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Attending college is one of the many goals that high school students across America look forward to. For a small percentage of these students, being admitted to his or her dream college would mean obtaining exceptional test scores, near-perfect grades, and notable extracurricular activities. But an additional factor that has been considered in college admissions for decades is the student's race. For numerous public universities and even some prestigious private colleges, race was often considered when admitting students. However, this practice has recently been nullified by the Supreme Court and will now change the criterion of student admissions in these once race-conscious schools.

This Supreme Court decision has potential to impact college admissions, enrollment, and graduation of minority students. Sander (2004) suggest that minority groups can be harmed by affirmative action admission polictool they are not qualified for, and therefore struggle to graduate. This theory has been named mismatch theory. Sander's analysis considers a narrow population of law school students. I add to the research on this topic by examining the impact of affirmative action policies in the United States on the graduation rates of ethnic minorities pursuing bachelor's degrees. My estimates of the impact of affirmative action bans prior to the 2023 Supreme Court decision can provide valuable information about the potential effects of the nationwide affirmative action ban going forward.

The race of a student was recognized and considered in higher education to eliminate race-based discrimination in a program known as affirmative action (Robinson, 2023). This program allowed universities to promote inclusivity and increase diversity. But after decades of universities utilizing this program, the Supreme Court officially banned the practice in 2023. The Students for Fair Admissions (SFFA), a nonprofit organization whose purpose is to defend human and civil rights secured by law, challenged Harvard College's admissions process (*STUDENTS FAIR ADM. v. PRESIDENT FELLOWS HARVARD*, 2023). In the case *SFFA v. Harvard*, it was decided that schools, such as Harvard College and the University of North Carolina at Chapel Hill, that considered race as an element for student admissions, were violating the Equal Protection

universities, it did discourage students who were not in the top 10% from sending their score reports to the universities. Andrews' results indicate that while a method like the Top 10% Plan could increase diversity, it does not guarantee that all students, especially low-income, will participate. State-funded Texas universities then used a 2-step admissions process for admitting students to promote inclusivity. In the case *Fisher v. University of Texas at Austin*, Abigail Fisher "alleged that the University's consideration of race disadvantaged her and other Caucasian applicants, in violation of the Equal Protection Clause" (2016). Factually, along with Texas' 10% admissions policy, their public universities used a holistic review when admitting the remainder of the freshman class by combining an applicant's academic index and personal achievement index, which included race (*Fisher v. University of Texas at Austin*, 2016). Since Fisher was not in the top 10% of her senior class, she was not considered for automatic admission, therefor

creating a diverse classroom environment is a compelling state interest under the Fourteenth Amendment” (1978). Additionally, the court also had to settle *Gratz v. Bollinger* where Jennifer Gratz and Patrick Hamacher, both Caucasian, challenged the University of Michigan’s undergraduate affirmative action program. After applying as residents of Michigan for early admission to the College of Literature, Science, and Arts, both individuals were denied admission and classified as not being competitive enough to be admitted on first review. When analyzing the university’s admission process, it was discovered that applicants were ranked on a 150-point scale, with 100 points generally guaranteeing admission, and applicants who were a predominate minority or from a disadvantaged school given 20 additional points (McBride, 2006). While the point system was rescinded, adjacent to *Grutter v. Bollinger*, the court decided that the university presented evidence that supported their efforts to diversify their student body, constituting a compelling governmental interest. Therefore, the University of Michigan’s policy was justified since the subject of race was being used to remedy the disadvantages of minority groups.

Cases opposing the use of race-based admissions in public institutions were produced by the belief

When observing institutions that had already banned the use of affirmative action prior to the Supreme Court's decision, I discovered that minority student populations decreased, and white student populations increased. States such as Michigan and California had already eliminated the use of affirmative action programs, which can be seen in Table 1, despite having some of the most highly rated public universities in the nation, which receive thousands of high-quality applications every year. In 2006, the University of Michigan banned race-conscious admissions which resulted in a drop of enrollment for Black and Native American students (Saul, 2022). The University of Michigan has adopted outreach programs as a method for increasing their diversity by recruiting black students. However, these programs are costly; in California, the University of California system has spent more than a

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groups. The NCES Integrated Postsecondary Education Data System (IPEDS) contains college and university level information about graduation rates, faculty, average tuition, private vs. public status, financial aid, etc. My empirical analysis sample consists of 1,351 4-year non-profit colleges and universities in the United States from 2001-2018. Summary statistics for this sample of schools are provided in Table 2. We can see that 15.5% of the observations in the data faced an affirmative action ban which helps analyze the variation in policy across the U.S. In addition, 60% of observations in my study are from a private college or university which helps analyze if there is a difference in likelihood of graduation between private and public schools. To examine the impact of affirmative action bans on graduation outcomes, I estimate the following multivariate regression model:

$$y_{it} = \alpha_0 + \alpha_1 \text{BAN}_{it} + \alpha_2 x_{it} + d_t + \epsilon_{it}$$

Where y_{it} is my outcome of interest. This is the graduation rate, by ethnicity, of students enrolled at college “i” in year “t.” BAN_{it} is an indicator that takes a value of 1 if the university “i” faces an affirmative action ban in year “t.” Graduation rate is measured by dividing the total number of students from a group that complete a degree within six years in the school by the total number that enrolled in their cohort. x_{it} is a vector of university level controls that I believe also impact campus graduation. These controls include whether the school is privately controlled, if the school is a HBCU, the total undergraduate enrollment, 75th percentile SAT math and verbal scores of students, tuition, the percentage of students receiving any financial aid, and total faculty employed at the school. The variable d_t are year fixed effects that control for time specific shocks that impact all universities. ϵ_{it} is a random error term. α_1 is my coefficient of interest and it measures the impact of an affirmative action ban on the proportion of students. For example, if α_1 is equal to -2.00, this means that a ban on affirmative action is associated with a 2-percentage point decrease in the graduation rate of students on college campuses.

As I discussed earlier, private, and public schools may have different objectives when admitting students that can ultimately impact graduation rates, so I also estimate additional multivariable regression models that include an interaction term between indicator variables for affirmative action bans and private school status.

$$= \beta_0 + \beta_1 \text{BAN} + \beta_2 \text{PRIVATE} + \beta_3 (\text{BAN} \times \text{PRIVATE}) + \beta_4 + d + \epsilon$$

PRIVATE_{it} is an indicator that takes a value of 1 if school “i” is a private college or university in year “t,” and all other variables are defined similarly to my previous regression model. In this model, β_2 estimates the impact that private schools have on graduation rates compared to public colleges or universities. For example, if β_2 is equal to -2.00, this means that the graduation rate is 2-percentage points lower at private schools relative to public schools. Lastly, β_3 estimates the additional impact that private schools have on graduation rates if they face an affirmative action ban compared to public colleges or universities. For example, if β_3 is equal to -2.00, this means that the graduation rate is 2-percentage points lower at private schools with an affirmative action ban relative to public schools.

After conducting a linear regression analysis, I found the impact that the affirmative action ban had on graduation rates for various racial groups. Firstly, when looking at column 1 for Table 3, the coefficient on affirmative action ban means that when there is a ban on affirmative action admissions, the graduation rate for black students decreased by 0.9621 percentage points. This result is statistically significant at a 1% level. The coefficient for the second row tells us that graduation rates are 7.4654 percentage points lower for black students at private colleges relative to public colleges, while also being statistically significant at the 0.001 level.

are at a private university that faces an affirmative action ban. However, these estimates are no longer statistically significant.

In column 3, the graduation rate for Hispanics increases by 2.0145 percentage points when there is a ban on affirmative action admissions and is significant at a 1% level. The coefficient of -2.3012 in the second row represents the percentage point decrease of graduation rates for Hispanics at private colleges relative to public colleges (also significant). The coefficient for the HBCU indicator represents that the graduation rate for Hispanic students is 3.2961 percentage points higher relative to non-HBCUs and is also significant at a 1% level. The rest of the coefficients are interpreted as the percentage point change in graduation rates for Hispanic students with a 1 unit change in the indicated variable. In the fourth column, the coefficient on affirmative action ban increased to 2.5146 but the coefficient for the interactive term is -0.8071. This highlights that the graduation rate for Hispanic students

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statistically significant at the 1% level. The coefficient of -0.0470 in the second row represents the percentage point decrease of graduation rates for white students at private colleges relative to public colleges. The coefficient for the HBCU indicator represents that the graduation rate for white students is 7.8021 percentage points lower relative to non-HBCUs (significant at a 1% level). The rest of the coefficients are interpreted as the percentage point change in graduation rates for white students with a 1 unit change in the indicated variable. In the last column, the coefficient on affirmative action ban increased to 1.8195 and the coefficient for the interaction term is -4.0871 meaning that the graduation rate for white students is 1.8195 percentage points higher in public universities that face a ban on affirmative action, but that rate drops by an additional 4.0871 percentage points for white students when they are at a private university that faces an affirmative action ban relative to a public university with a ban.

Affirmative action bans affect ethnicity groups in different ways. Based on my results, white students, and black students see a decline in graduation rates from universities that have had an affirmative action ban. Whereas Hispanic students, and Asian students seem to benefit from an affirmative action ban. If Sander's mismatch theory were to hold true for these students, then we'd expect to see the graduation rates of black and white students increase when there is a ban on affirmative action, but my estimates show the opposite of this. Interestingly, the increase in Hispanic and Asian student graduation rates when an affirmative action ban is present may suggest that affirmative action policies lead to them being crowded out of colleges and universities.

affirmative action, universities must use different measures for admitting students by devising effective approaches to promote and sustain diversity on campuses.

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Appendix 1: Tables

Table 1

State	Year	Year
AZ	2010	2023
CA	1978-1996	2023

Table 3

Relationship between affirmative action here and graduation rate, by ethnicity						
	Yes	No	Don't know	Yes	No	Don't know
White	60%	38%	2%	60%	38%	2%
Black	60%	38%	2%	60%	38%	2%
Hispanic	60%	38%	2%	60%	38%	2%
Other	60%	38%	2%	60%	38%	2%