"Assessing Racial Disparities in Postsecondary Education"

Paper by Esteban Aucejo and Zachary Tobin

Discussed by

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Panel 4: Higher Education

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Summary of Paper

Descriptive overview

- Racial/ethnic gaps in educational attainment
- Gender gaps within racial/ethnic groups

Possible explanations

- Financial constraints
- Informational frictions
- Academic preparation

Analyze what type of academic skills are most important in explaining current gaps in higher education

Comment #1

■ **Different covariates help us understand the mechanism driving racial/ethnic gaps in degree attainment**

- ■ *Black students:* academic preparation and behavior

- ■ *Hispanic students:* parent's educational attainment (i.e., proxy for immigrant or informational frictions)

Table 2: Attainment of Bachelor's Degree or Higher

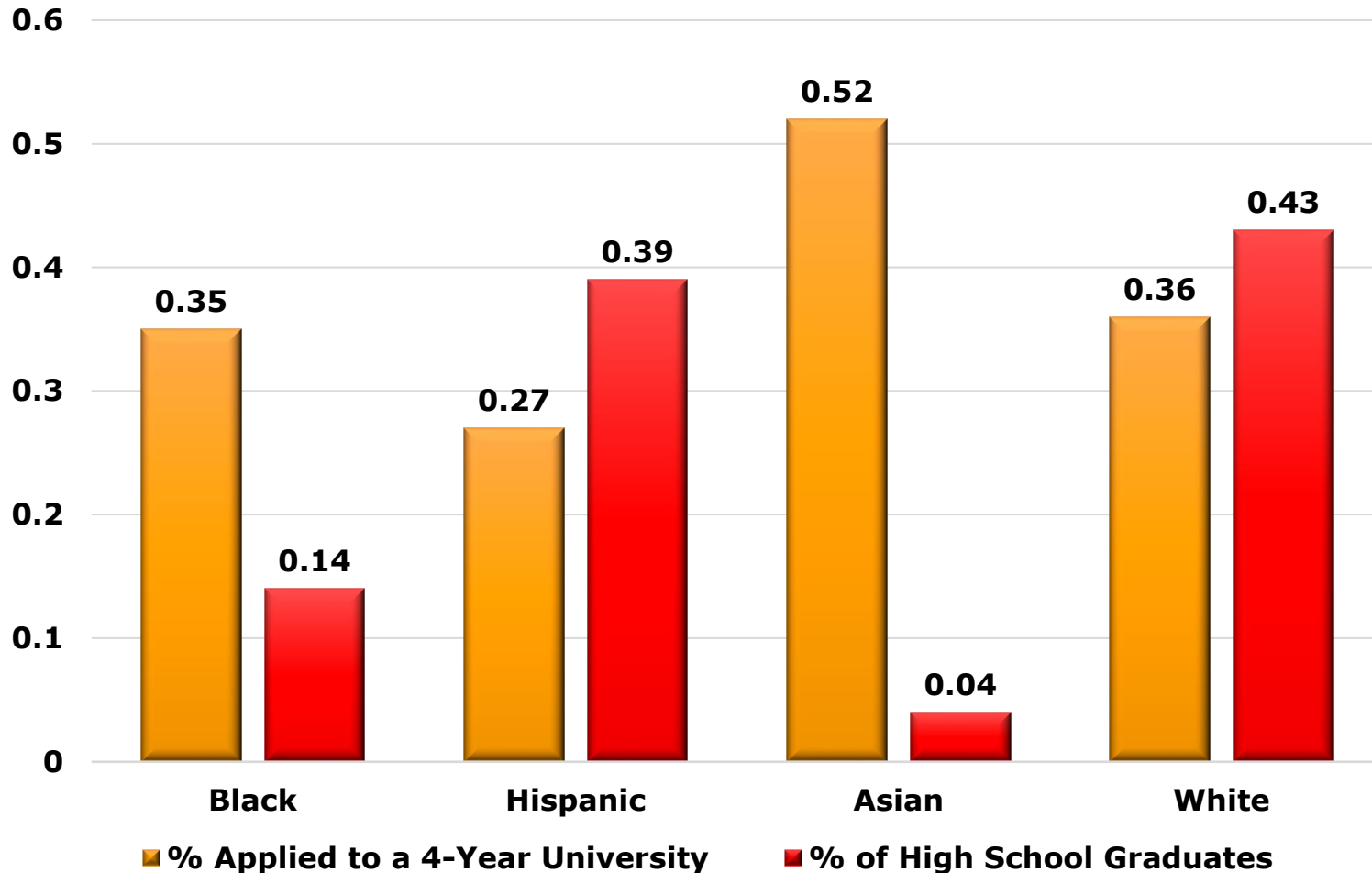|	(1)	(2)	(3)	(4)
Black	-0.083***	-0.008	0.029	0.050*
	(0.031)	(0.030)	(0.029)	(0.029)
Hispanic	-0.116***	-0.061*	-0.034	-0.026
	(0.036)	(0.035)	(0.034)	(0.034)
Controls:				
Demographics	X	X	X	X
Academic Skills		X	X	X
Parent's Education			X	X
Student Behavior				X
Mean	0.39	0.39	0.39	0.39
R^2	0.03	0.16	0.21	0.23
N	3,009	3,009	3,009	3,009

Comment #2

- **Underrepresented minorities (URM) have had an increase in college enrollment, leading to a decrease in racial/ethnic gaps in college enrollment**

- **No reduction in racial/ethnic gaps in Bachelors' degree attainment**
  - Driven by URM students enrolling in 2-year colleges and a lower graduation rate at 4-year colleges

- **Black 4-year college enrollment by college ranking is U-shaped**
  - Black students tend to be relatively more represented in both the highest- and lowest-ranked colleges, but relatively less represented in between

Application is the first step to: admission, enrollment, and graduation

- **Are racial and ethnic gaps in college enrollment and attainment due to *differential application behavior* by URM students?** (conditional on *college readiness* and *high school quality*)

- **Is there evidence of relative *"undermatch"* due to informational frictions by race and ethnicity?**

Black, Cortes, and Lincove (2020). Apply Yourself: Racial and Ethnic Differences in College Application. *Education finance and policy*, 15(2), 209–240.

College Application Rates:
Texas High School Graduates (2008 & 2009)

Source: Black, Cortes, and Lincove (2020).

Applying to 4-Year Colleges

	(1)	(2)	(3)
Race and Ethnicity:			
Black	0.145*	0.146*	0.146*
	(0.005)	(0.005)	(0.005)
Hispanic	-0.065*	-0.065*	-0.066*
	(0.003)	(0.003)	(0.003)
Asian	-0.035*	-0.048*	-0.039*
	(0.007)	(0.007)	(0.008)
No. of observations	427,973	427,973	382,324
R^2	0.289	0.236	0.289
Other Controls:			
Student characteristics	yes	yes	yes
College readiness	yes	yes	yes
High school characteristics	yes		yes
High school fixed effects		yes	
Geographic proximity			yes

RESULTS:

☐ **Blacks are more likely to apply to 4-year colleges than whites, controlling for observable characteristics.**

☐ **Hispanics and Asians are less likely to apply.**

☐ **Mean application rate: 0.38**

* $p<0.05$.

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Mechanism: Undermatch?

- **Analyze application behavior by college-readiness.**

- **College-readiness based on AP courses completed and high school exit exams.**

- **Identified students from our sample whose college-readiness were above the average of the entering freshman class.**

Results: By College Readiness

	(1) Highly Prepared	(2) Somewhat Prepared	(3) Less Prepared
Black	-0.021	0.069*	0.141*
	(0.018)	(0.009)	(0.011)
Hispanic	-0.048*	-0.039*	-0.069*
	(0.011)	(0.007)	(0.009)
Asian	-0.040*	-0.041*	-0.040*
	(0.010)	(0.008)	(0.015)
N	13,045	53,497	30,568
R^2	0.02	0.06	0.08
Mean outcome	0.86	0.79	0.68
Other controls:			
High school F.E.s	Yes	Yes	Yes

* denotes statistical significance at the $p < 0.05$ level.

Summary of Findings

- **Consistently show that Hispanics are least likely of all racial groups to apply to college.**
  - Hispanics are the fastest growing ethnic group in the nation (projected to be a majority in Texas).
  - Hispanic-white college application gap is *not* explained by differential college readiness and high school quality.

Thank You!

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