

13-May-2024

Dear Dr. Hadah:

Thank you for submitting your paper, # ILR-24-0047 entitled "The Impact of Hispanic Last Names and Identity on Labor Market Outcomes", to the ILR Review.

I regret to report that we are unable to publish your paper in the Review, given the concerns raised by the reviewer, which are found at the bottom of this letter or are attached. The reviewer raised serious concerns about whether you can identify all Hispanic parents in the CPS simply by looking at their country of birth. If so, then there is significant measurement error in your estimates, and it might not be random measurement error. While one might be able to restrict the sample to individuals with immigrant parents, this would become a very different study. Given the literature on immigrants and assimilation, in my opinion, such work would be more appropriate for a population studies journal.

Thank you for considering the ILR Review for the publication of your research. I hope the outcome of this specific submission will not discourage you from submitting a manuscript in the future.

Sincerely,
Dr. Lawrence M. Kahn
Editor, ILR Review
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Reviewer(s)' Comments to Author:

Reviewer: 1

Comments to the Author

"The Impact of Hispanic Last Names and Identity on Labor Market Outcomes"

A previously published paper by Rubenstein and Brenner (2014) (henceforth RB 2014) studies the adult children of inter-ethnic marriages between Sephardic and Ashkenazi Jews in Israel to estimate the earnings penalty associated with having a Sephardic sounding surname. The basic idea is to compare the wages of two groups of Israeli-born men: those with a Sephardic father and an Ashkenazi mother versus those with an Ashkenazi father and a Sephardic mother. The first group of men will likely have a Sephardic sounding surname whereas the second group of men will likely have an Ashkenazi sounding surname.

The current paper attempts to adapt this approach to the U.S. context in order to estimate the earnings penalty associated with having an Hispanic surname. For the reasons detailed below, however, the analysis fails to produce informative estimates of this earnings penalty. In addition, the paper is frustrating to read because it does not provide a clear and precise exposition of the relevant data, methods, rationale for the analysis, and interpretation of the results.

1. In RB 2014, the primary analysis sample is limited to Israeli-born men whose parents were BOTH born outside of Israel. This allows them to use the country of birth of each parent to determine whether the parent is of Sephardic or Ashkenazi origin.

In contrast, the data used in the current paper identifies the Hispanicity of one parent but not necessarily both parents. On page 6, the analysis sample is described as follows:

"I use the CPS for my primary analysis of the effect of having a Hispanic last name on earnings. I restrict my sample to Whites, United States-born citizens aged 25 to 40 and born between 1960 to 2000. Taking advantage of data on parents' place of birth, I divide the sample into four groups depending on their parent's ethnicity. Mothers or fathers are Hispanic if they were born in a Spanish-speaking country and Puerto Rico, and White if they were born in the United States. Therefore, an observation can be the product of four types of parents:

1. White father and White mother (hereafter WW)
2. White father and Hispanic mother (hereafter WH)
3. Hispanic father and White mother (hereafter HW)
4. Hispanic father and Hispanic mother (hereafter HH)."

The term "White" seems to be used in two ways in this description. By restricting "my sample to Whites," I presume that the author means that the sample is restricted to CPS respondents who self-identify racially as White. The parents of each respondent, in contrast, are identified as "White if they were born in the United States," and parents are identified as "Hispanic if they were born in a Spanish-speaking country." In the CPS, the country of birth is the only information available about an adult respondent's parents. We don't know the race or Hispanic origin of a respondent's parents. Therefore, the distinction made for parents is between those born in a Spanish-speaking country (i.e., Hispanic immigrants) and those born in the United States (of ANY race or Hispanic origin). In other words, all U.S.-born parents are labeled as "White," but this category includes U.S.-born Hispanics. Few Hispanic immigrants are married to non-Hispanic whites, so the vast majority of both the WH and HW groups defined above would represent two Hispanic parents (one U.S.-born and one foreign-born). As a result, the comparison between men with HW and WH parents does not do a particularly good job of contrasting men with and without Spanish surnames. Instead, this comparison primarily distinguishes between men with two Hispanic parents, but in the HW group the father is an immigrant and the mother is U.S.-born, whereas in the WH group the mother is an immigrant and the father is U.S.-born. Such a comparison is not informative about the effects of having a Spanish surname.

The analysis in RB 2014 avoids this issue by restricting the sample to men with TWO foreign-born parents. In contrast, the sample in the current paper includes men with U.S.-born parents, and for these parents the data cannot identify whether the parent is of Hispanic ancestry (and likely to have an Hispanic surname) or not.

(The data description listed above also seems to be incomplete. What category is a respondent placed in if one parent is born in a non-Hispanic foreign country, or if one parent is U.S.-born but racially non-white?)

2. An important concern with the research design in RB 2014 is that there could be differential selectivity of inter-ethnic marriages between Sephardics and Ashkenazis depending upon whether it is the father or mother who is Sephardic. RB 2014 defuses this issue by showing that inter-ethnic

Sephardic and Ashkenazi depending upon whether it is the father or mother who is Sephardic. RD 2014 defuse this issue by showing that inter-ethnic marriages where the father rather than the mother is Sephardic have more favorable socioeconomic environments, so the wage penalty that they estimate for men produced by such marriages is likely represent a conservative estimate of the effect of having a Sephardic sounding surname. In the current paper, however, the selectivity bias works in the opposite direction, reinforcing the observed wage penalty for men with an Hispanic immigrant father relative to those with an Hispanic immigrant mother. The parents in inter-ethnic marriages with an Hispanic immigrant father have lower levels of average parental education and total family income (see Table 4) and the children produced by such marriages have lower levels of schooling (see Table A.1), so it is not surprising that these men also display a wage penalty. Indeed, controlling for respondent education eliminates this wage penalty (see Tables 5 and 6), which makes it difficult to attribute this wage penalty to discrimination against those with a Spanish surname.

3. Equation (2), on page 9, allows the estimated impacts of having a Spanish surname to differ between respondents who do and do not self-identify as Hispanic (according the Hispanic origin question, I presume). Why? No rationale is provided for doing this, and there is no discussion of what to make of the corresponding estimates reported in Table 7.