

COMMENTARY

1. OVERVIEW

The New York City public school system serves as an amazing laboratory to study issues of immigration and integration through the educational system. A full one-eighth of the third-grade cohort that Amy Ellen Schwartz and Leanna Stiefel study are foreign born; add to that a significant number who arrive after third grade as well as a large number of students who were born here to non-native parents and the influence of immigration on the city's classrooms is enormous. Schwartz and Stiefel's paper provides a rich and textured portrait of these students as well as a thorough comparison with their native-born counterparts.

The authors, in fact, present us with a paradox of sorts. However, it is one that should be familiar to scholars of immigration: despite more disadvantageous family backgrounds (in terms of income, at least), immigrant children—at least those who take standardized tests—outperform native-born students. (Never mind, for the moment, that important differences exist within the immigrant community between, for example, early and late entrants or by national origin.) Is this immigrant advantage an accurate reflection of the performance of young immigrant children, or is it all selection into who takes the tests? If it is not artifactual, how is it possible that the immigrant success story starts as early as third grade (or perhaps even earlier; third grade is merely the first opportunity New York provides to assess its student

population in a standardized way)? And how do these immigrant children affect their native-born classmates? Do they cause positive peer effects because of their superior performance? Or rather, do they place unique strains on the system and therefore create negative externalities for nonimmigrant students?

The New York school system is the largest—and arguably the most complex—school system in the country. This means that in addition to managing a high proportion of immigrant children, the system deals with an incredible amount in absolute terms. It also means that there is incredible diversity across schools, largely reflecting New York's diverse neighborhoods. For example, the average share of white children in the system is 16 percent. However, the standard deviation for this mean is 23 percent. Likewise, in some schools almost all the teachers are certified and in others only a handful are. Some schools have thousands of students while others only a couple of hundred. Financing also varies dramatically across schools—as does, in fact, almost every measurable characteristic. (Ironically, immigrants are fairly well distributed across most of the schools in the system—a fact that stands in stark contrast to black-white segregation or isolation by free-lunch status.)

Another result of the size and complexity of the school system is the fact that one or another reform effort is almost constantly under way. Most of these reforms are not applied uniformly or universally because of the unwieldy nature of the

Dalton Conley is a professor of sociology and public policy at New York University and director of New York University's Center for Advanced Social Science Research.
<dalton.conley@nyu.edu>

The views expressed are those of the author and do not necessarily reflect the position of the Federal Reserve Bank of New York or the Federal Reserve System.

task. For economists, however, this is a blessing, since it allows for a quasi-experimental design to track the reforms' effects (since most are operationalized in a rather random, unsystematic manner). Indeed, Schwartz and Stiefel take advantage of this fact to assess the effect of various reforms on immigrant students in particular.

2. WHICH IMMIGRANTS ARE THRIVING?

After demonstrating that there do not appear to be significant financing differences between schools with greater or smaller proportions of non-native students (although there perhaps should be, because of differing levels of academic need), Schwartz and Stiefel proceed to the main part of their analysis, which documents, *ceteris paribus*, which immigrant groups are performing the best. Most of the differences the study documents can be attributed to demographic background factors such as poverty rates or length of time in the school system. However, even when the authors control for a wide range of background variables, they find that immigrant students of Russian or Chinese backgrounds perform especially well.

The authors then tease out this analysis by looking at changes over time in student performance using student-fixed effects. Contrary to the notion that immigrants and native-born students “converge” in their performance, the authors find that immigrants as a whole start with a slight advantage in third grade, which only swells as they move up through the system. Of course, this does not take into account the students who attrite (or those who enter late). The more troublesome piece of the puzzle is the fact that while all racial groups of immigrants seem to start off with similar slopes of relative improvement over their native counterparts, as black and Latino immigrants move into middle school their advantages taper off (and perhaps even reverse slightly). This suggests that ethnographic evidence on the effect of race trumping nativity status observed in the sociological literature on identity (see, for example, Waters [1999]) may have real impacts on learning curves (and therefore on downstream outcomes as well). This is a troubling note in an otherwise optimistic report on the progress of immigrant children as they make their way through the Byzantine public school system. It appears—at first blush at least—that the authors' worries about these vulnerable students are misplaced. Immigrant students seem to be thriving despite having parents who generally enjoy low levels of political clout and perhaps limited social and cultural capital.

However, the authors' last line in section 5 still appears unwarranted: they conclude that “In the end, it seems that

immigrants may well be *good* [emphasis theirs] for the New York City public schools.” Schwartz and Stiefel do not perform an analysis of the peer effects of immigrants on their native-born counterparts, so they really should not make these claims. I would have loved to have seen just this analysis. For example, using school-fixed effects, how does the percentage of foreign-born students affect the performance of native students? This is a big lacuna in the analysis that is sorely needed to determine whether the authors' ultimate statement is accurate. It could be, of course, that immigrants are thriving at the expense of the rest of the students in the system.

Slowing down even more, one may question even the conclusion that immigrants themselves are thriving (with the caveat of the aforementioned within-group differences). The authors undertake their analysis as if the public schools form a closed educational system. However, just as a full third of non-native-born students in eighth grade entered the system post third grade, we know very little about those native-born students who are leaving the sample. While there are relatively few financing distinctions across the public schools, the real story in New York is the public-private divide. Many elite (that is, high socioeconomic status) parents tolerate the public system for a while during elementary school and then move their children into private schools as they progress through the ranks. A particularly large exodus may occur in the transition to middle school. So, in other words, the swelling immigrant advantage may, in fact, be selection effect on the native-born population: those least able to escape the system for financial or ability reasons may be left as the dwindling comparison group. The authors try to assuage such fears by offering us a means comparison for “continuing students” (that is, those who stay in the sample) versus “attriting students.” They show, however, that the attriters are more likely to be native born and more likely to have higher test scores at baseline. Therefore, this only worries me more. What we really need is to see the two groups broken down by immigrant status to determine the difference-in-difference in test scores between attriters and stayers in the groups.

3. SCHOOL REFORM

The latter part of the paper addresses three school reforms: the Performance-Driven Budgeting initiative, the New York Networks for School Renewal project, and the small-schools initiative. The paper's results show, on the whole, modest, positive effects of reform on measurable student outcomes. The problem, however, is the strong possibility that these reforms may be endogenous to school quality. Especially in a

system in which schools are opening and closing at such a frequent rate (in some years, in excess of 5 percent of schools have closed or opened for business), the notion that these reforms are distributed randomly is not entirely credible. This notion is furthered by the authors' own findings that the reform that seems to matter least is Performance-Driven Budgeting—the one that I would argue is most exogenous to administrator quality. The school renewal project and the small-schools initiative both appeared to require considerable entrepreneurship on the part of the school's leadership team in order to be enacted. Thus, the results may not entirely be

driven by treatment effects of these reforms, but rather by the underlying characteristics of the institutions (such as staff, administration, and PTA, not to mention community and family characteristics) at the schools that adopt such reforms. At the very least, I would have liked to have seen Schwartz and Stiefel provide comparisons on the measurables between the treatment and control groups; at the very best, I would have liked to have seen documentation that the reforms were implemented in a truly random fashion. This is just a final, cautionary note on what is otherwise a very informative paper.

REFERENCES

Waters, M. C. 1999. BLACK IDENTITIES: WEST INDIAN IMMIGRANT DREAMS AND AMERICAN REALITIES. New York: Russell Sage Foundation.

The views expressed are those of the author and do not necessarily reflect the position of the Federal Reserve Bank of New York or the Federal Reserve System. The Federal Reserve Bank of New York provides no warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability, or fitness for any particular purpose of any information contained in documents produced and provided by the Federal Reserve Bank of New York in any form or manner whatsoever.