NYU Stern School of Business
Department of Information, Operations & Management Sciences
INFORMATION SYSTEMS RESEARCH SEMINAR

TOPIC: Identifying the Roles of Choice and Chance in Network Formation: Racial Biases in High School Friendships
SPEAKER: Matt Jackson, Stanford University
DATE: Thursday, September 24th
TIME: 4:15 pm – 5:45 pm
PLACE: KMC 5-85

Abstract:

We study friendship networks in a set of American High Schools. We find significant differences in patterns of homophily, the tendency of people to form ties with others similar to themselves, across races and also find significantly more homophily in larger high schools. To trace the sources of these differences we estimate a model of network formation that incorporates both (i) biases in preferences towards forming friendships with own race, and (ii) biases in meeting opportunities towards own race. We find that although both biases are highly insignificant in these data, the differences in homophily across races and high school size are explained mainly by differences in meeting biases. In particular Asians, Hispanics and Blacks exhibit three to six times higher meeting biases than Whites, while preferences display only a slight heterogeneity. Larger schools (with more than 1000 students) exhibit an aggregate meeting bias that is more than a one third larger than that of smaller schools (with fewer than 1000 students). So, within each ethnic group and according to school size homophily is due to a specific mix of choice and chance biases. Being able to distinguish such biases is key to understanding students' behavior and ultimately to high school policy.