

Policies for Aspirations. And Opportunities

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Abstract

Policy interventions that foster aspirations, such as those using role models, are increasingly being implemented so that students, women, microentrepreneurs, farmers, and poor individuals can achieve untapped opportunities. Several of these interventions have successfully enhanced educational achievements, labor market participation, and business activities. However, raising the aspirations of individuals when they do not have opportunities to realize them can generate frustration and make them worse off. This paper argues that effective policy interventions need to account for both aspirations and opportunities and

proposes a framework to consider both elements. The paper highlights how addressing either element in isolation can lead to unfavorable outcomes, such as falling into an aspiration trap (when low aspirations prevent people from seizing available opportunities), experiencing frustration (when aspirations are enhanced without matching opportunities), or remaining in a poverty trap (when both aspirations and opportunities are low). The paper discusses various policy approaches to raising aspirations and opportunities in light of these scenarios and the challenges of aligning the two elements.

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Policies for Aspirations. And Opportunities*

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1. Introduction

Policy interventions to bolster the aspirations of children and adults have gained increasing attention and are being employed to achieve better educational, labor market, and business outcomes. Strategies consist of broadening the horizons of beneficiaries and motivating them using role models among students (for example, Beaman et al. 2012; Breda et al. 2023; Riley 2024), farmers (Bernard et al. 2022; Cecchi et al. 2022), and microentrepreneurs (Rojas, Wydick, and Lybbert 2022). Additionally, mentoring programs have been provided among students (Carlana, La Ferrara, and Pinotti 2022); and goal-setting workshops have been conducted for microentrepreneurs (McKenzie, Mohpal, and Yang 2022).

Aspirations refer to people's desire to improve their lives. Aspirations can relate, for instance, to people's ambitions to enhance their education level, type of job, wealth, or social status. Individuals develop and adapt their aspirations based on their circumstances and social environment. In the best cases, aspirations represent challenging but attainable goals. In the worst cases, low aspirations are associated with limited prospects that lead to missed opportunities and can trap individuals in a vicious cycle of poverty and weak endeavor (Appadurai 2004; Dalton, Ghosal, and Mani 2016; Ray 2006).¹

While significant attention has been paid to the potential benefit of the policy interventions, less scrutiny has been given to potential negative consequences. A 2018 *New York Times* column summarizing the impacts of some of these interventions was optimistically titled "Think Positive, Climb Out of Poverty? It Just Might Work" (Jayachandran 2018). However, the column tempered the title's enthusiasm. It acknowledged that focusing only on aspirations could divert attention from the critical need to ensure corresponding opportunities, particularly among people living in poverty.²

Higher aspirations do not always lead to better outcomes, but may instead lead to frustration. For instance, a study found that aspirational training provided to microentrepreneurs in the Philippines initially translated into more ambitious savings goals, but ultimately led to significantly lower savings, reduced borrowing and business investment, and a decreased sense of control (McKenzie, Mohpal, and Yang 2022). These outcomes likely resulted from frustration: the feeling of powerlessness in meeting the more ambitious goals. This frustration may also become manifest at the country level.

¹ For a review of the empirical evidence on the influence of aspirations on educational, employment, and business outcomes, and on how aspirations are formed, see Fruttero, Muller, and Calvo-González (2024).

² "Hope isn't a cure-all", Jayachandran writes. "In none of these examples can we be certain that it actually explains the gains in people's income or education. And instilling hope without skills or financial resources is unlikely to be enough to lift people out of poverty. . . . Moreover, while moderately high aspirations can provide crucial motivation, unrealistically high aspirations can be so discouraging that they are harmful."

Thus, higher aspirations stemming from improved educational levels, coupled with stagnant job opportunities, are believed to have contributed to protests during the Arab Spring in 2011–12 (Campante and Chor 2012) and in Chile in 2011–13 (Flehtner 2017; Urzúa 2012). Furthermore, hopelessness and frustrated aspirations can arise because of various shocks, such as conflicts (Moya and Carter 2019), natural disasters (Kosec and Mo 2017), and pandemics (Seager et al. 2022). In theory, frustrated aspirations may, in extreme cases, contribute to crime and conflict (Flehtner 2017, 2018; Genicot and Ray 2020; Ray 2006, 2016).

There is a notable shortage of studies that comprehensively delve into the intricate interplay between aspirations and opportunities in the design of interventions.³ While theoretical studies have preached caution about the potential pitfalls of frustrated aspirations, they often fall short in the examination of in-depth policy considerations (Flehtner 2017; Genicot and Ray 2020; Ray 2006). Even empirical studies that evaluate interventions centered on aspirations frequently overlook the possible risks associated with exclusively nurturing aspirations without taking opportunities into account.

This paper introduces a straightforward framework for considering aspirations and opportunities together that represents a practical tool for policy makers and researchers alike. It contends that exiting poverty, or improving educational, labor market, and business outcomes, while avoiding frustration requires the achievement of a delicate balance between aspirations and opportunities. This balance can be attained through interventions that deliberately foster aspirations and opportunities simultaneously or by enhancing aspirations within an environment that presents viable and credible opportunities. As a narrative review of a large selection of studies of policy interventions related to aspirations, the paper also provides examples that illustrate instances of both balance and imbalance between aspirations and opportunities.⁴ By proposing a framework and focusing on policy interventions, the paper extends a previous review of the educational, employment, and business outcomes influenced by aspirations and of the determinants of aspirations (Fruttero, Muller, and Calvo-González 2024). By encompassing both aspirations and opportunities, this paper goes beyond previous reviews of policy interventions that focus primarily on aspirations (La Ferrara 2019; Lybbert and Wydick 2018, 2022). The paper concludes with a discussion recognizing that assessing opportunities may not always be straightforward in practice, and that ensuring balance between

³ “Opportunities” refers to the context that determines the extent to which individuals can achieve their aspirations. This might involve educational resources, the availability of jobs, business opportunities, the support of government or nongovernmental organizations, and so on.

⁴ Annex 1 describes the methodology for selecting the studies on interventions.

aspirations and opportunities in policy interventions may not be a guarantee of success given other aspects of policy design and implementation.

The paper is structured as follows. Section 2 presents the framework for considering aspirations and opportunities together. Section 3 discusses how interventions to foster aspirations (and opportunities, for some) may help avoid the three unfavorable outcomes. Section 4 discusses the framework's challenges and concludes.

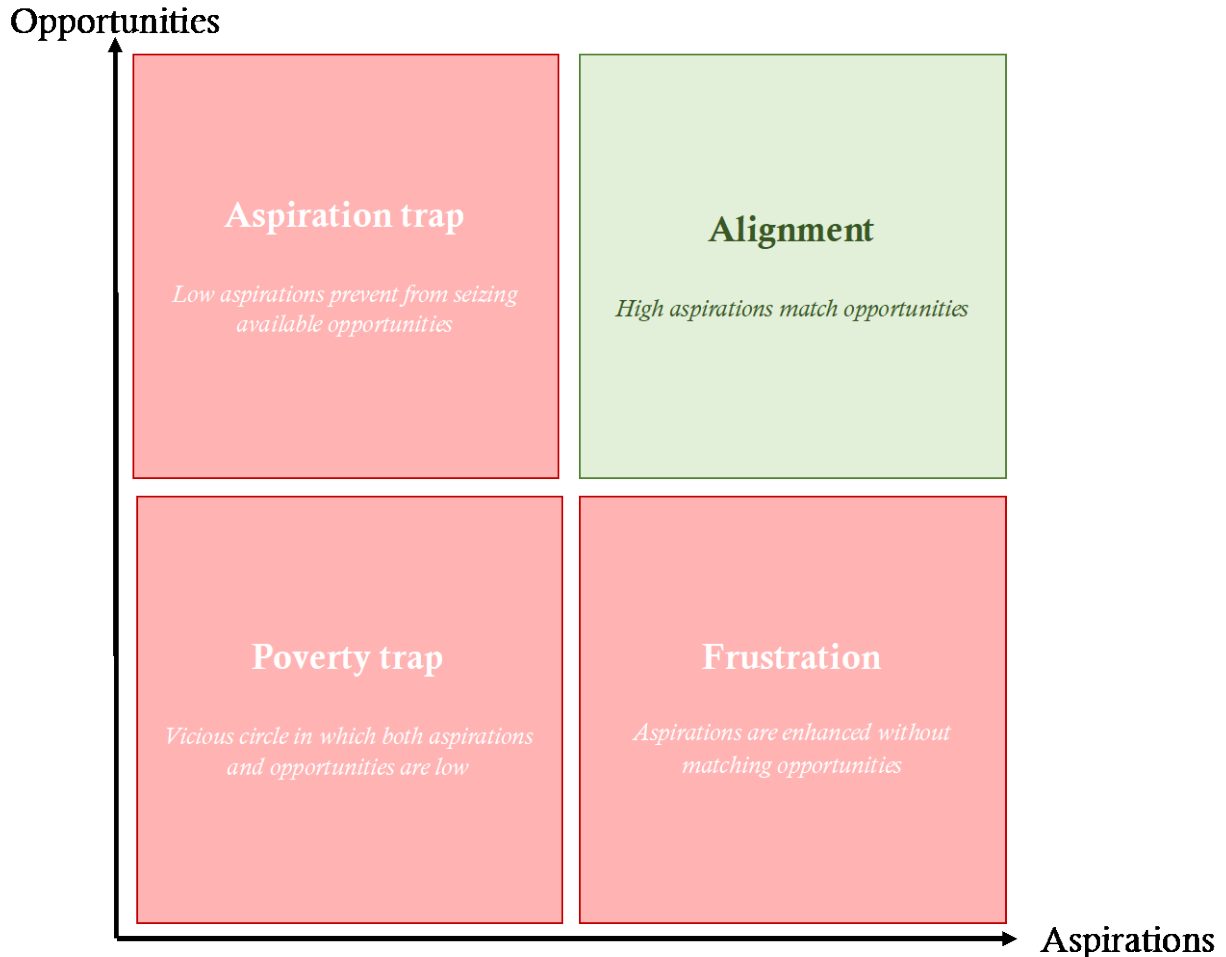
2. A framework for considering aspirations and opportunities jointly

For a long time, antipoverty interventions targeted external constraints (also called structural barriers), i.e. the lack of resources that hinder individuals from achieving desirable outcomes. These interventions encompassed various approaches, such as providing credit or loans for education or small businesses, supplying cash or asset transfers, improving infrastructure, such as roads, or offering training in technical skills for employment or self-employment. In essence, these interventions were geared toward enhancing the opportunities available to beneficiaries.

More recently, a new wave of antipoverty interventions has emerged that seeks to address internal constraints (also called behavioral barriers). These internal constraints include issues revolving around the mental burdens and depression induced by poverty (Ridley et al. 2020) as well as low aspirations (La Ferrara 2019; Lybbert and Wydick 2018, 2022).

To facilitate a more efficient approach in the design of policy interventions, this paper proposes a simple framework that considers aspirations and opportunities together. It aims to clarify the dynamic relationship between these two elements so that it can inform the design of interventions. An intervention does not necessarily have to incorporate components that explicitly address both aspirations and opportunities. Rather, it may operate in a context wherein targeting one of the two elements—either aspirations or opportunities—may be sufficient to improve outcomes. The proposed framework consists of four situations (figure 1), three of which are unfavorable. The following subsections describe these four situations.

Figure 1. A framework to analyze the interplay between aspirations and opportunities



2.1. Alignment

In the most favorable scenario, which corresponds to the top right quadrant in Figure 1, individuals possess high aspirations in a context characterized by plentiful opportunities. “High aspirations” may refer, for instance, to the goal of achieving a higher level of education or wages or to seeking a wider range of choices, such as more diverse academic fields and job opportunities. High aspirations motivate people to make an effort and adopt choices that promote the attainment of achievable goals (Dalton, Ghosal, and Mani 2016; Genicot and Ray 2017, 2020; Ray 2006). Individuals may not necessarily fulfill their aspirations because these often represent ideals, and attainment may depend on multiple factors. However, by seeking to fulfill these aspirations, individuals are more likely to reach better outcomes.

2.2. The poverty trap

The bottom left quadrant in Figure 1 represents a situation in which individuals grapple with low aspirations and limited opportunities, akin to what is often referred to as a poverty trap (Balboni et al., 2022). The lack of resources and the lack of opportunities intertwine to create a vicious cycle of despair. This cycle prevents individuals from nurturing aspirations that could potentially lead to an improvement in their circumstances (Appadurai 2004; Dalton, Ghosal, and Mani 2016; La Ferrara 2019; Ray 2006). Consequently, the aspirations of these individuals remain low, ultimately resulting in even worse outcomes. For example, in South Africa, there is evidence of a reciprocal relationship between low income and depression, whereby each exacerbates the other (Alloush 2023). Because individuals tend to form their aspirations based on the immediate circumstances and the influence of the social environment, the scarcity of material resources and the absence of inspiring models among peers who have managed to escape poverty can stifle the aspirations of individuals living in poverty.⁵

2.3. The aspiration trap

The top left quadrant of the framework depicted in figure 1 represents the situation known as an aspiration trap.⁶ Here, individuals have access to opportunities, such as good-quality education, a sufficient offering of decent jobs, and prospects for business development and growth. However, their aspirations are lower than the goals they might realistically achieve. In this case, both the individual and society as a whole may not take advantage of the available opportunities and may thus not realize their potential.

The aspiration trap may be caused by three key factors, as follows:

1. Lack of awareness: Some individuals may not be aware of the full range of potential opportunities, such as various educational paths or types of jobs. This lack of awareness particularly affects the poor and people living in remote areas. For example, in France, awareness of the most promising educational pathways tends to be less widespread among students from lower-income backgrounds than among their more well-off peers (Guyon and Huillery 2021). This is partly

⁵ Ray (2006) and Genicot and Ray (2020) have named the relevant group that shapes one's aspirations the "aspirations window". It is determined by the broad group of individuals with which one identifies according to an indefinite list of elements of identity one cares about (e.g. place of living, skin color, gender, religion, country, wealth, etc.).

⁶ Some researchers, such as Flechtner (2014) and La Ferrara (2019), use the term "aspiration trap" more broadly to refer to situations whereby low aspirations can lead to underachievement. This would therefore also include the situation we refer to as "poverty trap".

because poorer children have fewer role models who take the most promising educational pathways (Ray 2006).

2. **Low self-confidence:** People may incorrectly believe that they are incapable of achieving more ambitious outcomes. This may derive from a self-reinforcing combination of restrictive social norms, negative stereotypes, and a lack of role models. For instance, the scarcity of women in traditionally male-dominated fields can discourage women students from pursuing careers in these fields (Beaman et al. 2012; Breda et al. 2023; Del Carpio and Guadalupe 2022). Another example is that women with strong abilities in mathematics in the United States tend to underestimate their mathematics skills and avoid pursuing majors in science, technology, engineering, and mathematics (STEM), despite the large returns to such degrees (Saltiel 2023). In Italy, girls in middle school are more likely to perceive their own gender and their abilities as barriers to the achievement of their educational goals (Carlana and Fort 2021). Also in Italy, immigrant students are more likely to opt for a vocational track after middle school instead of tracks leading to more well-paying jobs, even if they have exhibited the relevant academic ability (Carlana, La Ferrara, and Pinotti 2022). In France, poorer students tend to underestimate their ability to pursue top educational pathways, which explains half of the aspiration gap between them and their richer peers. Less awareness of educational options, in contrast, explains only a quarter of the gap (Guyon and Huillery 2021).
3. **Deliberate choice:** Some individuals may be aware of opportunities and feel capable of pursuing them, but choose not to do so to avoid social isolation (Guyon and Huillery 2021), or for other reasons. Given that restrictive social norms are slow to change, minorities may be reluctant to enter certain fields to avoid discriminatory work environments. For example, girls may choose not to pursue STEM careers to avoid male-dominated fields, while migrant students may avoid fields with fewer migrant workers and, therefore, more chance of discrimination.

Teachers may play a role in transmitting negative stereotypes even unconsciously, which may thus promote a self-fulfilling prophecy. Studies have shown that teachers who hold stronger gender stereotypes may negatively influence the academic performance of girls in China (Eble and Hu 2020), India (Rakshit and Sahoo 2023), Italy (Carlana 2019), and Türkiye (Alan, Ertac, and Mumcu 2018). In Italy, these stereotypes have been shown to lead girls, following the track recommendation of their teachers, to self-select into less demanding high schools (Carlana 2019). In Peru, a lab-in-the-field experiment showed how stereotypes about students' wealth affected the grading of teachers (Farfan, Holla, and Vakis 2021). After watching an introductory video portraying either a visibly poor or rich child, teachers had to evaluate the performance of the child on an oral exam shown in a subsequent

video. Teachers assessed the academic aptitude and behavior of poor students less favorably. In the United States, white teachers sometimes exhibit lower expectations in the chances of college completion among black students, which causally reduces the likelihood that black students complete college (Papageorge, Gershenson, and Kang 2020).⁷

Interventions aimed solely at increasing opportunities without addressing the aspirations of beneficiaries can inadvertently lead individuals to transition from a poverty trap to an aspiration trap (Duflo 2012). In theory, in countries with high inequality and low perceived social mobility, the gap between the least well off and the more well off may be large, limiting the aspirations of the former and preventing them from taking advantage of existing opportunities (Genicot and Ray 2017, 2020; Ray 2016).

2.4. Frustration

A frustration trap occurs if an individual has high aspirations but lacks sufficient opportunities to achieve them, corresponding to the bottom right quadrant of the framework displayed in Figure 1. This may occur for several reasons, as follows.

1. Interventions that intentionally aim to raise aspirations while failing to provide commensurate opportunities: For example, microentrepreneurs in the Philippines who received aspirational training within a microcredit borrowing group set higher savings goals but achieved only a small fraction of the goals (about 5 percent). This led to lower borrowing and business investment and a decreased sense of control over their lives because they became frustrated at their inability to meet their ambitious goals (McKenzie, Mohpal, and Yang 2022).
2. Interventions that inadvertently boost aspirations: For instance, a job training program for youth in the Dominican Republic raised expectations among men beneficiaries that they would obtain better employment and living standards but failed in raising their employment, thereby leading to frustration and lower self-esteem (Acevedo et al. 2020).⁸ Women beneficiaries ended up with a

⁷ The effect on college completion among black students may derive from the negative impact on the views of the students on their educational prospects. Alternative explanations are that teacher expectations affect the opportunities of students by, for example, writing stronger (weaker) letters of recommendation for college, or it may be that teachers teach and relate differently to white and black students (Papageorge, Gershenson, and Kang 2020).

⁸ The study measures expectations (of improvement in employment opportunities and living standards), which are distinct yet related to aspirations. Expectations are the outcomes people feel they will most likely achieve given their perceived situation and the barriers they face, while aspirations are people's ideals for the future. One may thus view expectations as a lower bound of potential aspirations (Fruttero, Muller, and Calvo-González 2024).

better employment situation and did not experience the frustration. The cancellation of anticipated policy interventions can also lead to frustration. This is apparent in South Sudan when youth who expected to receive business grants that were not delivered reduced their consumption and reported lower levels of trust (Budjan, Pape, and Ralston 2022).

3. Peer-induced frustration: Witnessing peers' achievements and improvements in their well-being may initially raise observers' aspirations but eventually lead to frustration. For example, a housing intervention in slums in El Salvador, Mexico, and Uruguay initially inspired nonbeneficiary neighbors to aspire to similar housing improvements. However, the higher aspirations eventually disappeared and were replaced by frustration as the housing improvements came to be viewed as unattainable (Galiani, Gertler, and Undurraga 2021).
4. Large shocks: Major shocks, such as economic crises, epidemics, conflict, and natural disasters, may generate frustration. For instance, during the COVID-19 pandemic in Bangladesh, the motivation for learning and the aspiration for higher education declined, particularly among girls (Seager et al. 2022). Conflict and natural disasters have also crushed hope and aspirations (Kosec and Mo 2017; Moya and Carter 2019).
5. Macroeconomic factors: Frustrated aspirations may be driven by and generate macro-level outcomes. For example, economic growth or an increase in educational attainment may foster higher aspirations, which may evolve into frustration if country-level outcomes do not translate into higher individual welfare (Genicot and Ray 2017, 2020; Ray 2006). Frustration fueled by improvements in education outcomes without corresponding economic opportunities may then devolve into country-level unrest. This pattern is considered to have been a driver of protests in Chile and Tunisia in the early 2010s (Campante and Chor 2012; Flechtner 2017; Urzúa 2012).

Empirical studies offer cases in which aspirations do not materialize—or are likely not to—and are likely to culminate in frustration. For instance, longitudinal studies in Ethiopia, India, Peru, and Viet Nam show that only one child in three who aspires to complete university or postgraduate studies at age 12 had either completed university or remained enrolled by age 22 (Favara, Chang, and Sánchez 2018). In The Gambia, households with high aspirations for their children invest more in education (in terms of both financial resources and their children's time), leading to only slightly higher performance on literacy and numeracy tests three years later compared with other children (Eble and Escueta 2023). This modest improvement in performance may not be sufficient to achieve meaningful levels of learning, potentially leading to limited choices and frustrated aspirations later in life.

3. Interventions against poverty traps, aspiration traps, and frustration

Numerous recent studies provide examples of individuals transitioning between quadrants within the framework illustrated in Figure 1. This section explores interventions that support beneficiaries in breaking free from the poverty trap and strategies for escaping the aspirations trap. It then discusses the principles of policies to prevent frustrated aspirations.

3.1. Exiting the poverty trap

Effective interventions aimed at individuals mired in poverty and ensnared in a cycle of limited opportunities and aspirations must address opportunities and aspirations simultaneously. One approach to achieving this involves the integration of components explicitly targeting opportunities and aspirations within a single intervention. This subsection presents various policy interventions that adopt this approach. However, this is not the only way to achieve results. Introducing a new opportunity through an intervention can also be effective if it simultaneously intentionally or unintentionally increases aspirations.

Cash transfers and interactions with professionals and local leaders

Conditional cash transfers (CCTs) in Colombia and Mexico serve as successful examples of interventions that effectively enhance both opportunities and aspirations. CCTs are among the most prominent social assistance program tools in low- and middle-income countries. They are subsidies in kind or in cash that go to poor households on the condition that the households undertake regular medical checkups and ensure that any children attend school. The national CCT programs in Colombia and Mexico have raised the aspirations of their beneficiaries in part by facilitating interactions with education and health professionals who have provided information (thus raised awareness) about available opportunities.

In the case of Colombia's national CCT program, program exposure for 18 months increased the likelihood that beneficiary parents and children would aspire to higher education by 11 percentage points and the aspirations of students by 20 percentage points (García, Harker, and Cuartas 2019). These impacts, greater among the poorest households, are attributed to the combination of resource transfers, direct interactions with school staff and teachers, and formal meetings with CCT program staff, which broadened the awareness of parents of the importance of education. An evaluation of a

later stage of the program, in which the feature involving direct interactions with professionals was removed, found no impact on the expectations of parents regarding the education of their children (Contreras Suárez and Cameron 2020).⁹

Similarly, in Mexico, participation in the national CCT program increased the total number of years of education students aspired to complete by about a third of a school year (Chiapa, Garrido, and Prina 2012). Beneficiaries who had more exposure to doctors and nurses—professionals who had achieved higher educational levels and economic status than they had—experienced greater increases in educational aspirations.¹⁰ This interaction likely provided the beneficiaries with information and inspiration relative to previously unknown opportunities. Research indicates that education outcomes among children in beneficiary households improved in both Colombia (Baez and Camacho 2011) and Mexico (Behrman, Parker, and Todd 2011), suggesting that higher aspirations may have contributed to more schooling.

In Nicaragua, frequent interactions with local leaders, which have potentially inspired higher aspirations, bolstered the sustainability of a temporary cash transfer program (Macours and Vakis 2014). After a severe drought, the government implemented a pilot program providing agricultural households with a temporary cash transfer. A random subset of these households was encouraged to interact more frequently with women community leaders as part of an additional productive investment intervention. Households that increased their interaction with local leaders reported a more positive attitude toward their future, although this was not a direct measure of aspirations. They also made more investments in education and nutrition and earned substantially more income from nonagricultural activities six months later. Even two years after the program ended, these households continued to invest in education and nutrition, whereas beneficiaries who had only received the cash transfer did not continue the investments (Macours and Vakis 2019). The proximity to leaders who had successfully incorporated the productive investment intervention and who served as role models motivated others to follow suit (it thus raised both awareness and self-confidence of beneficiaries).

⁹ Parental expectations are usually lower than but correlated with parental aspirations, as measured by García, Harker, and Cuartas (2019), but removing the component fostering interactions may also have led beneficiaries into an aspiration trap. See Fruttero, Muller, and Calvo-González (2024) for a discussion of discrepancies between the findings of García, Harker, and Cuartas (2019) and Contreras Suárez and Cameron (2020).

¹⁰ Mandated exposure to doctors and nurses differed among beneficiary households depending on their demographic structure. Households in which the youngest child was age under 5 had to visit a health clinic at least four times a year; those in which the youngest child was age 5 or older had to visit a health clinic twice a year; and those without children, only once.

Cash plus aspirations interventions

Cash plus interventions, which combine cash transfers with other interventions, may include components intentionally designed to increase aspirations.¹¹ Experimental cash plus programs targeting poor women in Kenya (Orkin et al. 2023) and Niger (Bossuroy et al. 2022) compared the respective impacts of both the cash component and the supplementary (plus) component on economic and psychosocial outcomes.

In Niger, the experimental arm combining aspirations and opportunities had the greatest impact (Bossuroy et al. 2022). The experiment targeted women beneficiaries of the national cash transfer program, aiming to assist them in developing and diversifying income-generating activities. The women benefited from a core set of interventions comprising savings groups, coaching, and entrepreneurship training. Additionally, some participants received an extra lump-sum cash grant (equivalent to approximately eight times the monthly government transfer), an aspirations intervention (a community-wide screening of a film portraying a woman overcoming challenges to start a new business followed by a guided discussion and a seven half-day life skills training intervention), or a combination of the two. All three elements of the experiment achieved improvements in economic outcomes (consumption, food security, revenue) and psychosocial outcomes (mental health, self-efficacy, social cohesion, and control over earnings). However, the effects varied in magnitude and timing. The full arm, combining all interventions, had the most substantial impact on consumption and revenues as measured during follow-ups 6 and 18 months after the intervention. Although the extra cash component showed sustained effects, the impact was less pronounced. In contrast, the impacts of the aspiration arm increased across various economic and psychosocial outcomes over time.¹²

In Kenya, the experiment found similar impacts for the combined treatment arm and the opportunity-only arm (Orkin et al. 2023). The experiment compared the effects of an aspiration workshop, a lump-sum cash transfer, and the two interventions combined on the economic outcomes of poor rural women. The 90-minute workshop featured a film with role models—two fictional women who improved their standards of living despite the obstacles by embracing higher aspirations—and guided participants in developing goal-setting techniques (imagining a positive future, laying out steps to achieve goals, and planning for obstacles). The aspirations workshop significantly increased the women’s aspirations and economic outcomes relative to women who participated in a placebo

¹¹ These programs are also referred to as multifaceted, graduation, or economic inclusion programs.

¹² The impacts of the aspiration arm and the extra cash on economic outcomes were balanced at the endpoint, while the aspiration arm had generally greater impacts on psychosocial outcomes.

workshop with the same information, but lacking inspiring role models and goal-setting techniques. The combined arm exhibited greater impacts than the aspirations workshop on both aspirations and economic outcomes, but impacts similar to the impacts of the cash transfer alone.¹³

Cognitive behavioral therapy combined with opportunity interventions

Another illustration of the fruitful synergies between opportunities and aspiration-like programs is provided by cognitive behavioral therapy combined with enhanced opportunities. In Liberia, an eight-week cognitive behavioral therapy intervention aimed to help high-risk young men involved in crime and interpersonal violence to control their antisocial behaviors, reshape their self-image, and alter their values (likely raising aspirations) (Blattman et al. 2023). Combined with a US\$200 grant, the intervention significantly reduced participation in illicit activities such as drug-selling, theft, and robbery even after a decade, especially among the men at higher risk. Because the cash component did not lead to sustained earnings increases beyond a few months, the grant likely reinforced the habit formation embodied in the therapy. A similar approach in the United States among poor adolescents in schools that combined therapy with academic support improved school engagement and graduation rates, while reducing arrests for violent crime (Heller et al. 2017).

Combining opportunities for education with aspirations

Some international child sponsorship programs that combine the provision of resources with an aspiration component have yielded significant impacts. These programs typically span nine years. Schoolchildren are sponsored by donors in high-income countries, receive tutoring, and participate in a child development program that emphasizes the development of higher aspirations. This is coupled with support that includes tuition, uniforms, meals, health care, and after-school academic tutoring. Research conducted in six countries (Bolivia, Guatemala, India, Kenya, the Philippines, and Uganda) shows that the program increased secondary-school completion by 45 percent, white-collar employment by 35 percent, and income by about 20 percent (Wydick, Glewwe, and Rutledge 2013, 2017). It also increased the likelihood that individuals would serve in civic leadership roles and contributed to higher incomes and higher asset levels. In Kenya, Indonesia, and Mexico, international sponsorship also increased self-esteem, optimism, and educational aspirations among children (Ross et al. 2021).

¹³ In one notable exception in education expenditure, the combined arm increased education spending by 30 percent of the mean among the placebo group, six times the effect of the workshop alone, and three times the effect of the cash transfer alone. The aspiration and cash arms had similar effects on labor supply. Still, given the large amount of the cash transfer, its effect on all pecuniary outcomes was larger than the effect of the aspiration workshop.

A somewhat different example is offered by a program designed to empower adolescent girls in Uganda (Bandiera et al. 2020). The program combines vocational training focused on small-scale income-generating activities with life skills training to foster aspirations and assist girls in making informed decisions about sex, reproduction, and marriage. The program increased the likelihood that girls would be self-employed by more than half without reducing school enrollment. It also reduced teen pregnancy, early marriage and cohabitation, and the share of girls reporting they had been coerced to have sex. Although the positive impacts on aspirations and gender roles observed two years after the intervention had diminished after four years, two aspects endured: the perspectives of girls on the ideal age of marriage and the most suitable age for childbearing.¹⁴

Fostering opportunities to embrace greater motivation and higher aspirations

Interventions that introduce new opportunities among students may motivate the students and raise their aspirations. In Colombia, the provision of merit- and needs-based scholarships to eligible low-income students had a positive impact on the scores of the students in national high school exit exams, a crucial determinant of university access (Laajaj, Moya, and Sánchez 2022). After seven years, the impact of the scholarship program may still be observed in the greater enrollments in high-quality colleges, college attainment, earnings, and the gaps in attainment, learning, and earnings relative to more affluent students with similar educational achievements (Londoño-Vélez et al. 2024).¹⁵ While these studies did not directly measure aspirations, the results are consistent with the existence of higher aspirations and increased motivation.¹⁶

¹⁴ The same model of intervention and similar program had mixed impacts when implemented in several other Sub-Saharan African countries and Bangladesh (Bergstrom and Özler 2022, pp. 16-17). A qualitative assessment of the replication of the Ugandan program in Tanzania concluded that the mixed impacts in the latter context were due to differences in implementation and contextual factors (Buerhen et al. 2017). Besides, the quantitative assessment found that adding a microcredit loan to the intervention—an extra opportunity component—increased girls’ savings.

¹⁵ Increased opportunities among low-income students may help change perceptions among the more well-off. The scholarship program in Colombia increased the exposure of high-income students to the situation of their low-income peers, thereby enhancing the accuracy of the perceptions of the former on the income distribution and boosting their support for progressive redistribution (Londoño-Vélez et al. 2024). This may be a step toward wider support for a reduction in inequality, which may foster aspirations by narrowing the gaps among income groups (Genicot and Ray 2017, 2020).

¹⁶ An alternative explanation may be that students benefited from enhanced social and professional networks and that they were more successful in job searches (Londoño-Vélez et al. 2024). The findings of other studies that do not measure aspirations are consistent with the conclusion that interventions that lower financial constraints may raise the aspirations of beneficiaries and enable beneficiaries to take advantage of more opportunities. For instance, the Targeting the Ultra Poor programs that combine asset transfers, consumption support, savings, and training among adults in poor households led to substantially higher incomes and labor supply two years after the transfers in Ethiopia, Ghana, Honduras, India, Pakistan, and Peru (Banerjee et al. 2015). Similarly, this type of program increased economic outcomes (consumption, food security, income) and

Two studies in Peru that measured aspirations reinforce this perspective. One study examined the impact of a reform that lengthened the school day and increased pedagogical support (Agüero et al. 2021), while the other focused on a program providing iron supplementation to anemic students (Chong et al. 2016). Both initiatives raised educational aspirations and improved academic performance among students. A plausible mechanism behind this outcome is the increase in opportunities that fostered better performance and more self-confidence among students, thereby broadening the horizons and aspirations of the students.

Consistent with the evidence discussed above, microcredit participation in Sierra Leone raised women's aspirations and economic well-being (Garcia, Lensink, and Voors 2020). The microcredit scheme likely raised women's aspirations by fostering social interactions and connections, especially with group members considered role models. It is plausible that the improvements in economic welfare were at least partly driven by higher aspirations.

3.2. Escaping the aspiration trap

To support individuals caught in aspiration traps, it is essential to broaden their horizons so that they may seize available opportunities and progress toward an alignment of aspirations and opportunities. Relevant effective interventions encompass exposure to role models, mentoring, and counseling.

Exposure to role models

Role models play a crucial role in expanding horizons and demonstrating that seemingly unattainable outcomes are achievable. Role models may be political leaders, community leaders, individuals with desirable professions, fictional characters, and more.¹⁷ People often identify more strongly with role models if they have certain characteristics in common, such as income, religion, and gender (Ray 2006).

In education, the influence of role models can be profound. In France, a one-hour exposure to a woman role model with a science background increased the probability that girls in grade 12 would enroll in a selective, man-dominated STEM program by 30 percent (Breda et al. 2023). In the Republic of Korea, girls who had women teachers in middle school exhibited better performance in high school,

health outcomes in India after 10 years, most likely because beneficiaries took advantage of opportunities to diversify into more lucrative wage employment, especially through migration (Banerjee, Duflo, and Sharma 2021). While the mechanisms behind the process of change are still unclear, a more stable economic situation may raise the peace of mind among the poor, including optimism, effort, and ability to make choices, and encourage them to adopt higher aspirations in a virtuous circle.

¹⁷ For a review of interventions featuring role models in low- and middle-income countries, see Serra (2022).

were more likely to take advanced courses, and showed a greater tendency to make plans to attend post-secondary education (Lim and Meer 2020). Girls with women mathematics teachers were more likely to aspire to enroll in STEM studies in college. Similarly, in Mexico and Peru, showcasing the success stories of women alumni doubled the application rates among girls in software-coding programs (Del Carpio and Guadalupe 2022). In the United States, black students who had at least one black teacher in early grades were more likely to graduate from high school and enroll in college (Gershenson et al. 2022). In Madagascar, the provision of information on the returns to schooling among role models from poor backgrounds had a significant impact on the test scores and school attendance of poor students (Nguyen 2008). Role models from rich backgrounds did not have the same effect.

Role models may also be derived from the virtual realm, such as fictional characters or documentary subjects. The mass media have the power to influence values and behavior, leading to profound changes among viewers, including in areas such as household preferences, health, education, occupational choice, and gender norms (Banerjee, La Ferrara, and Orozco 2019; Bernard et al., 2015; La Ferrara 2016). Even a one-time screening of short inspirational videos can have a lasting impact. In Ethiopia, for example, households in an isolated rural area exposed to a one-hour documentary featuring individuals from the region who had improved their lives through goal setting and hard work exhibited higher aspirations, savings, and investment in farming and education (Bernard et al., 2022). Primary school completion rates doubled among children of school-going age at the time of screening. In Uganda, watching an inspirational commercial movie, *Queen of Katwe*, which is based on the true story of a poor girl who became a chess champion, boosted the performance in mathematics among students and reduced their chances of failing a mathematics test (Riley 2024).

Local political leaders may also be role models. In India, the presence of more women counselors in villages led to higher career aspirations and educational attainment among adolescent girls, effectively closing the gender gap and reducing the time spent by girls on household chores (Beaman et al. 2012). The presence of women as local leaders changed the perceptions of parents and girls of the potential of girls without negative implications for the aspirations of boys. In this case, role modeling occurred through observation rather than direct social interaction.

Role models inspire without necessarily pushing individuals toward specific outcomes. For example, in Ethiopia, videos of role models do not prescribe a particular path out of poverty but motivate isolated farmers through stories told by peers of remote farmers (Bernard et al. 2022).

Role models provide more than information, which, alone, often does not lead to improved outcomes, especially among the disadvantaged. The key distinction lies in the fact that role models are relatable individuals who represent realized aspirations. Ray (2006, 2) concludes that information may not resonate as powerfully as personal experience within the individual's immediate family and community.¹⁸ Although some interventions providing information about financial aid for education can increase educational attainment by revealing a path toward higher goals (Avitabile and de Hoyos 2018; Dinkelman and Martínez 2014; Jensen 2010), such programs tend to have greater impacts among students from wealthier households (Avitabile and de Hoyos 2018; Jensen 2010), or no discernible impact on the perceived college earnings, enrollment choices, or educational aspirations (Bonilla, Bottan, and Ham 2019).

The importance of role models becomes evident through comparisons of interventions with and without role models. In Kenya, a workshop among poor women that included a film with role models and goal-setting techniques had a more significant impact on economic outcomes than a workshop that provided the same information but without the extra components (Orkin et al., 2023).

However, role model interventions may not yield better outcomes if the opportunities are unclear. For example, in Pakistan, videos of successful women role models temporarily improved the growth mindset of women undergraduate students. However they did not increase the likelihood that the effects persisted as follow-up measurements revealed 9, 12, and 15 months later (Ahmed et al. 2024).¹⁹ This result underscores the need to address other binding constraints simultaneously, such as safe transportation, social norms, and interpersonal skills in translating aspirations into action.

Mentoring and counseling among students and microentrepreneurs

Mentoring and counseling interventions have been extensively tested to improve students' educational aspirations and outcomes and the profitability and goals of small-scale entrepreneurs and farmers. These interventions are often effective in helping individuals break free from an aspiration trap.

¹⁸ “Suppose that you believe that the rate of return to primary education is high and want to convey this to a poor individual to get him to send his son to school. There is a simple reason why this simple statement will mean very little to him: there is no experience quite as compelling as the experience of your immediate family and, more broadly, those in your economic and spatial neighborhood.”

¹⁹ Beneficiary students were five percentage points more likely to be working 18 months later, but this most likely did not reflect an advance in well-being. The 18-month period following the intervention coincided with the onset of the first COVID-19 lockdown. During this time, individuals likely faced increased pressure to accept any available job due to significant reductions in household income. The overall higher probability of working was driven by respondents in poorer households with lower parental educational attainment. The beneficiary students were not significantly more likely to be working from home, in full-time employment, or earning above the median sample wages during that time.

However, the extent of their success is often tied to components that facilitate opportunities through skills or resources. Interventions lacking these opportunity-enhancing components tend to be less successful.

Career counseling, especially combined with academic tutoring, can broaden the horizons of the targeted students. In Italy, an intensive academic tutoring and career counseling program for high-achieving immigrant students whose educational aspirations were traditionally lower than those of natives with similar abilities yielded positive results. The program boosted enrollment among high-achieving immigrants in more demanding high-school tracks primarily by raising the educational and occupational aspirations of the students. It also influenced teachers' recommendations, leading to more ambitious high-school placements among the beneficiaries (Carlana, La Ferrara, and Pinotti 2022).²⁰

In contrast, interventions that aim to motivate students to achieve higher goals without providing additional opportunities may require a high level of intensity to improve aspirations and educational outcomes. For instance, in an experiment in Tanzania, students were asked to set goals to improve their mathematics test scores and offered nonfinancial rewards for achieving the targets. While it enhanced student effort and self-discipline, the approach did not substantially change the students' confidence, aspirations, or test scores (Islam et al. 2022).²¹ In Indonesia, a six-week growth mindset curriculum designed to boost children's confidence in their capacity to learn and succeed through dedication and hard work had no significant effect on educational aspirations or test scores (Johnson et al. 2020). In contrast, in France, a four-year curriculum for lower-income students improved grade point averages by fostering more optimistic beliefs about the chance of success and improving school-related behavior, with larger impacts among more disciplined students (Huillery et al. 2023). Similarly, socioemotional learning classes conducted twice a month, combined with mentoring, among primary-school girls in India enhanced life skills and reduced dropout rates by around 25 percent after three years (Edmonds, Feigenberg, and Leight 2021). However, they did not affect the girls' aspirations about their lives or careers.

²⁰ The career choice counseling component included 13 sessions offering psychological support and detailed information about the Italian school system to assist with high school decision-making. The sessions helped students identify goals, reflect on the consequences of educational choices, and develop the capacity to act in ways aligned with the goals. The program's academic tutoring sessions taught a method for studying several subjects (mathematics, Italian grammar, geography). Lower-achieving students received more academic tutoring.

²¹ Teachers were asked to communicate periodic reminders of the goals to the students. Schools also received a poster to display that reminded students to work on their goals every month.

Among microentrepreneurs and farmers, counseling interventions that focus on setting business goals tend to be most effective if combined with components that enhance opportunities. However, various that did so were not successful. For example, in Colombia, a program aimed at improving business-related objectives among low-income microentrepreneurs combined goal-setting, monetary incentives for goal achievement, and support groups (Aguinaga et al. 2019). The program enhanced the likelihood of achieving business goals, with stronger effects noted when all three components were integrated rather than applying the goal-setting approach on its own. However, various examples indicate that counseling interventions incorporating both aspirations and opportunities components failed to significantly benefit participants. This lack of impact could stem from the aspirations component fostering unrealistic goals, the opportunities component being inadequate, or the intervention being well-conceived in these areas but poorly designed or implemented in other respects. For example, in Mexico, an aspiration intervention targeting women microentrepreneurs participating in a microfinance program included a documentary featuring successful borrowers in the same area, discussions about the film, and goal-setting exercises (Rojas, Wydick, and Lybbert 2022). While it increased indicators related to aspirations and hope and, after one year, modestly supported overall business performance and plans to hire new employees, it had no significant effect on microenterprise sales and profits.²² In Bolivia, smallholder farmers engaged in milk production were offered three coaching sessions involving an inspiring documentary about successful peers and exercises guided by facilitators to formulate aspirations related to dairy production and paths to achieve these goals (Cecchi et al. 2022). The intervention increased business and general aspirations and encouraged the adoption of practices to produce higher-quality milk. However, it had insignificant impacts on milk production after three months. In the Philippines, small-scale entrepreneurs who received aspiration training within a microcredit borrowing group ultimately saved less than they had hoped for and decreased their borrowing and business investments two years later. This outcome could likely be linked to feelings of frustration and a diminished belief in their ability to control financial success (McKenzie, Mohpal, and Yang 2022).²³

²² The intervention initially raised aspirations after a month, but this effect waned after a year. However, perceptions of available pathways and a sense of personal agency increased after a year. This could be attributed to aspirations being more easily influenced in the short term, whereas an individual's perception of achievable pathways and their agency in pursuing and attaining goals might develop gradually through ongoing experimentation and learning.

²³ Beneficiaries, on average, reached only 5 percent of their savings goals, borrowed 15 percent less, and invested 30 percent less in their businesses.

Through opportunities

Existing opportunities play a substantial role in nurturing aspirations. For instance, in Japan, where boys tend to have higher expectations and aspirations than girls, gender gaps are notably smaller in regions with higher female employment rates (Molina and Usui 2023). In these areas, parents invest more in their daughters financially and in time, resulting in better education achievements among girls compared with other areas. Using survey data on social norms and role models, Molina and Usui (2023) rule them out as the primary mechanisms for the relationships that they document and hypothesize instead that labor market conditions affect aspirations by changing individuals' predictions about future returns to the relevant outcomes.

Specific interventions that target opportunities may also contribute to raising aspirations. Programs designed for adult workers may indirectly affect beneficiaries' aspirations regarding their children's future. For example, an on-the-job training program focusing on enhancing socioemotional skills improved the productivity of adult women workers in India's largest ready-made garment export firm (Adhvaryu, Kala, and Nyshadham 2023).²⁴ It also had cascading effects because it increased the savings and aspirations among the women with regard to their children's education.

Similarly, in India, women in villages who were provided with three years of recruiting services for jobs in the business process outsourcing industry were significantly less likely to marry or have children during that period (Jensen 2012). Instead, they entered the labor market or pursued more schooling or post-school training. These women also expressed a desire to have fewer children and maintain more stable careers throughout their lifetimes, indicating an increase in their aspirations for a career. In Poland, an intervention aimed at helping women develop work portfolios for the information technology industry as an affordable alternative to mentoring resulted in a nine percentage point increase in the likelihood of finding a job in information technology (Athey and Palikot 2023).

3.3. Avoiding frustrated aspirations

This subsection reviews mechanisms to prevent frustration from multiple sources, including policy interventions, shocks, and other country-level phenomena.

²⁴ Although opportunities tend to be associated with internal constraints (e.g., a loan for a small business, a cash transfer, or vocational training), socioemotional skills training may also be considered as such, given that it provides ways for the worker to be more productive.

Preventing frustration induced by policy interventions

Policy interventions are most effective in preventing frustration when they guarantee opportunities that align with individuals' aspirations and, conversely, when aspirations match available opportunities. A study in the Gambia (mentioned earlier) illustrates this point. It shows that households with high aspirations for their children invest more in education (in terms of both financial resources and their children's time). However, their children only have slightly higher performance on literacy and numeracy tests three years later than other children (Eble and Escueta 2023). This modest positive difference in performance may not be sufficient to achieve meaningful levels of learning, potentially leading to limited choices and frustrated aspirations later in life.²⁵ However, a remedial education program, which included supplementary after-school classes, scripted lesson plans, and frequent coaching focusing on improving teacher practice, made a difference. In households with high aspirations, children were 25 percent more likely than other children to achieve literacy and numeracy due to the intervention and were thus more likely to avoid frustration.

Addressing frustrated aspirations begins with the recognition that interventions may lead to frustration. Frustration may stem from interventions that promote high aspirations but that do not effectively enhance opportunities (McKenzie, Mohpal, and Yang 2022). Interventions may also trigger frustration if they unintentionally raise aspirations beyond the available opportunities (Acevedo et al. 2020), if the expected interventions are not delivered as promised (Budjan, Pape, and Ralston 2022) or if nonbeneficiaries witness others benefiting from an intervention (Galiani, Gertler, and Undurraga 2021). Careful assessment is critical in designing new interventions to avoid frustrated aspirations.

Preventing frustration because of shocks

Aspirations frustrated because of shocks, such as epidemics, economic crises (Seager et al. 2022), conflicts (Moya and Carter 2019), or natural disasters (Kosec and Mo 2017), may be tempered by interventions that provide opportunities.

The COVID-19 pandemic provides examples. In some countries, individualized online tutoring during and after COVID-19–related schooling interruptions increased aspirations and educational outcomes among students. For instance, in Italy, tutoring among disadvantaged middle-school students during lockdown improved the students' academic performance, socioemotional skills,

²⁵ Children in households with high aspirations, however, were 25 percent more likely than other children in the same village to achieve literacy and numeracy. Thus, they are more likely to avoid frustration if they have benefited from a remedial education program, such as supplementary after-school classes, scripted lesson plans, or frequent coaching focusing on improving teacher practice.

aspirations, and psychological well-being (Carlana and La Ferrara 2024). In Spain, an eight-week after-school online tutoring program led to improved test scores, higher mathematics grades, reduced repetition, and raised aspirations and effort at school (Gortazar, Hupkau, and Roldán 2024). However, some interventions, such as a virtual growth mindset program in Bangladesh, had varying effects on the aspirations and motivation of boys and girls (Seager et al. 2022).

Interventions, such as cash transfer schemes, can help mitigate aspiration losses associated with economic shocks. For example, in Pakistan, higher levels of rainfall during severe floods led to lower aspirations, particularly among poor individuals and those most vulnerable to weather shocks (Kosec and Mo 2017). However, a cash transfer in the three years following the disaster significantly attenuated the decline in aspirations.

Adjusting aspirations

Preventing frustration may involve aligning aspirations with apparent opportunities rather than solely aiming to raise opportunities. In France, parents of low-achieving ninth-grade students were invited to individual meetings with school principals to receive information about selective academic tracks and undervalued vocational tracks. These discussions emphasized the importance of adjusting expectations based on the children's performance. The intervention led to more low-achieving students entering vocational high school, lower rates of grade repetition, and a substantial reduction in the dropout rate (Goux, Gurgand, and Maurin 2017).²⁶

Dealing with country-level frustrated aspirations

Policy makers should also consider how country-level phenomena affect aspirations and the potential for and consequences of frustration. While it is beyond the scope of this paper to prescribe specific macro-level policies, improving education and sustaining economic growth to create jobs and opportunities may help limit frustration. Frustration arising from higher educational attainment without corresponding job opportunities (Campante and Chor 2012; Flechtner 2017; Urzúa 2012) may require enhancements in the quality and job-relevance of education and fostering economic growth to support job creation.

²⁶ Though the intervention reduced the dropout rate, a desirable outcome, low-achieving students might also have benefited from an intervention increasing their possibility of reaching and completing the selective tracks, which lead to careers that pay more, in the spirit of the intensive academic tutoring given to high-achieving immigrant students in Italy (Carlana, La Ferrara, and Pinotti 2022). The relative final welfare of beneficiary students in France according to alternative policy interventions (also with different costs) remains an open question.

4. Discussion and conclusion

This paper emphasizes the critical importance of jointly considering aspirations and opportunities in policy making. Addressing either dimension in isolation may lead to unfavorable outcomes, such as aspiration traps (whereby opportunities improve, but aspirations do not), feelings of frustration (by enhancing aspirations without matching opportunities), or the perpetuation of the cycle of poverty (by fostering only one of the two dimensions). Genuine improvement in the welfare of beneficiaries through policy interventions may occur if aspirations and opportunities are aligned.

However, the analysis and alignment of aspirations and opportunities present significant challenges.

1. Identifying opportunities. Identifying whether potential beneficiaries of an intervention have access to opportunities they may seize is challenging. For instance, a role model intervention among farmers in remote parts of Ethiopia raised aspirations and outcomes (Bernard et al. 2022), seemingly aligning aspirations with available opportunities. In Bolivia, in contrast, participation in coaching sessions to formulate aspirations and identify paths to achieving these aspirations did not significantly increase production of smallholder dairy farmers (even though their aspirations had increased and they had adopted better practices, Cecchi et al. 2022). This finding suggests that the intervention may have raised aspirations without providing sufficient opportunities to act on the increased aspirations. Besides, beneficiaries of “supply-side” opportunities (e.g. skills training) may not have access to a “demand opportunity” (e.g. available jobs), which will ultimately affect their welfare (see Acevedo et al. 2020).

2. The effectiveness of opportunity components. Opportunity components in policy interventions are not a guarantee of success for a policy intervention. In Sierra Leone, for instance, microfinance loans without an aspiration component raised aspirations and economic outcomes (Garcia, Lensink, and Voors 2020). However, aspiration interventions had mixed effects on microfinance borrowers in Mexico (Rojas, Wydick, and Lybbert 2022) and led to frustration among borrowers in the Philippines (McKenzie, Mohpal, and Yang 2022). This prompts the question of whether the microfinance loans provided adequate opportunities for microentrepreneurs or if the design and implementation of aspirations workshops were insufficient.

In other cases, an opportunity intervention may be sufficient to raise both aspirations and outcomes. In Kenya, for instance, a cash transfer increased poor women's aspirations and economic outcomes as much as when provided along with an aspiration workshop (Orkin et al. 2023). There are other examples of opportunity interventions that raised aspirations in a wide range of contexts, including an

expansion in school days combined with increased pedagogical support (Agüero et al. 2021); iron supplementation among anemic students (Chong et al. 2016); on-the-job socioemotional skills training among women workers (Adhvaryu, Kala, and Nyshadham 2023); and recruiting services among women for jobs in the business process outsourcing industry (Jensen 2012). Merit- and needs-based scholarships improved students' outcomes, seemingly through higher aspirations (Laajaj, Moya, and Sánchez 2022).

3. The alignment of aspirations and opportunities in policy interventions is necessary but may not be sufficient to achieve better welfare. The combination of opportunity and aspiration components does not guarantee success for a policy intervention. Since the impacts of a policy intervention on beneficiaries' welfare depend on multiple factors, including the design of other policy components and the intervention implementation, individuals may not necessarily fulfill their aspirations, even with carefully designed components tackling their aspirations and opportunities. For example, Buehren et al. (2017) found no impact on beneficiaries in Tanzania to a replication of a Safe Space intervention for adolescent girls in Uganda (which included both aspirations and opportunities components) (Bandiera et al. 2020). They conclude from qualitative evidence that a lower quality of implementation due to resource constraints and several contextual factors drove the stark differences in the program's effectiveness in the two contexts.

Nonetheless, this paper discussed cases demonstrating that alignment can be achieved through deliberate policy action in certain instances. In contexts with ample opportunities, aspiration traps can be addressed through exposure to role models, mentoring, and counseling. Frustrated aspirations can be avoided by designing interventions that ensure that aspirations align with opportunities, addressing the impacts of shocks, and potentially realigning aspirations with opportunities. In settings with low aspirations and opportunities, combined interventions, such as CCTs, cash plus interventions, behavioral therapy combined with additional support, and education interventions combining aspirations interventions with concrete aid, can enhance both.

Three priority areas for future research may contribute to enhanced policy guidance.

First, a systematic examination of contexts wherein aligning opportunities and aspirations is more achievable would be helpful for policy. The analysis presented in this paper suggests that opportunities are easier to assess and are more likely to be available in the context of interventions targeting students. This may explain why these interventions tend to be more successful than interventions targeting employment and micro businesses (Lybbert and Wydick, 2022). One reason may be that aspirations

are more likely to translate into higher grades, which are more firmly within a student's control than wages or business outcomes that depend on a more complex range of factors.

Second, the apparent cost-effectiveness of aspiration interventions may merit more examination. Two experiments discussed in this paper that compare the respective impacts of interventions fostering aspirations and opportunities among poor women in Kenya and Niger suggest that aspirations-only interventions may be associated with appealing cost-benefit ratios (Bossuroy et al. 2022; Orkin et al. 2023). However, in both experiments, the combined effect of aspirations and opportunities interventions on economic and psychological outcomes (workshop and lump-sum cash transfers) exceeded the impacts of the aspirations intervention in isolation. Higher impacts may be preferable in avoiding frustration.

Third, enhanced insight into general equilibrium effects, which extend beyond the group of intervention beneficiaries, would be helpful. Increasing aspirations or opportunities among some groups might displace other groups. For example, women in India benefiting from recruiting services for industry jobs may have gotten jobs at the expense of others, with no net effect on women's employment (Jensen 2012). However, it is also possible that general equilibrium effects could improve prospects for everyone by increasing economic opportunities.

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6. Annex 1. Methodology to identify and select the studies about aspiration interventions

Identification of relevant studies

We started to identify the relevant literature (from economics) in June 2018 for an earlier literature review (see Fruttero, Muller, and Calvo-González 2024). The review is about the influence and determinants of aspirations, rather than a direct review of policy interventions, but does discuss various studies evaluating interventions given that they provide one type of evidence that fostered aspirations are linked to better outcomes. Through Google Scholar, we looked for studies that cited pioneer studies (Appadurai 2004; Ray 2006) and early theoretical papers (Dalton, Ghosal, and Mani 2016) and empirical papers (Nguyen 2008; Beaman et al. 2012; Chiapa, Garrido, and Prina 2012; Wydick, Glewwe, and Rutledge 2013, 2017; Macours and Vakis 2014; Bernard et al. 2022, which a widely circulated earlier version was from 2014; Janzen et al. 2017; Favara 2017; Favara and Sanchez 2017). We also looked at papers cited in previous literature reviews (World Bank 2015; Lybbert and Wydick 2018). From there, we gathered new papers that came to our attention through working paper series (IZA, NBER, World Bank) and Twitter. Some new papers were evidently about aspiration interventions as highlighted in their titles and abstracts, but we found many others by searching in their text keywords such as “aspir”, “hope”, “expectations” (the latter two terms are sometimes meant by aspirations; see Fruttero, Muller, and Calvo-González 2024 for a discussion), given that many educational or employment interventions are not primarily about raising aspirations but do evaluate the impacts of the interventions on them as part of a broad range of outcomes (for example: Chong et al. 2016; Avitabile and de Hoyos 2018; Bonilla, Bottan, and Ham 2019; Johnson et al. 2020; Agüero et al. 2021; Bettinger et al. 2021; Islam et al. 2022; Huillery et al. 2022; Seager et al. 2022; Adhvaryu, Kala, and Nyshadham 2023) (in a way, aspirations have become one common outcome measure in development interventions, although there are many different ways to measure them). Finally, we have frequently looked for the latest versions of papers (updated working papers or published articles) on the authors’ websites, and sometimes came across other papers of an author on the topic that way.

Selection of relevant studies

We selected studies evaluating interventions linked to aspirations mainly based on two criteria. First, interventions that include an explicit component fostering aspirations (e.g. video of a role model, dedicated workshop). And, second, interventions evaluated by studies that measure their impacts on aspirations. In addition, we also used our judgement to discuss peripheral studies that do not fit our two criteria but seem relevant to the subject discussed. For example, Jensen (2010), looking at the impact of giving information on the returns to education to students in the Dominican Republic, is not explicitly about aspirations, nor does it measure the impact on those, but the study is a useful illustration of the importance of paying attention to opportunities since the intervention had a large effect only among the wealthier students and no effect for the poorest students, even though both groups increased perceived returns by the same amount. Likewise, the cognitive behavioral therapy for high-risk young men in Liberia, evaluated by Blattman et al. (2023), shows the long-term impacts (after 10 years) of an intervention that is implicitly about aspirations as it aims for beneficiaries to change their mental models and behavior to consider differently their way of life.