

Research Agenda

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Background

My research focuses on social and economic inequality in the U.S. My work is primarily in applied microeconomics with a focus on wealth, labor markets, and racial inequality. I incorporate both mainstream and heterodox approaches, grounding theory in rational choice and stratification economics. I am driven by the big questions that arise at the intersection of disciplines. The arguments that I find most convincing are those that push the boundaries of economics by incorporating insights from other fields, such as psychology and sociology, while yet providing empirics that reflect current methods in econometrics and causal analysis. Fundamentally, I care about understanding the causes and consequences of inequality and helping to design policies that promote fairness in economic systems.

My dissertation reflects these interests. The first essay estimates the effect of extended family wealth on college enrollment using panel econometrics, propensity score matching, and instrumental variables. The second essay is a theoretical argument using stratification economics to critique theories of migration, assimilation, and discrimination as they are commonly applied to Latinxs. The third essay uses a triple differences design to estimate the effect of the Affordable Care Act (ACA) Medicaid expansion on asset accumulation for affected low-income households. It is my intention that each of these papers will be the foundation for future work on the dynamics of asset accumulation and inequality. Most immediately, I plan to start work that estimates the causal effect of various dimensions of job quality (e.g. benefits, job security, job ladders) on wealth, with attention to the implications these estimates may have for racial inequality.

Extended Family Wealth and College Enrollment

My job market paper connects the literature on the racial wealth gap with research on the causal effect of wealth on higher education attainment. The fundamental questions in this paper are, (1) does the wealth of one's aunts, uncles, and grandparents matter for higher education outcomes, (2) for which outcomes does extended family wealth matter, and, (3) what are the mechanisms that explain possible causal effects? Previous work in the economics of higher education has focused on income, rather than wealth, held by parents, rather than extended family. Both of these orientations obscure the role of race in the transmission of socioeconomic status from one generation to the next. The median household wealth for blacks is just eight percent of the median household wealth for whites. Furthermore, research shows that, conditional on parental income, whites and blacks have unequal access to extended family wealth.

Using the Panel Study of Income Dynamics (PSID), I estimate that a one percent increase in extended family wealth (EFW) is associated with a 0.3 percentage point increase in the probability of attending college. Using propensity score matching, with a binary treatment

variable marking those in the top 25 percent of EFW, I test and confirm common support and estimate that those receiving treatment have a 15.9 percent point higher likelihood of enrolling in college. Finally, I test the relationship between EFW and college graduation, finding significant and positive results here as well. One of the theoretical contributions of my paper is to specify possible channels by which extended family wealth may affect higher education outcomes. I describe how, exploiting differences in the timing of wealth and potential transfers, we could separately test each channel with ideal data.

To the extent that, as I show, extended family wealth matters for college enrollment, and extended family wealth is distributed unequally among racial groups, policies that do not account for race may have disparate impacts. This is particularly true if there are credit constraints for higher education borrowing or behavioral deviations from standard human capital investment models with risk neutral agents. Under current practices, need-based aid for most colleges is based on parent resources. My research could inform public policy around the FAFSA, college savings plans, and other related programs.

Latinx Stratification Economics

In “Toward a Latinx Stratification Economics,” I present a unified critique of the dominant theories of migration, assimilation, and discrimination as they are used to understand Latinxs in the U.S. I argue for an approach that is based on stratification economics and informed by Latinx Studies. The workhorse model explaining the migration decision is based on human capital, but a Latinx stratification economics perspective focuses on wealth and political economy. Likewise, an alternative model for assimilation may be based on the lateral mobility hypothesis, which states that the relative social position (in the sending country) of the typical first generation immigrant plays a decisive role in the relative economic outcomes of future generations. Finally, discrimination against Latinxs may occur along a number of axes, including race, that are rarely disaggregated in empirical work on Latinxs.

This essay is based on a book chapter I have co-authored with William “Sandy” Darity Jr., Darrick Hamilton, Alan Aja, and Nancy López expected to be published in 2020 in an edited collection titled, *Political Economy of Racism in ‘Post-Racial’ America* (Routledge Press). Darity and Hamilton are the lead scholars in stratification economics and they are among the most important contemporary economists working on racial inequality. I am the lead author for the publication. I created the outline and wrote the first draft. Along with Alan Aja, I also reconciled the edits for the final submission. Currently, the chapter is conditionally accepted and awaiting comments from the editors.

The Latinx stratification economics chapter is the second work I have done with this group of scholars. Before that, I used the American Community Survey (ACS) to provide migration statistics for a paper proposing a green new deal for Puerto Rico as a response to the triple fiscal, economic, and environmental crisis on the island. This article, titled “Bold Policies for Puerto Rico: A Blueprint for Transformative, Justice-Centered Recovery,” was published in *Diálogo*, an interdisciplinary Latinx studies journal.

Asset Accumulation and the ACA Medicaid Expansion

In this paper, I estimate the effect of the ACA Medicaid Expansion on asset accumulation for those households with members that gained health insurance due to the policy shift. Medicaid is a means tested program that provides health insurance to low-income families. I exploit variation in the timing of each state's Medicaid expansion (changes in the Medicaid eligibility rules) as well as household variation in predicted eligibility to estimate a triple differences model. The primary data come from the Survey of Income and Program Participation (SIPP), which provides a detailed measure of assets and debts for individuals over a four year panel starting in 2013.

Asset accumulation for low-income, low-wealth households is poorly understood. In particular, we do not know much about effective strategies for increasing the ability of low-wealth households to accumulate assets. This paper builds on the literature around precautionary savings and social insurance, including Medicaid, by incorporating newly released SIPP data and qualitative surveys documenting the lives of low-income individuals who are eligible for Medicaid after the ACA. I have preliminary results for this study.