**The Main Question and Contribution:**

In sample selection models, a treatment can effect the observed outcome in two ways: by changing the participation decision and by altering the latent outcome itself. The former is the “extensive margin effect,” and the latter is the “intensive margin effect.” Although these two notions are widely mentioned and used in the literature, the current interpretation of the intensive margin effect lacks a robust causal interpretation as it conditions on a post-treatment variable—the selection decision. In light of this, the paper develops a robust causal framework for sample selection and introduces several subpopulation effects. While these components are generally difficult to identify and estimate, the paper proposes straightforward estimators which can be used under different assumptions.

**The Empirical Framework:**

This paper presents an empirical illustration for a racial wage gap by using a data set from the Journal of Applied Econometrics data archives. Using the estimators proposed, this paper estimates the intensive margin effect, extensive margin effect and the total effect of race on wages. The treatment variable is the binary variable of indicating whether an individual is Mexican-American or white, the selection variable is the binary variable indicating participation in the labor market, and the outcome variable is the wage.

**Description of the Dataset:**

The dataset used in this paper contains 75,838 male respondents aged 25–62.The treatment indicator D equals 1 for Mexican-American and 0 for white. The selection indicator Q equals 1 if the individual participates in the labor market and 0 otherwise. The outcome Y is the log hourly wage, observed only for those with Q=1. Covariates include years of schooling (education), attendance at vocational school, veteran status, marital status (married), state dummies, and three Hispanic-composition measures: Hispanic share in the local area (Hisp.prop.local), in the respondent’s industry (Hisp.prop.industry), and in the respondent’s occupation (Hisp.prop.job). Note that Hisp.prop.industry and Hisp.prop.job are available only when Q=1.