Title: Color-Blind Affirmative Action and Student Quality

Authors and Affiliations:

Kate Antonovics
UC San Diego

Ben Backes
American Institutes for Research
Abstract Body

Background / Context:

Our paper makes several contributions to the literature on affirmative action in higher education. First, using administrative data on every fall freshman applicant to each of the eight University of California campuses from 1995-2006, we document the extent to which each campus reacted to Prop 209 by changing its admissions rule to implicitly favor under-represented minorities (URMs), and we investigate how the new admissions rules affected the average quality of the pool of admitted students. To our knowledge, our paper is the first to systematically evaluate how observed changes in admissions rules following a ban on explicit racial preferences affected the pool of admitted students. Second, using data from the College Board (CB) and the National Assessment of Educational Progress (NAEP), we examine the potential indirect effects of Prop 209 on student quality by focusing on human capital investment prior to college entry, and we highlight the weaknesses of previous research that has attempted to do this.

Purpose / Objective / Research Question / Focus of Study:

When universities are prohibited from promoting diversity by using race as an explicit criterion in admissions, they may respond by changing their admissions rules to implicitly favor minorities. This paper assesses the extent to which schools in the UC system implemented such color-blind affirmative action policies, and investigates the effect these policies had on student quality. Using administrative data from the University of California (UC) from before and after a statewide ban on race-contingent admissions policies, we first present evidence that UC campuses did indeed change the weight given to SAT scores, grades and family background characteristics in order to implicitly favor minorities, though the admissions rate of minorities remained far below its pre-ban level. We then explore the possible inefficiencies generated by color-blind affirmative action policies by assessing their effect both on the quality of students admitted to the UC and on students’ incentives to invest in human capital prior to college entry.

Setting:

Using administrative data from the University of California (UC) from before and after a statewide ban on race-contingent admissions policies, we first present evidence that UC campuses did indeed change the weight given to SAT scores, grades and family background characteristics in order to implicitly favor minorities, though the admissions rate of minorities remained far below its pre-ban level. In addition, using data from the College Board (CB) and the National Assessment of Educational Progress (NAEP), we examine the potential indirect effects of Prop 209 on student quality by focusing on human capital investment prior to college entry.

Population / Participants / Subjects:

All Californians who applied to any University of California campus between 1995 and 2006.
Intervention / Program / Practice:

The effort to remove racial preferences in California was an extended process spanning multiple years. The first threat to affirmative action in California was in July 1995, when the Board of Regents of the University of California passed a resolution (SP-1), which stipulated that UCs would discontinue considering race in admissions by the beginning of 1997. The implementation of SP-1, however, was delayed following the passage in November 1996 of Proposition 209 (Prop 209), which banned the use of racial preferences in university admissions. Prop 209 underwent legal challenges until the Supreme Court denied further appeals in November 1997. Thus, the incoming class of 1998 was the first to be admitted under the statewide ban on affirmative action.

Research Design:

We estimate a difference-in-difference model using OLS, which measures the change in outcomes for minority students relative to whites. Available demographic controls differ by dataset. We drop observations from Louisiana, Mississippi, Texas, and Washington, which were affected by their own affirmative action policy changes during our sample period.

Data Collection and Analysis:

We use administrative data on every fall freshman applicant to the UC from 1995-2006. The data contain individual-level information on each student's race, adjusted high school GPA, SAT scores, parental income, and parental education. In addition, the data report the campuses to which each student applied, the campuses that accepted the applicant, and the campus at which the student enrolled, if any.

To test for the effects of Prop 209 on human capital investment, we make use of data from the College Board, which contain information on both SAT scores and self-reported GPA. In addition, we utilize data from the National Assessment of Educational Progress (NAEP) on a representative sample of eighth graders. For the time frame we examine, the NAEP contains both math test scores and time spent doing homework. Both data sets allow us to investigate whether there were shifts in human capital investment consistent with the changes in the admissions rules at the UC after Prop 209.

Findings / Results:

We find that the new admissions rules had little effect on the quality of admitted students as measured by expected first-year college GPA. In addition, using data from a number of sources, we find that although students' SAT scores and high school GPA may have responded to the changes in the admission rules at the UC schools, the magnitude of the response was extremely small.

Conclusions:

Much of the popular debate surrounding affirmative action in higher education focuses on issues
of fairness. Nonetheless, also important to the debate over affirmative action is the extent to which banning affirmative action (in the form of explicit racial preferences) may affect student quality. Indeed, a number of scholars have pointed out that since policies such as Prop 209 give colleges and universities an incentive to place a greater weight on non-academic factors in determining admissions, they could lower student quality both by lowering the quality of students who are admitted and by weakening students' incentives to invest in their academic qualifications prior to college entry.

In this paper, we provide evidence that UC schools responded to Prop 209 in two ways. First, they drastically reduced the explicit admissions advantage given to URMs prior to Prop 209. Second, they appear to have decreased the weight placed on SAT math scores and increased the weight given to high school GPA, SAT verbal scores (at least at several campuses) and family background characteristics in determining admissions.

We then explore the direct effects of these changes in the admissions rule on the quality of students admitted to UC schools. Holding constant the changes in the admissions rate for each racial group, we find that the changes in the weights given to students' academic and family background characteristics had little effect on the quality of admitted students (as measured by expected first-year college GPA). In particular, for both URMs and non-URMs, while the new admissions rules lowered the average SAT scores of students predicted to be admitted, they also increased the average high school GPA of students in this group. Since both SAT scores and high school GPA positively predict first-year college GPA, the net effect on expected first-year GPA was negligible.

In terms of human capital investment, we find that SAT math scores and 8th grade math test scores. On one hand, the magnitude of our findings is quite small. On the other hand, our post period only goes until 2000, and the cumulative long-run effects on human capital investment could be much larger than suggested by the magnitude of our point estimates.

Either way, assessing the effects of Prop 209 (both direct and indirect) on student quality is unclear. To the extent that student quality is related to math test scores, Prop 209 may have lowered student quality, but to the extent that student quality is related to high school GPA and verbal test scores, Prop 209 may have had the opposite effect. Finally, we find no consistent evidence that Prop 209 affected the racial gap in human capital investment prior to college entry.