

WHAT'S IN A NAME: THE EARNINGS EFFECT OF AMERICAN LAW SCHOOL PRESTIGE

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Abstract

The prestige stratification among colleges, professional schools, or graduate programs is one of the most enduring social facts in higher education. Elite law schools are a career asset for law students and a source of top guns for employers. Previous research suggests that lawyers from elite law schools earn more than other lawyers, but no empirical study has specifically examined the nature of this prestige effect on earnings. This paper formulates and tests five possible hypotheses about the source of the earnings advantage of elite law school graduates: (1) learning ability, (2) problem-solving ability, (3) ambition/effort, (4) head start on legal skills and knowledge, and (5) referral and alumni networks of a school. Using the 1984 National Survey of Lawyers' Career Satisfaction and a formal model of earnings determination, the empirical analysis produces evidence inconsistent with most of the hypotheses that emphasize personal differences due to learning ability, ambition, effort, or head start in specialized knowledge. The findings remain consistent with the problem-solving ability hypothesis and show that only a small portion of the unexplained earnings effect of law school prestige may be due to the advantages provided by alumni networks.

Keywords: educational stratification, prestige, lawyers