

Affirmative Action, Percent Plans, and the Value of a Research University Education for Disadvantaged Students

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University policies that boost the chances of admission for targeted groups with relatively low standardized test scores are highly controversial. This brief presents new analysis of two major "access-oriented" admissions policies formerly implemented by the University of California: race-based affirmative action, which provided large admissions advantages to underrepresented minority (URM) applicants, and a "top percent" policy that guaranteed selective admission to high-GPA graduates from each California high school (irrespective of test scores). Analyzing all 3+ million comprehensive UC applications since 1994 – linked to national educational outcomes and quarterly California employment records – I find that each policy increased low-testing applicants' annual UC enrollment at selective campuses by over 500 students. Using difference-in-difference and regression discontinuity research designs, I show that both policies increased participating students' likelihood of earning a college degree, increased their likelihood of pursuing graduate degrees, and substantially improved their early-career California labor market outcomes. The estimates suggest that Proposition 209, which has prohibited race-based affirmative action in California since 1998, has caused a decline in the number of age 30-34 URM Californians earning over \$100,000 by at least 2.5 percent. I conclude that large-scale access-oriented admissions policies at research universities meaningfully mitigate American socioeconomic inequities.

Academic literature has emphasized the labor market returns of postsecondary education and the importance of universities in generating economic mobility, but surprisingly little is known about the impact of policies that increase selective university enrollment among lowtesting applicants. This brief describes a series of recent studies analyzing two "accessoriented" admissions policies implemented by the University of California (UC): race-based affirmative action – which was prohibited by Proposition 209 in 1996 – and Eligibility in the Local Context, which from 2001 to 2011 guaranteed UC admission the top four percent of graduates from each CA high school.

The novel database analyzed in this brief combines records from the UC Office of the President, the National Student Clearinghouse, and the California Employment Development Department. These are the first studies to directly analyze the educational and labor market effects of research university enrollment under an access-oriented admissions policy.

policv UC's race-based affirmative action increased underrepresented minority (URM) enrollment at UC's most-selective campuses by about 60 percent, or 750 students per year. A difference-in-difference strategy around Proposition 209 shows that affirmative action modestly increased each of UC's 10,000-peryear URM freshman applicants' likelihood of earning a Bachelor's degree within six years, their likelihood of earning any graduate degree, and their likelihood of earning at least \$100,000 annually between ages 30 and 37.

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The estimates imply that affirmative action's end decreased the number of age 30-to-34 URM Californians earning over \$100,000 by at least 550, or 2.5 percent.

Until its unintentional de facto cessation in eligibility 2012, ELC increased annual enrollment at four selective UC campuses by about 700 students, most of whom came from low-performing high schools. A regression discontinuity design shows that barely-eligible ELC participants from bottom-quartile schools had higher five-year graduation rates than barely-ineligible students by 31 percentage points, and had higher annual California earnings in their mid-20s by \$15,000. ELC participants who would have otherwise enrolled at community colleges benefited the most from UC enrollment under ELC. These results suggest that ELC participants substantially gained from their increase in overall university quality despite having lower average SAT scores than their UC peers by 300 points (out of

2400), dispelling concerns about mismatched university 'fit' for the targeted high-GPA low-SAT applicants.

These findings suggest that broadening selective research university access to low-SES high school graduates, as through low-cost access-oriented admissions policies, is an impactful economic mobility lever available to university administrators and state policymakers.

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Impact of ELC Eligibility on UC Enrollment, University Graduation, and Early-Career Earnings

Absorbing UC campus enrollment, five-year degree attainment, and age 24-26 California earnings for bottom-SAT-quartile high school students just below and above their school's ELC eligibility threshold (set to 0 on the x-axis). Absorbing UC campuses include Davis, Irvine, San Diego, and Santa Barbara. Enrollment and graduation from NSC; earnings from EDD.

