

# Value of Friendship

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## Abstract

How to promote social capital has long been perceived as an important issue in social sciences. This paper suggests that teaching practices can stimulate social capital at both individual and classroom levels by evaluating the impact of project-based learning, a student-centered teaching pedagogy program. The sample used for this study consists of 2,720 7th grade students in 12 South Korean middle schools. We measure students' friendship network changes and other-regarding preferences before and after the program. We employ a standard difference-in-differences identification strategy with lab-in-the-field experiments, including a comprehensive friendship survey and a dictator game experiment. We demonstrate that the program triggers a positive effect on social capital by expanding students' friendship networks and being more generous toward their peers, especially those not in friendship and without homophilous characteristics. Our results are consistent with the idea that teaching practice focusing on student-centered learning can be considered an effective education policy to influence the formation of social capital among students.

**Keywords:** Homophily; Lab-in-the-field experiments; Other-regarding preference; Social capital; Social network; Teaching practices

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