Discussion of Rothstein and Yoon "Mismatch in Law School" and

"Affirmative Action in Law School Admissions: What Do Racial Preferences Do?

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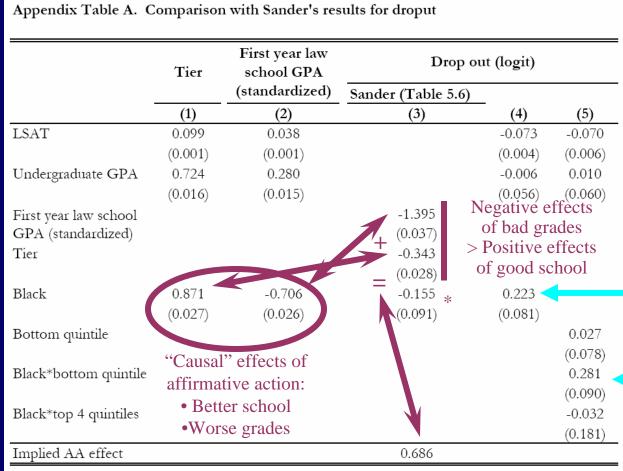
NBER Law and Economics Meetings

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Roadmap: What do We Learn?

- 1. Understanding Sander's Argument: It is wrong
- 2. Understanding Mismatch
 - ☐ An intuitive upper bound: Effects cannot be v. negative
 - An intuitive lower bound: Effects may even be positive
 - Effects at other margins: Are often positive!
- 3. Understanding Affirmative Action
 - ☐ Effects on black enrollment: <u>Huge</u> decline
 - ☐ Effects on mismatch: And mismatch doesn't disappear
- 4. Stepping back...

Explaining Mismatch (or "Explaining Sander")



^{*} Spec check: No race effect | negative effects of affirmative action.

Notes: All models include controls for family income, part-time status, gender, and three racial/ethnic categories (Asian, Other, and Hispanic) whose coefficients are not shown here. Columns 1 and 2 report OLS coefficients; columns 3-5 report logit coefficients.

Rothstein and Yoon: Intuitive upper bound

Driven by
bottom quintile
- Where selection
bias may be largest

How Large is Mismatch?

1. Intuitive Upper bound: What if all black disadvantage were due to mismatch?

Table 5. Regression estimates of black-white difference in outcomes

Assume all other factors are "race-neutral"*

* More fully:

	Law school	Bar passage		ET	Coodiah	Ln(salary)
	graduation	Any	If attempted	FT emp.	Good job	Lii(salary)
	(1)	(2)	(3)	(4)	(5)	(6)
Full sample						
Black	-0.033	-0.091	-0.094	0.051	0.208	0.100
	(0.008)	(0.011)	(0.010)	(0.038)	(0.046)	(0.045)

"Mismatch"
can only be
negative for
some
outcomes

- 1. No race gap if all attend unselective schools
- 2. Similar treatmentual three vold owner obounds: "Compare blacks in top schools with blacks in lower schools | X

Assume no selection on unobservables

Table 4. Regression estimates of selectivity effects on outcomes: Selective-unselective comparison

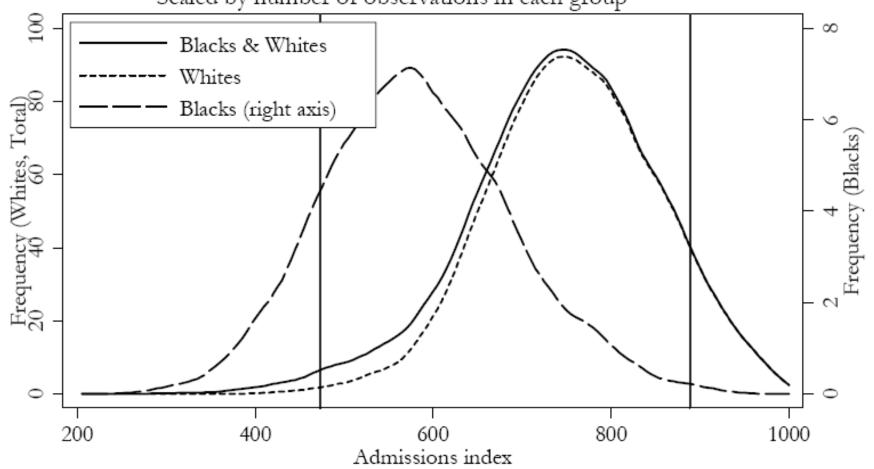
	Law school	Bar passage		FT emp.	Good job Ln(salary)	
	graduation	Any	If attempted	- FI emp.	Good Job	Lii(saiaiy)
	(1)	(2)	(3)	(4)	(5)	(6)
Blacks						
Selective	0.049	-0.007	-0.002	0.054	0.021	0.227
	(0.024)	(0.029)	(0.029)	(0.043)	(0.052)	(0.053)

Cannot
reject
positive
effects of
mismatch"

Black and White Applicant Pools

Density of admissions index among black and white BPS respondents

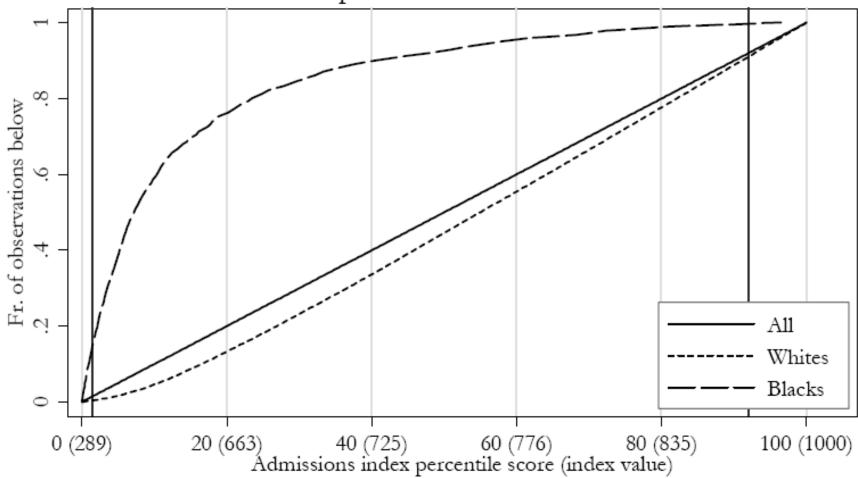
Scaled by number of observations in each group



Note: Admissions index is 400*UGPA + 600*LSAT, after standardizing each to range from 0 to 1. Vertical lines indicate trimming points for analyses that are limited to the region of common support.

Black and White Admissions

CDFs of admissions index percentile scores for blacks and whites



Note: Figure displays CDFs of the percentile scores--which by construction are uniformly distributed in the full sample--for whites and blacks separately. Vertical lines indicate trimming points for analyses that are limited to the region of common support.

Effect of Race-Blind Admissions

Table 4.4

Black-white gaps in admissions

	Number of black students		
	Actual	Simulated	
	(1)	(2)	
All matriculants	2,928	1,077	
By cluster			
Elite	242	24	
Public Ivy	460	103	
2nd Tier Public	842	196	
2nd Tier Private	698	473	
3rd Tier	165	196	
Minority	521	85	

Methodological Lessons

- ☐ In order to say something sensible about affirmative action, need:
 - Sander: A structural model
 - » Plus conjecture
 - Ho: Variation in affirmative action
 - Rothstein and Yoon: Quantitative guesstimation
 - » Easy to bound effects of mismatch: Small
 - » Enrolment effects of eliminating racial preferences: Huge

Empirical Law and Economics

- □ Mismatch hypothesis:
 - Affirmative action
 - » Lower standards for historically under-represented groups
 - Technology of legal scholarship
 - » Finding a fit with one's aptitudes > Prestige
 - Choices
 - » Yet targets of affirmative action choose prestige
 - Outcomes
 - » Poor scholarship by recipients of affirmative action
- □ Is it time to end affirmative action in empirical law and economics?
 - Recent empirical debates
 - » More gun, More crime
 - » Deterrent effects of the death penalty
 - » Mismatch in law schools
 - What have we learned?
 - At what cost?
 - Who are the agenda-setters?
- □ How?