

# Disruptive Interactions: Long-run Peer Effects of Disciplinary Schools\*

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

A. Yonah Meiselman<sup>‡</sup>

October 20, 2021

## Abstract

This paper studies peer effects in a disciplinary school setting and estimates their impact on the long-run educational and labor market outcomes of students sent to these schools. Students removed to disciplinary schools tend to have worse future outcomes. We provide evidence that the composition of peers at these institutions plays an important role in explaining this link. To analyze this, we use the restricted administrative records of all high school students in Texas public schools who are placed at a disciplinary school. The data provides an uniquely detailed record of each student's disciplinary placements, including their exact date of placement, assignment duration, and placement-school identifier. This allows us to identify peers based on their days of overlap with students' placement duration at an institute. To control for the nonrandom assignment to disciplinary schools, we include disciplinary school-by-year fixed effects, thereby using only the idiosyncratic variation in peer composition within a disciplinary school-year to estimate the effect of peers' disruptiveness on student outcomes. We show that exposure to the most disruptive peers during placement at these schools increases students' subsequent disciplinary removals (5-8% per year), lowers high-school graduation (6%), college enrollment (7%), and college graduation (17%) and worsens labor market outcomes – lower annual employment (2.5%) and earnings (6.5%) at ages 23-27. These results show significant and lasting negative effects of temporary exposure to disruptive peers, thus highlighting an unintended consequence of exclusionary disciplinary policies.

---

\*We are grateful to Richard Murphy, Stephen J. Trejo, Mike Geruso, and Tom Vogl for their constant guidance and feedback. We also thank Nishith Prakash, Sandra E. Black, Marika Cabral, Manuela Angelucci, Vinayak Iyer, David Behesti, Seth Neller and all seminar participants at UT-Austin for their helpful comments and suggestions. We are grateful to Texas ERC for generously providing the data. *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>Corresponding Author: Anjali Priya Verma, Ph.D. Student, Department of Economics, University of Texas at Austin.

<sup>‡</sup>Akiva Yonah Meiselman, Ph.D. Student, Department of Economics, University of Texas at Austin.