i.e., static), seeks to understand the relationship between change in an independent variable (e.g., net price) and an outcome of interest (e.g., persistence).

Consumption value: Some "goods," including college attendance and work, have intrinsic value beyond any monetary value that might be attached to them. For example, college attendees accrue not only a wage premium over non-attendees (ideally), they can also derive value from leisure activities, social interactions, and access to cultural events generally unavailable to those who do not attend college. Work may also have consumption value, providing access to social networks, intellectually stimulating activities, and mechanisms to meet needs for affiliation or prestige.

Discount rate: An internal "scaling factor" that individuals apply to money they might receive in the future, making it possible for them to evaluate its present-day value. An individual's discount rate for money received in a year is 5% if, rather than taking $1000 today, they would wait a year to take $1050, but not $1049. For our purposes, an individual's discount rate is less important for what it may suggest about their internal assessment of long-term economic conditions, but instead for what it implies about their aversion to risk and their capacity to delay gratification.

Elasticity: Elasticity describes how "sensitive" something is (e.g., demand for higher education) to changes in factors that affect it (e.g., tuition price). If the ratio of change in demand over change in price is greater than one, a good is *price elastic*. If the ratio is less than one, a good is *price inelastic*. For example, if the demand for higher education increases by 30% when the price decreases 15%, the elasticity is 2.0 (absolute value of 30% / -15%).

Expectations: What a student anticipates or expects vis-à-vis a given topic (e.g., highest degree to be attained).

Foregone wage: The amount of money lost to a student who either changes their employment pattern to attend school or, in the case of students who enter college immediately after completing high school, chooses to defer entry in to the workforce.

Hatteras: The RTI system used to develop survey instrumentation.

Human capital: The knowledge, skills, and abilities an individual has accumulated through schooling and life experience that has value in the labor market. As noted by Long and Bettinger, human capital is "a set of skills that can be 'rented out' to employers for income as well as produce other private and social benefits."

Information: What a student "knows" about a given topic, irrespective of its accuracy (e.g., the cost of college next term).

Net benefit of education: Minimally, the difference between students' lifetime earnings minus the costs associated with earning their education.

Non-wage benefit of work: The consumption value associated with work, including a wide range of personally and professionally-satisfying work experiences or conditions.

Psychic cost of study: The non-monetary costs associated with study (e.g., stress or lost enjoyment).

Rational choice or rationality: In economics, that an individual will weigh the cost and benefits associated with one or more courses of actions and ultimately select the one that maximizes personal advantage.

Uncertainty: The level of doubt or indeterminacy a student holds vis-à-vis a given topic (e.g., confidence about a point estimate of their starting wage).