## Disruptive Interactions:

## Long-run Peer Effects of Disciplinary Schools \*

A. Yonah Meiselman<sup>†</sup>

Anjali P. Verma<sup>‡</sup> (Job Market Paper)

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## **Abstract**

Evidence suggests that exclusionary discipline such as temporary removals to disciplinary alternative schools has an adverse impact on students' long-run outcomes. This paper examines the role of disruptive peer effects at disciplinary alternative schools in impacting the future removal, educational attainment, and labor market outcomes of students placed at these schools. To study this, we use the restricted administrative records of all high-school students in Texas with a disciplinary placement between 2004 to 2018. Using the fact that a large number of regular schools feed disruptive students into a single disciplinary alternative school, we exploit the over-time variation in peer composition within a disciplinary school to estimate the causal effects of peers' disruptiveness on studentsâ outcomes. Our results show that having a peer group with higher average disruptiveness at the disciplinary school leads to 1) an increase in students' subsequent disciplinary removals 2) decline in their educational attainment (lower high-school graduation, college enrollment, and college graduation), and 3) decline in their adult employment and earnings ( $\sim$  8% or 1272 USD decline in annual earnings at age 27). These results highlight the need to examine exclusionary discipline policies and adopt approaches that can mitigate the adverse effects of peers at disciplinary schools.

<sup>\*</sup>Disclaimer: The conclusions of this research do not necessarily reflect the opinion or official position of the Texas Education Research Center, the Texas Education Agency, the Texas Higher Education Coordinating Board, the Texas Workforce Commission, or the State of Texas.

<sup>&</sup>lt;sup>†</sup>Akiva Yonah Meiselman: Department of Economics, University of Texas at Austin.

<sup>&</sup>lt;sup>‡</sup>Corresponding Author: Anjali Priya Verma. Department of Economics, University of Texas at Austin.