The Old Boy (and Girl) Network:
Social Network Formation on University Campuses

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Abstract

This paper documents the structure and composition of social networks on university campuses and investigates the processes that lead to their formation. We use a large dataset that identifies students in one another's social network on campus and link these data to university records on each student's demographic and school outcome characteristics. The campus networks exhibit common features of social networks, such as clusteredness. We document the factors that are the strongest predictors of whether two students are friends. Race is strongly related to social ties. In particular, blacks and Asians have disproportionately more same race friends than would arise from the random selection of friends, even after controlling for a variety of measures of socioeconomic background, ability, and college activities. Also, two students are more likely to be friends if they share the same major, participate in the same campus activities, and, to a lesser extent, come from the same socioeconomic background. Next, we develop a model of the formation of social networks that decomposes the formation of social links into effects based upon the exogenous school environment and effects of endogenous choice arising from preferences for certain characteristics in one's friends. We use student-level data from an actual social network to calibrate the model. Our model generates many of the characteristics common to social networks. We simulate network structures under alternative university policies. We find that changes in the school environment that affect the likelihood that two students interact have only a limited potential to reduce the segmentation of the social network.

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I. Introduction

Social contacts are an important channel of information transmission. Connections between business partners are formed using knowledge from prior social interaction. Employers and employees frequently use social contacts to obtain information about each other. Montgomery (1991) reviews several studies about the importance of social connections in the labor market and concludes that: "While the frequency of alternative job-finding methods varies somewhat by sex and occupation, the following generalization seems fair: approximately 50% of all workers currently employed found their jobs through friends and relatives".[2]

As a result, social networks affect whether jobs are filled efficiently and influence the incentives for investment in education and work force participation. Calvo-Armengol and Jackson (2004) show that information transmission in social networks can account for differences in wages and labor market participation of different social groups. In another paper Calvo-Armengol and Jackson (2006) show that the structure and composition of social networks have implications for intergenerational mobility.

Universities are important venues for the formation of social networks. For many students, college life is the first experience outside the environment determined by their parents. It directly precedes entrance into the job market. Interaction between members of different social groups in college is sometimes viewed as a policy goal in itself. It is argued that interaction between students from different backgrounds and walks of life provides a better learning environment. Consequently, universities have made concerted efforts over the last several decades to create diverse campuses that bring together students of different races and from

[2] Pellizarri (2004) documents this phenomenon for various countries. For surveys of the literature on social interactions, see Ioannides and Loury (2004), Manski (2000), and Soetevent (2004).

diverse socioeconomic backgrounds. Among public institutions, affirmative action and subsequent post-affirmative action admissions policies such as x-percent rules have been used. [3]

However, it is not known whether a diverse university population leads to diverse interaction among students. Anecdotal evidence suggests that students form cliques based upon race or social background – a casual walk through campus of a large state university or a visit to the dorm cafeteria will illustrate social segmentation. There are few large scale empirical studies that quantify this pattern. A notable exception is Marmaros and Sacerdote (2006), who use data on email communication between Dartmouth students and find that race and distance on campus are important determinants of social interaction.[4]

In this paper, we use a large new dataset from 10 public and private universities to describe social networks in college. We make two contributions to the literature on social networks. First, we use student-level data to document the structure of these networks and to measure segmentation of social ties by race, socioeconomic background, and ability. Second, we develop a model of network formation that yields a network with many of the commonly observed characteristics of social networks. We calibrate the model to our data and perform counterfactual experiments of university policies that promote student diversity.

Our data are from Facebook.com, a student networking website for each university. We use a snapshot of the Facebook.com networks at 10 Texas universities on January 17th 2005. Students use this website to share information and stay in contact with each other. They post a picture and self-report various characteristics such as gender, high school attended, major, classes taken, political orientation, and music taste. We use the pictures of the students to categorize them by race. One feature of the Facebook identifies friendships between students and we exploit this information to measure students' social connections on campus. The friendships on

[3] An important related topic is the effect of peers on college outcomes. There is a well-developed literature on this topic including Sacerdote (2001), Zimmerman (2003), Winston and Zimmerman (2003), Kremer and Levy (2003), and Stinebrickner and Stinebrickner (2005) among others.

[4] For analyses of secondary school social interaction and connectedness, see Joyner and Kao (2000), Moody (2001), Quillian and Campbell (2003), Fryer and Torelli (2006), and Babcock (2006).

Facebook.com capture both close friends and mere acquaintances. According to Granovetter's (1974) "Strength of Weak Ties" thesis, people often obtain better access to job information from those with *weak* ties, because those individuals operate in different social circles and are likely to have access to different sets of information.[5]

We find that social networks differ substantially from the network that would arise from random selection of friends. The structure of these networks exhibits the classic characteristics of social networks (see Jackson 2006). Social networks on campus are cliquish and exhibit a cluster coefficient that cannot be explained by random formation of links. The distribution of number of social connections varies more than implied by random links and it is right skewed. Agents with many ties tend to be connected with other agents with many ties. We report the distribution of the degrees of separation between members of the network, and most students are connected through as few as two intermediaries.

At all 10 universities, similar characteristics of two students make the formation of a friendship more likely. Sharing the same major or the same political orientation makes the formation of a friendship more likely. Students are twice as likely to form friendships within their cohort, as with students from the cohort above or below them. Friendships are more likely to be formed within the same race. The share of Asians among the friends of an Asian student is at least twice as high as the share in the total student population; at three of the ten universities it is more than seven times as high. For African American students the difference is even more pronounced. The share of African American friends of African Americans is 4.5 times (at Rice) to 15 times (at Texas A&M and University of Texas at Austin) as high as their share in the overall population. While only 2.5% of the students at the University of Texas are African American, 37.5% of the friends of African American students are African American.

[5] Granovetter cites evidence that professional, technical and managerial workers learned about new jobs through weak ties (27.8%), strong ties (16.7%), and moderate ties (55.6%).

Facebook.com does not contain data on other socioeconomic variables such as parental income and parental education, nor does it contain data on academic performance. Therefore, we link the social network data to student-level administrative data for one of the universities -- Texas A&M. We use information on parental education and income, student SAT scores and college GPA, and the student's high school, dorm, and activities, such as athletics and fraternity/sorority membership.

Using this rich dataset on Texas A&M students, we investigate the determinants of friendship formation. First, we explore in a reduced-form setting the demographic and socioeconomic factors that are good predictors of two students becoming friends. Second, we use the reduced-form results to develop a model of friendship formation that we calibrate to our data from Texas A&M.

We estimate a linear probability model of any two students being friends. Relative to the baseline rate that any two students chosen at random are friends, students living in the same dorm are 15 times more likely to be friends, two black students are 17 times more likely to be friends, two Asian students are 5 times more likely to be friends, and two Hispanic students are about twice as likely to be friends. Socioeconomic background and academic achievement affect the probability of a friendship formation to a smaller but statistically significant degree.

Even though observable characteristics such as race clearly play a role in friendship formation, they have very little explanatory power for the formation of a friendship *between two specific students*. Common friends are, however, a good predictor for the existence of a friendship between two students – students i and j are much more likely to be friends if each is friends with student k. Moreover, when we control for whether the two students share a common friend, the importance of other characteristics such as race change. Therefore, it is not sufficient to use the results of the linear probability model to predict the effects of changes in the determinants of the network. A better model of the effects of changes in school environment must incorporate how a friendship can be a function of decisions by many students in the

network. Endogenous effects through friends of friends may magnify effects of a change in the university environment.

We build a model of friendship formation. This allows us to simultaneously study the environment that determines contact, tastes that determine the formation of friendships conditional on contact, and the influence of interconnections through friends of friends. Borrowing from the random graph literature[6], we specify a framework of random interactions of individuals. Like Jackson and Rogers (2005), we allow links to form with any other student ("random attachment") and links to form through friends of existing friends ("preferential attachment" or "search"). In addition, we model heterogeneity in the environment and preferences of agents.

Our model starts with a network in which no students are connected through friendship. Then, two individuals meet with a probability that is determined by their school environment (e.g. dorm assignment or major). Conditional upon meeting, the students choose whether or not to form a friendship based upon tastes for observable characteristics.[7] Finally, students meet friends of their friends and again choose whether to form a friendship based upon preferences. We calibrate the model by simulating the network with different parameters and finding a set of parameters that generates a simulated network with statistical moments that resemble the observed social network at Texas A&M.

We simulate modified versions of the model to generate counterfactuals. We assess the effectiveness of policies that try to decrease socialization *within* subgroups and increase socialization *across* subgroups. Our experiments suggest that there is very little potential to

[6] Building on the random graph literature, a number of mechanical stochastic processes of network formation have been proposed. These models are able to explain various features of social networks. Contributions can be found in the computer science, physics and economics literature (See Newman (2003)).

[7] The game theory literature relates benefits of a link and the decision to form a connection to the position of nodes in network. We do not consider these effects and base the costs and benefits of a connection solely on the characteristics of the individuals. We also do not model the possibility that friends influence each others taste. See Weinberg (2005) for a model that endogenizes friendship formation and behavior.

increase the social ties between different groups by changing the environment that leads to contact between students. Segmentation by race or background appears to be mainly driven by preferences to form friendships conditional on meeting, and less by differences in the probability of meeting. We also simulate the effects of an increase in the number of minority students. The result is more segmentation of the minority group in question. However, the fraction of minority friends of other races increases.

In section II we describe our data, document the structure of the networks, and analyze associations between individual characteristics and friendship formation. In section III, we present a model of network formation and use it to simulate counterfactual networks in section IV. Section V concludes.

II. Description of Social Networks

A. Data from Facebook.com

Our data on social networks are from the Facebook.com website. The online student directory Facebook.com was conceived by undergraduate students at Harvard in February 2004. In spring 2004, the Facebook expanded beyond Harvard to other Ivy League schools and by fall 2004 Facebook.com had added websites for several hundred colleges and universities around the country. In July 2006, Facebook.com was the seventh most visited website in the United States. To participate on the Facebook, students must sign up using an official university email address, ensuring that they are members of the campus community. The Facebook allows students to set up a profile page which includes a picture, name, gender, high school, major, classes taken, political orientation, music tastes, hobbies and other interests as well as any musings the student

wishes to share.[8] Students registered on the Facebook can browse the profiles of other students at their university.

Students use the website to share information and stay in contact with each other. One way of doing this is to form groups dedicated to topics of interest, e.g. sports or music. Each group has a website in the Facebook network that contains information about the topic, messages posted by the groups members, and a list of the group's members with links to their personal profiles. Also, students can use the Facebook to find contact information for other students in one of their classes. Facebook.com administrators claimed that many students log on almost every day and 9 out of 10 do so every week during the period when our data were collected.

The profiles of the students also contain a list of 'friends'. A Facebook friendship is formed if student A sends a friendship request via the website to student B and student B accepts A's friendship invitation. Student A appears as a friend on B's Facebook profile and vice versa. We use these friend connections as a proxy for a student's social network. These friends are likely to include not only close friends but also the "weak ties" that Granovetter describes as being important for information transmission. We conducted informal surveys about the nature of Facebook friendships in several undergraduate classes at Texas A&M. The students describe their Facebook friends as acquaintances made at school or social activities. Students say they would be willing to help most of their Facebook friends with a homework assignment. We also can provide slightly more formal evidence that Facebook friendships measure interaction on campus. After we collected our data, Facebook added an additional feature that allows students to self-report how they met each of their friends. Using a sample of this information for Texas A&M, we found that the main channels of meeting friends were being co-members of a school organization (26%), meeting through another friend (16%), attending the same high school

[8] Facebook has added features over time, so some current features were not available at the time that our data were collected.

(14%), and taking a course together (12%). Very few friendships appear to be merely online interactions (0.4%).[9]

We have a snapshot of data from Facebook websites at 10 Texas universities from January 17, 2005. The administrators of Facebook.com provided us with data on all student profiles at Rice, the University of Texas, Texas A&M University, Baylor, Texas Tech, Texas Christian University, Southern Methodist University, the University of North Texas, UT-Arlington and Texas State University.[10] Table 1 describes the student body of the 10 universities. The schools are ordered by the date at which the Facebook was established on campus. Rice has the oldest and Texas State the youngest Facebook network. The two major public schools are the University of Texas and Texas A&M University while Rice, Baylor, Southern Methodist and Texas Christian are private. With the exception of Rice, Baylor and Southern Methodist, the student bodies of the schools in our sample consist almost exclusively of students from Texas. Whites comprise a strong majority of the student population including 60% at the University of Texas and 82% at Texas A&M. The largest minority group tends to be Hispanics (10% at Texas A&M and 15% at University of Texas) followed by Asians (3% at Texas A&M and 17% at University of Texas) and blacks (2% at Texas A&M and 4% at University of Texas).

Table 2 shows summary statistics for the 69,708 students in our sample. The Facebook is primarily used by undergraduates who comprise 93% of our data set. Our further analysis is restricted to undergraduates. The Facebook is slightly more popular with female students; females comprise 55% of the Facebook students, despite representing closer to 50% of the student population. As shown in the last row of Table 2, a large fraction of students are registered on the Facebook website at the time our sample was drawn. 80% of undergraduates at Rice, 40% at University of Texas and 44% at Texas A&M are included in our Facebook sample. The last three schools in Table 2 (University of North Texas, UT-Arlington and Texas State University)

[9] We should note that the primary data in this paper were collected in January 2005, and these additional data on meeting channels were collected in July 2006.
[10] We thank Dustin Moscovitz for his assistance in providing us with the data.

were recent additions to Facebook when our data were collected, and fewer students participated in the Facebook in January 2005.

In Section II.B we analyze the Facebook networks at all 10 Universities. In section II.C we match the Facebook data to additional student-level data from administrative records at Texas A&M. This allows us to look at the predictors of friendships in more detail. We also use the additional information to address selection issues.

B. Social Networks at 10 Texas Universities

First, we document the characteristics of the networks at all 10 Universities. We show that the Facebook network exhibits characteristics common to social networks, and that the networks are strongly segmented by race, cohort and major. The Facebook does not ask students to report their race. To obtain the races of the students, we had 6 undergraduate research assistants classify the pictures on the Facebook profiles by race. The race categories used in this classification are: White/Hispanic, Black and East Asian.[11] Each picture was evaluated by two research assistants. We only include students in our analysis if both research assistants' race evaluation coincided.[12] The upper half of Table 3 shows the composition of the resulting networks. This sample is slightly more female and contains somewhat fewer minority students than the total student population at the 10 Universities (see Table 1). In the Appendix, we show that the slight underrepresentation of minorities is not likely a result of selection into the Facebook; rather it results from the difficulty of identifying race from pictures. We provide more evidence below that the Facebook does not substantially undersample minorities (see Table 7).

[11] We also asked the research assistants to identify pictures that appear to not represent the actual student and we discarded these observations.

[12] Table A2 shows a comparison of race evaluation by RAs and official race information for Texas A&M. In most cases the classification by the RAs and the official records coincide.

Network Structure

A vast literature in sociology, mathematics and computer science provides an array of different tools to characterize networks. In order to present some of these measures, we need to introduce some notation.[13] We consider a campus with *n* students, or in the terminology of network analysis, a network with *n* nodes. Students *i* and *j* can be friends with each other, in which case the nodes *i* and *j* are linked or connected. This relationship is symmetric; if student *i* is a friend of student *j*, then student *j* is also a friend of student *i*.[14] The friendships between students are recorded in the symmetric *n*n* matrix $\boldsymbol{g}$. If student *i* and student *j* are friends, the corresponding elements of the friendship-matrix $\boldsymbol{g}$ are equal to one, $g(i,j)=1$ and $g(j,i)=1$. Otherwise, the elements of $\boldsymbol{g}$ are equal to zero.

The number of connections of an individual, here friends, is referred to as the number of *degrees* of a node. A *path* between node *i* and node *j* is a sequence of nodes $i_1,...,i_K$ such that $g\left(i_k,i_{k+1}\right)=1$ for all $k\in\{1,...,K-1\}$ and $i_1=i$ and $i_K=j$. The lengths of the path is given by *K*. The *distance* (or degree of separation) between *i* and *j* is the minimum path length between *i* and *j*. The *diameter* of a network is defined as maximum distance between any two nodes.

One measure of the cliquishness of a network is the *cluster coefficient*. It captures the fraction of the friends of a given individual who are friends with each other. The literature considers different ways of calculating this measure. We follow Jackson and Rogers (2005) and define the *total cluster coefficient* as:

$$C=\frac{\sum_{i:j\neq i,k\neq j,i} g_{ij}g_{jk}g_{ik}}{\sum_{i:j\neq i,k\neq j,i} g_{ij}g_{jk}}$$

The *cluster coefficient of an individual* is defined by:

[13] The presentation here is based on Jackson (2006). For other ways to characterize networks, see Newman (2003) and Wasserman and Faust (1994).

[14] This is also referred to as a non-directed network. In a directed network it is possible that *i* is connected to *j* but not vice versa.

$$C(i) = \frac{\sum_{j \neq i, k \neq j, i} g_{ij} g_{jk} g_{ik}}{\sum_{j \neq i, k \neq j, i} g_{ij} g_{jk}}$$

The average individual cluster coefficient is not necessarily equal to the total cluster-coefficient.

According to Jackson (2006) and Newman (2003), social networks are characterized by a number of common characteristics. They tend to exhibit a small diameter and a short average path length. This is also referred to as the small world effect.[15] Most members of the network are connected to each other through a small number of intermediate nodes. The degree distribution (the distribution of the number of friends) is right skewed and has fat tails.[16] Social networks tend to be cliquish and exhibit a cluster coefficient that cannot be explained by random formation of links. In a randomly generated network with many nodes and few connections, the cluster coefficient equals the probability that two nodes are connected and is close to zero. Newman (2003) and Jackson (2006) report cluster coefficients ranging from .09 to .45 for co-authorship networks in different academic disciplines; Goyal et al. (2006) report cluster coefficients from .16 to .20 among co-authors in economics. Newman also reports a cluster coefficient of .2 for a network of actors, where a link is established when 2 actors co-star in the same movie. Newman (2003) reports that social networks exhibit positive degree correlations - nodes with a lot of links are connected to other nodes with a lot of links. This is not always true in other kinds of networks. Social networks tend to exhibit a negative correlation between the individual cluster coefficient and the number of links of a node.

Table 3 shows characteristics of the Facebook networks at the 10 universities.[17] It can be seen that the standard features of social networks are exhibited. The average number of friends ranges from 17.2 at the UT-Arlington to 62.9 at SMU. This can be partially explained by the date

[15] Goyal et al. (2006) study small world effects among co-authors in economics.
[16] Many social networks exhibit scale free degree distributions.
[17] We also have analyzed the networks by gender. The female-only networks tend to be bigger than the male-only networks. More females use the Facebook and they tend to be more active Facebookers. The higher number of average friends for females is associated with a higher variance of the number of friends. Otherwise, the networks for males and females look relatively similar.

that Facebook started on each campus. The variance of the number of friends is closely associated with the mean; it ranges from 17.7 at UT-Arlington to 50.8 at Baylor. The number of friends is clearly right-skewed at all 10 universities. The skewness ranges from 1.06 at Rice to 2.28 at U North Texas.

All 10 networks are clustered. The cluster coefficient ranges from 0.17 at Texas A&M to 0.27 at UT-Arlington. Larger networks tend to have a smaller cluster coefficient. The average individual cluster coefficient is in general slightly higher than the total cluster coefficient. The degree correlation is always positive -- it ranges from .22 at Rice to .58 at Baylor. The degree-cluster correlation is negative for all schools except the last three which were the youngest Facebook networks.

Table 4 reports the distribution of the degrees of separation between all pairs of nodes in each network. One degree of separation means that the two students are friends. As seen above, this is true for a small fraction of all pairs. Between 13% (U Texas) and 59% (Rice) of the students are connected through a common friend. Most students are connected through at no more than two intermediaries. Overall, almost all students in each network are connected to each other. The average path length of connected students is between two and three.

Segmentation of the Social Networks

Tables 5 and 6 show that the friendship networks at the 10 Texas universities are segmented by race, major, cohort, and political orientation. Although this segmentation is not unexpected, this is the first paper we are aware of that documents this phenomenon on university campuses with a large dataset.[18]

A variety of definitions and measures of segmentation, or segregation, have been proposed in the literature (see Echenique and Fryer (2005) and Newman (2003)). We compare the probability that two members of a subgroup are friends, to the probability that two random

[18] Marmaros and Sacerdote (2006) provide similar results for students at Dartmouth.

students are friends. This measure of relative segmentation is independent of the size of the two different groups. The upper part of Table 5 presents the fraction of pairs of students that formed friendships conditional on the racial compositions of the pairs. In the middle part of the table, these probabilities are normalized relative to the probability that two students of any race form a friendship. We call this number is the relative probability of friendship. For example, the relative probability of friendship for blacks is given by:

$$\text{Relative Probability of Friendship (black\&black)} = \frac{\dfrac{\text{Number of pairs of blacks who are friends}}{\text{Total number of pairs of blacks}}}{\dfrac{\text{Number of pairs of any students who are friends}}{\text{Total number of any pairs}}}.$$

It can be seen that students of the same race are more likely to form a friendship than students of different races. The relative probability of friendship is smaller than one for cross-race pairs. Most students are white and the probability that two white students form a friendship is similar to friendship formation of any two random students. Two Asian students are 1.59 (at UT Arlington) to 7.42 (at A&M) times more likely to be friends than any two random students. For pairs of blacks, this ratio ranges from 5 (at U of North Texas) to 16.5 (at A&M).[19]

The actual social environment of an individual is determined by the likelihood of forming a friendship with certain types *and* by the composition of the student body. The fraction of black friends of a black student depends on their relative probability of friendship formation and the share of blacks in the entire student population:

Fraction black friends of black student
= Relative Probability of Friendship (black&black) * (share of blacks in population).

[19] The segmentation by race is more pronounced for smaller minorities and at bigger institutions. Possible explanations are that smaller minorities stick together; and that a larger absolute number of students facilitates segmentation, as the number of minority students with specific interests increases. Future work could explore these conjectures.

In the lower part of Table 5 we illustrate the resulting absolute segmentation. If friendships were formed randomly, the distribution of characteristics among the friends of any subset of students should equal the distribution in the population, i.e. the fraction of Asian friends of Asian students should equal the fraction of Asians in the entire population. At all universities and for all races, students have a higher fraction of friends from their own race than implied by random assignment. For example, 13% of the students in our sample from Rice are Asian, but 30% of the friends of Asian students are Asian. 25% of the friends of blacks at Rice are Black while blacks comprise only 5% of the student population. While students have disproportionately many friends of the same race, it is also true that students mix across races. Students at more diverse universities have more diverse social networks. For example, white students at institutions with a large share of minorities tend to have more minority friends than whites at more homogeneous institutions.

Table 6 documents segmentation by major, cohort and political orientation. Students have at least twice as many friends from the same major than random friend assignment would generate. Two students in the same cohort are about twice as likely to be friends, as two random students. The further apart the cohorts of two students are, the less likely these two students are friends, i.e. a freshman and a sophomore are more likely to form a friendship than a freshman and a junior. At all schools, self-reported conservatives have disproportionately many conservative friends and liberals disproportionately many liberal friends, however this segmentation is weaker than the race segmentation for minorities.

C. Friendship formation at Texas A&M

The 10 Facebook networks described in section II.B. are all segmented by race, major, cohort, and political orientation. They all exhibit standard features of social networks such as clusteredness.

From now on we focus on one of these networks, Texas A&M. For this university we have additional information about the students' characteristics. We link data from the Facebook, to administrative data from the Texas A&M registrar's office.[20] The additional administrative data include the academic record of the students (i.e. major, grade point average), race, the dorm a student lives in, membership in sororities and fraternities, information about parental background, SAT scores and high school information. We use administrative data on race rather than the visual race categorization used above. This allows us to distinguish Hispanics, who are the largest minority at Texas A&M.

In order to evaluate sample selection, we also obtained summary statistics of these variables for students not in the Facebook. Table 7 shows summary statistics for the students in the Facebook who were successfully matched to administrative records and summary statistics for the overall student population at Texas A&M. The two samples are very similar along most dimensions including GPA, SAT, high school percentile, and athletic participation. The Facebook tends to be slightly more popular among female students and among younger students. The latter feature explains the higher fraction of students living in a dorm in the Facebook sample. Members of fraternities / sororities (greek) are overrepresented in the Facebook. Two minority groups are slightly underrepresented -- blacks (2.3% of the Facebook population vs. 2.9% of the overall population) and Hispanics (11.4% of the Facebook population vs. 12.0% of the overall population). Students in the Facebook are slightly more likely to have college-educated parents and to come from a high income household.

Our sample contains the 7,719 students in the Texas A&M Facebook network for whom we have complete data on race, demographics, family background, SAT scores, GPA and college activities.

[20] The students are linked by name and date of birth with a match success rate of 90%.

We consider all pairs of students (i.e. $\frac{N(N-1)}{2}$ sets of possible friendship pairs) and quantify the relationship between their characteristics on the formation of friendships. We do not view this evidence as causal but merely as an analysis of the factors that are good predictors of friendship. We estimate a linear probability model of the form:

$$Friends_{ij} = f(X_i, X_j, \varepsilon_{ij}; \beta) \text{ for all } i \neq j$$

where $Friends_{ij}$ is an indicator of whether two students are Facebook friends and X_i, X_j are characteristics of the two students. The results are shown in Table 8.[21] When we condition on none of the students' characteristics, the probability that any two students are friends is 0.34 percent. Such a small baseline rate is not surprising for a large university -- the chance the any two random students have social contacts is small.

In the first set of columns, we analyze the extent to which the races of students *i* and *j* serve as predictors of friendship. As seen above, students of the same race are more likely to form friendships. Both students being African American and both being Asian significantly increases the probability of being friends. Two students who are black are 17 times more likely to be friends than two students chosen at random (i.e. (0.0562+0.0026)/0.0034). Two Asian students are 4 times more likely to be friends. If both students are Hispanic or White, the probability of being friends increase to .54 and .36 percent. The probabilities that pairs consisting of a white and a minority student form a friendship are around .25 percent, lower than the baseline .34 percent.

In the second set of columns, we test for associations between friendship and the students' gender, year in school, and whether the students went to the same high school. Not

[21] Table 8 considers all possible pairs for both male and female students. Table A3 reports the equivalent results for male-only, female-only and cross gender pairs. We find that the factors that predict friendships are in the same order of magnitude across all gender combinations. The baseline rates differ slightly – two students of any gender chosen at random have a 0.34% probability of being friends while the probability is 0.41% for two females, 0.32% for two males, and 0.30% for a male-female pair.

surprisingly, having attended the same high school increases the likelihood of being friends at college. Students have a friendship connection with almost 20% of other students from the same high school. Students in the same year of school are more likely to be friends and larger differences in years reduce the likelihood of friendships. Being of the same gender is a weak, but positive predictor of friendship (see Table A3 for a breakdown of the results by gender).

The third set of columns indicates that family background is associated with friendships in college. Students from families with similar income levels are more likely to be friends. In addition, students are more likely to be friends if each has at least one parent with a college education. Friendships are less likely between students with no college educated parents and between students in which one has college educated parents and the other does not. This suggests that social networks are at least partially segmented along socio-economic lines.

Institutional factors that influence the likelihood that students will meet each other are strongly associated with friendship. As seen in the fourth set of columns, being in the same dorm leads to about a 15 fold increase in the probability of being friends relative to students not in the same dorm. Other institutional factors, such as being in the same major or the same college, also increase the likelihood of friendship, however these effects are an order of magnitude smaller than living in the same dorm.

Friends also appear to be somewhat segmented by ability, as seen in column 5. Two students are slightly less likely to be friends relative to the baseline if they have SAT scores or college GPAs that differ substantially. However, the magnitude of these factors is smaller than those for the race and institutional factors.

Finally, we analyze the association between campus activities and the probability of being friends. Our measures of activities are participation in intercollegiate athletics (2.5% of students in sample), a greek organization (11.6% of students in sample), and the Corps of Cadets (1.8% of students in sample). Not surprisingly, students are more likely to be friends if both participate in the activity relative to the case of neither student participating. Similarly, if only

one student participates in the activity, students are less likely to be friends than if neither participates. This segmentation is strongest for athletes and Corps members.

In the final set of columns, we include all sets of characteristics as predictors. Many of the coefficients in this model are very similar to their counterpart in the model with fewer covariates. In particular, the coefficients for race are robust to controlling for demographics, ability, dorm, major and activities. The fact that adding covariates does not significantly change the race coefficients suggests that the observed social network segmentation by race does not merely reflect different institutional channels of meeting such as major, athletics or dorm. Rather it suggests that there are tastes for characteristics that are correlated with race that affect the probability of becoming friends. However, the importance of similar socioeconomic backgrounds diminishes when controlling for other common characteristics.

These results suggest that the factors most strongly associated with friendship are sharing the same high school, same dorm, same race for minority students, same campus organizations, same major/college, being from the same cohort, and to a lesser extent sharing similar parental background characteristics.[22] We incorporate these insights into our model below.

Note that in each of the models reported in Table 8, the R^2 is low. This is not surprising. There are many unobserved characteristics, tastes, and coincidences that determine friendship formation. We can illustrate the importance of one of these additional factors -- having common friends. Table 9 shows the results of the linear probability model when we include the number of common friends as an additional regressor. Common friends are a good predictor for the existence of a friendship -- the R^2 increases from below .04 to almost .25. Moreover, conditioning on the number of common friends changes the importance of other characteristics, such as common race, for the formation of friendships. The coefficient for both black drops by two-thirds and the coefficients for both Asian and both Hispanic drop by about 50%. It is difficult to

[22] These results are consistent with the findings of Marmaros and Sacerdote (2006). They report that physical distance of residence and cohort are two important institutional factors that determine the interaction between students. Ward (2004) also studies the effect of distance on interaction.

interpret the meaning of these changes, as the formation of friendships and the determination of friends of friends are the outcomes of the same process.

This suggests that if we want to assess effects of changes in any of the variables determining friendship formation, it is not sufficient to use the results of the linear probability model to predict changes in the composition of friendships. Endogenous effects through friends of friends may magnify effects of a changed environment. The probability that student *i* and *j* meet is a function of whether they are both friends with student *k*, so characteristics of student *k* also affect the probability that *i* and *j* are friends. Therefore, we proceed by building a model of friendship formation.

III. Model of Social Network Formation

We seek to understand the process of network formation and quantify the importance of different determinants of the network, while taking endogenous network effects into account. A model of social network formation makes it possible to evaluate policies that alter social interactions in college. For example, such a model could allow university administrators and higher education officials to evaluate the effect of increasing the number of ethnic minorities, admitting students from different parts of the ability distribution, or changing freshman dorm assignments.

Our model combines a stochastic meeting process and choices by individuals based on their preferences. Like in Jackson and Rogers (2005), the meeting process consists of random encounters and introduction to friends of friends. We add heterogeneous agents and a simple preference structure. We maintain the assumption that agents do not take existing or future links

into account when choosing to form a link.[23] We calibrate our model to fit data on actual networks and conduct counterfactual experiments.

A. Mechanics of the Model

We consider a campus with n students. The friendships between students are recorded in the symmetric $n*n$ matrix $\boldsymbol{g}$. If student i and student j are friends, the corresponding elements of the friendship-matrix $\boldsymbol{g}$ are equal to one, $g(i,j)=1$ and $g(j,i)=1$. Otherwise, the elements of $\boldsymbol{g}$ are equal to zero. Initially no friendships have been formed and all elements of the friendship-matrix $\boldsymbol{g}$ are equal to zero. We conceptualize a friendship between students i and j as the outcome of two events: (1) two students meet with some probability, and (2) conditional upon meeting, students choose whether or not to form a friendship. Students i and j meet each other with a probability $p_{ij}(Z_i,Z_j)$, which is a function of observable features of each student's institutional environment $Z_{i/j}$ (e.g. living in the same dorm or being part of the same cohort). In addition, students meet other students through their existing friends.

After two students meet, they decide whether they like each other. This decision depends on one another's characteristics, some of which are observable ($X_{i/j}$) and some of which are unobservable ($u_{i/j}$) to the analyst. Denote $U_{ij}(X_i,X_j,u_i,u_j;\beta)$ the utility student i derives from being friends with student j, and c_i the marginal cost of friendship to student i (e.g. the time cost of a friendship). Because friendship is mutual, we model friendship as:

$$g(i,j) = \boldsymbol{I}(U_{ij}(.) \geq c_i) \cdot \boldsymbol{I}(U_{ji}(.) \geq c_j) \quad \text{for any } i,j \text{ that meet}$$

$$\equiv \boldsymbol{I}(f(X_i,X_j,u_{ij};\beta) > 0)$$

[23] This model of network formation is rudimentary in several dimensions. The decision to form a friendship conditional upon meeting is based solely upon the characteristics of the two students. The network formation literature has more developed theoretical models in which a network is the equilibrium outcome of a noncooperative game. For a good survey of the literature on the theory of network formation, see Jackson (2005). In some of these models, the decision to form a link is based upon the position of each node in the network and the existing links of the network. Other work has studied properties determining whether a network is stable and if any player would want to sever a link given the current network configuration.

where ***I*** (.) is the indicator function.

In the second line, we represent the joint choice to be friends with a reduced-form mutual friendship function *f*. The parameters of this function (β) represent tastes for the observed parameters as well the marginal cost of friendship. u_{ij} is a reduced-form representation of students *i* and *j*'s unobservable tastes for one another.

The characteristics in *X* that affect the mutual friendship function are race, parental education, SAT score, and political orientation. The functional form used in the simulation is given by:

$$
\begin{aligned}
& f\left(X_i, X_j, u_{ij}\right) = \\
& \beta_0 + \beta_{WW} I\left(race_i = race_j = white\right) + \beta_{BB} I\left(race_i = race_j = black\right) \\
& + \beta_{HH} I\left(race_i = race_j = hispanic\right) + \beta_{AA} I\left(race_i = race_j = asian\right) \\
& + \beta_{par_edu} I\left(parent_edu_i = parent_edu_j = both_coll\right) \\
& + \beta_{cons} I\left(conservative_i = conservative_j = 1\right) \\
& + \beta_{skill} I\left(SAT_i > 1200 \;\&\; SAT_j > 1200\right) + u_{ij}
\end{aligned}
$$

where u_{ij} captures the joint effect of the unobservable characteristics of *i* and *j*. The β coefficients capture tastes for similar characteristics. We allow for similar characteristics to increase or decrease the likelihood of friendship, but we restrict the taste parameters to be equal across students. In the calibration of the model, u_{ij} is simulated with independent random draws from a normal distribution. The mean and variance are normalized to zero and one. The magnitudes of the other parameters in the function are relative to the variation in the random component.

The meeting is modeled in different stages. First each student meets every other student in the university with probability p_{init}, and this probability is chosen to generate on average c_{init} meetings per person. Next each student meets each other student from the same college with a

probability p^i_{COLL}, chosen to generate an average of c_{COLL} meetings per person.[24] Students of the same cohort meet each other with probability p_{Year}. The students living in a dorm meet each other student living in the same dorm with probability p_{DORM} . The rule $\boldsymbol{I}(f(X_i,X_j,u_{ij};\beta) > 0)$ is used to decide whether a meeting through any one of these channels results in a friendship. The order of these channels does not matter.

After meeting a set of initial friends, students meet the friends of their friends. This process is motivated by the clusteredness of the networks documented in section II. A model with different probabilities of friendship formation can generate the segmentation observed, but cannot produce clusteredness within subgroups. The process of meeting friends of friends can magnify any effects of the institutional environment on friendship formation. Each student meets each friend of her friends with probability p_{frofr}, The friend of friend meeting process is repeated S times. Again $\boldsymbol{I}(f(X_i,X_j,u_{ij};\beta) > 0)$ is used to decide whether a meeting results in a friendship.

These multiple rounds of meeting and consequent decision whether a friendship is formed result in a friendship matrix $\boldsymbol{g}$. We calculate features describing this simulated network. In section IV, we calibrate the 14 parameters so as to fit 14 moments of the simulated network to 14 moments of the actual network at Texas A&M. The moments are: the mean, variance and skewness of the number of friends; the cluster coefficient; the fraction of friends from the same college, same dorm or same cohort; the fraction of friends who are the same race for whites, Hispanics, Asians and blacks; the fraction of friends who are high SAT scorers for high SAT scorers; the fraction of friends of the same parental education level; and the fraction of conservative friends of conservatives.

The mechanics of the model implies that all parameters of the model affect all moments. But it is possible to illustrate the relationship between the different parameters and a given

[24] Texas A&M has 10 different academic colleges, e.g. Liberal Arts, Engineering, or Architecture. Because some colleges are larger than others and a student is less likely to meet any other student in the college if the college is large, we allow the probability p^i_{COLL} to vary by individual. The probability varies in such a way that every student meets c_{COLL} students on average from their college, independent of the size of their college.

moment to illustrate how the moments are determined. The number of total friends is directly related to the number of students randomly met. The channel of meeting friends of friends generates the variance and skewness of the distribution of the number of friends, as well as, the clusteredness. Hence these three moments are directly related to the number of cycles of meeting friends of friends (S), the number of friends met in each cycle (c_{frofr}), and the probability of forming a friendship conditional on meeting, captured by the intercept (β_0) in the function $f\left(X_i, X_j, u_{ij}\right)$. The fraction of friends in a similar environment is directly related to the probabilities of meeting people in that environment (c_{COLL}, p_{YEAR}, p_{DORM}).

The fraction of friends with the same characteristics implies values for the importance of sharing these characteristics when deciding to form a friendship, i.e. the parameters β_{WW} - both white , β_{BB} - both black, β_{AA} - both Asian, β_{HH} - both Hispanic, β_{HiSAT} - both high SAT score, β_{par_edu} - same parental education, and β_{cons} - both conservative.

B. Assumptions and Exclusion Restrictions

The model postulates that the probability that two students meet is determined by specific institutional factors (academic college, dorm, cohort). Preferences for friendship conditional upon meeting are determined by specific observable characteristics (race, parental education, political orientation, and academic ability). When we calibrate the model, we assume that unobserved determinants of tastes are uncorrelated with institutional meeting channels. If this assumption is violated, the model will yield biased parameters of the effects of institutional variables. For example, suppose two political science majors share an (unobserved) interest in campus politics. The shared major is an institutional meeting channel that is correlated with the unobserved shared taste for politics, and therefore affects the probability of becoming friends conditional upon meeting. If two political science majors are more likely to be friends

conditional upon meeting, we bias upwards the parameters that capture the causal effect of sharing the same major.

Equivalently, we assume that unobserved determinants of meeting are uncorrelated with observable taste characteristics. For example, we rule out that two high achieving students in the same dorm are more likely to meet through institutional meeting channels than a high and a low achieving student in the same dorm. In particular, this assumes that the university does not have unobserved meeting channels that affect the probability of meeting but are correlated with our measures of taste (e.g honors classes, student associations for certain ethnicities).

The reduced-form regressions in section II suggest that the severity of any bias is likely to be small. The coefficient estimates of the institutional variables (e.g. same major, cohort) are fairly robust to the inclusion of a variety of covariates on ethnicity, family background, and ability. If the additional covariates pick up any of the unobserved heterogeneity, the robustness of these regressions suggests that the bias may not be severe.

IV. Results and Simulations

Now, we parameterize the model presented in Section III, assess the model fit, and perform several simulations to illustrate the mechanics of network formation and evaluate the consequences of policies.

A. Model Calibration

We calibrate the 14 parameters of the model to fit 14 moments of the simulated network to 14 moments of the actual network at Texas A&M. We calculate the data moments using the Facebook network of 1930 students randomly drawn from the sample introduced in section

II.C..[25] The 14 data moments are displayed in column one of table 11. We use the characteristics of the 1930 individuals and simulate a network by applying the network formation mechanism presented in section III.

We adjust the parameters in subsequent simulations to minimize the difference between the features of the simulated network and the features of the network at A&M. The parameters found by this process are displayed in column 2 of Table 10.

The simulated network is generated by meeting on average 6.1 random students, 2.1% of all students in the same cohort, and 4.6 students from the same college. Students living in the same dorm meet each other with 35% probability. Conditional on meeting, whites have a very small preference for friendships with other whites (β_{WW}=.07). The preferences for same race friendships are much stronger for Hispanics (β_{HH}=.40) and especially Asians (β_{AA}=.85) and Blacks (β_{BB}=2.10). The preferences for friends with similar SAT scores, parental background or political orientation are less pronounced than the preferences for same race friendships among minorities.

Column 2 in Table 11 displays the features of the model simulated with the parameters shown in Table 10.[26] Our model generates the features of the network. It matches the average number of friends and the variation in the number of friends. It also produces the right skewed distribution of the number of friends, as well as the clusteredness of the friendships.[27] The model matches the likelihood of forming a friendship conditional on sharing a similar environment or similar characteristics.

[25] Due to computational limits, we have to restrict ourselves to a subset of the 7719 students in the full sample. Therefore, the reader should interpret the counts we present below as corresponding to a "scaled down" network.

[26] The network features are the average of 100 simulated networks with the same set of parameters but different random draws for the simulation.

[27] The features are not perfectly fitted. One reason is that the number of cycles of meeting friends of friends is an integer rather than a continuous parameter.

B. Assessing the Fit of the Calibrated Model

We can calculate a variety of other moments of the calibrated network using the parameters from Table 10. This allows us to assess the suitability of the model. In Table 11 we present additional moments for both the real world network and the simulated model. We calculate various metrics that condition on common cohort, college and dorm. We focus on whites and Hispanics because these are large groups in our sample; there are fewer Asians and blacks for whom our model is less precise. In our data, the fraction of same race friends of Whites and Hispanics is virtually unchanged when conditioning on common cohort or college. Our model generates this pattern. When conditioning on living in the same dorm, the model closely matches the fraction of same race friends for whites but overstates the fraction for Hispanics.

We find that our model predicts other key features of social networks. The model predicts an average individual cluster coefficient (0.16) that is relatively similar to the actual data (0.12). Also, the model correctly predicts the high positive degree correlation observed in the sample (0.61 vs. 0.49). Finally, the model predicts a positive degree-cluster correlation which is consistent with the data, but the model underpredicts its magnitude (0.15 vs. 0.24). Although these other moments are by no means perfectly fitted, these results suggest that our model captures key underlying mechanics of network formation.

C. Counterfactual Experiments

To simulate counterfactual networks, we use the parameters obtained above but change various elements of the network formation process. This allows us to illustrate the mechanics of network formation and evaluate possible policy changes.

The first counterfactual is purely random friendship formation. This provides a benchmark against which to compare other processes of network formation. The parameters used for this simulation can be found in column (3) of Table 10. Each student meets each other student

with the same probability independent of their environment, and the probability of forming a friendship conditional on meeting does not depend on any characteristics of the students. The average number of random friends is chosen to make this random network comparable to the actual network and the simulation of the full model. The features of the resulting network are presented in column (3) of Table 11. The network does not exhibit the common features of social networks. The number of friends varies less, is not very skewed, and there is almost no clustering. Under purely random friendships, the fraction of friends with certain characteristics reflects the share of the total population, and there is no segmentation.

We also can illustrate how the meeting of friends of friends affects the network formation process. In this simulation, students meet with probabilities that vary in school environment and they have preferences for friend characteristics, but they do not meet friends of their friends. The parameters for the simulation of a network without the friends of friends meeting channel are presented in column (4) of Table 10. The probabilities that two students meet is scaled up to generate the same average number of friends as in the data. The probability of forming a friendship conditional on meeting is given by the parameters from the full model. In column (4) of Table 11, we present the features of the resulting network. The cluster coefficient is nearly zero which indicates that cliquishness in social networks may be driven largely by the mechanics of meeting rather than preferences. The degree correlation, and variance and skewness of the number of friends are much lower than in the full model. However, the segmentation due to the different meeting channels is higher. Finally, the segmentation due to preferences is only slightly lower than in the full model.

Column (5) of Tables 10 and 11 shows the parameters and resulting network features for the counterfactual of "random meeting". This counterfactual is intended to model the extreme case of a university eliminating any meeting channels that generate segmentation. Obviously, it would be impossible to eliminate all such channels, but a university could, for example, create a common set of core classes that students from all academic colleges must take. In this

simulation, each student meets every other student with equal probability (i.e. the institutional meeting channels do not affect meeting probabilities), but students have the preferences that we estimate above and meet the friends of their friends.[28] We find that the variation and skewness of the number of friends decrease slightly but the cluster coefficient remains virtually unchanged. As expected, the disproportionate number of friends with a similar campus environment disappears. However, the segmentation by race, ability, political orientation and parental education largely persists. This is a potentially sobering result for university administrators. It suggests that university policies geared towards increasing the encounters between different groups of students have very limited ability to reduce segmentation in their students' social networks.

Next, we perform the "reverse" counterfactual. Rather than eliminating meeting channels and maintaining preferences, we consider the case of undiscriminatory preferences with existing meeting channels. The likelihood of forming a friendship conditional on meeting does not depend on the characteristics of a person. The probabilities of meeting other students are the same ones as in the full model (i.e. the institutional channels affect meeting probabilities and students meet friends of friends). The probability of forming a friendship is chosen to match the average number of total friends. The parameters we use are in column (6) of Table 10 and results in column (6) of Table 11. We observe a slight decrease in the variance and skewness of the number of friends but the same amount of clustering as in the full model. The importance of a common environment (cohort, college, dorm) is unchanged. We observe numbers of same race friendships that are very close to those that would arise from pure random friendship formation. This confirms the result that the segmentation according to race in the actual network is mainly driven by preferences and not by different meeting probabilities. The likelihood of forming friendships with students of similar political orientation and parental education is only slightly higher than in the case of random friend assignment. This supports that the reason that, say,

[28] Mechanically, the average number of random encounters of each student is picked to generate the same average number of friends as in the original network.

Hispanics have disproportionately many Hispanic friends is preferences. It argues against the alternative explanation that Hispanics meet disproportionately many Hispanics through channels such as major or dorm and these differences are then magnified through introduction to friends of friends.

We also can simulate the effect of an affirmative action policy or x-percent rule that admits more students of a certain demographic profile. We choose to model the admission of more Hispanics who are a large and growing population in Texas. In column (7) we enact the policy experiment of doubling the population of Hispanic students. We do so by including each Hispanic student with all her characteristics twice in the simulation. We assume that preferences for race do not change. We find that Hispanics would have a much more racially segmented social network -- the share of Hispanic friends of Hispanics nearly doubles. However, the share of friends of a different race increases for whites, Asians and blacks. In particular, the share of non-white friends of whites increases from 15% to 24%. This implies that increasing the number of Hispanics would lead to modest increases in the racial diversity of interaction for non-Hispanics.

In column (8), we show the results for a counterfactual experiment where we introduce whites and minority students to each other. This policy experiment would correspond to intentional efforts by the university to facilitate interaction between students of different backgrounds (e.g. targeted introductions during orientation week). To perform this simulation, we include an extra meeting round, where each white student has a 1% chance of meeting each minority student and each minority student has a 1% chance of meeting each white student. This translates to each white student meeting 3.5 non-white students and each minority students meeting 15 white students.[29] The probability of forming a friendship conditional on meeting is still given by the preferences used to simulate the full model. Given our previous finding that

[29] It turns out that about 15% of all contacts of white students and 50% of all contacts of minority students are through this channel.

preferences significantly affect friendship formation, we would expect this policy to have only limited effects. Indeed, we find that the diversity of social interaction only modestly increases. The result is an increase in the share of minority friends of white students from 15% to 23%. The total number of friends of minority students increases, but their share of same race friends decreases only slightly.

The various counterfactuals show that the friends of friends channel is essential for the generation of the typical network features. It is solely responsible for the clusteredness. While differences in meeting probabilities and preferences contribute to positive degree correlation and the high variance and skewness of the number of friends, the friends of friends channel is the main reason for these patterns.

There is no substantial magnification effect of preferences through the friends of friends channel. Thus, institutional factors and preferences affect the probability of friendship formation independently. One consequence is that the segmentation by race which is driven by preferences cannot be affected by changes in the environment. It is possible to increase the share of minority friends of whites by exposing them to more minority students. However, this is only effective because it increases the number of friends of minorities or the total number of minority students.

V. Conclusions

The data from the Facebook networks offer insights into the social networks that impact learning, information transmission, and labor market outcomes at the beginning of adulthood. The data provide a large-scale view of the social networks at universities of various sizes. These social networks exhibit many of the characteristics suggested by the network structure literature – clustering, small world effects, positive degree correlation, and variance and skewness of the degree distribution. In addition, we quantify segmentation along racial and socioeconomic lines and document the diversity of interaction on university campuses.

Our model provides a methodology to analyze segmentation in social networks and decompose the contribution of both school environment and preferences to observed segmentation. We illustrate the role of connections though friends of friends in the formation of social networks. The model relies on several key assumptions. We assume that certain observable student characteristics affect the probability that two students meet but do not affect the probability of forming a friendship conditional upon meeting. Likewise, we assume that other characteristics affect preferences to form a friendship but do not affect the meeting probability. Although we cannot directly test these assumptions, the patterns exhibited in the reduced-form regressions are consistent with these assumptions.

Our findings offer a mixed message for university administrators who seek to create diverse social interaction on campus. On one hand, social networks exhibit only modest segmentation across some important dimensions. In the actual network, the fraction of friends with similar ability, parental education, and political orientation does not differ substantially from the fraction that would be generated by random assignment of friends. This suggests that diverse interaction does occur.

However, social networks are highly segmented by race, and this is present at schools ranging from small private institutions (Rice, SMU) to large public universities (Texas A&M and University of Texas). Moreover, our counterfactual simulations suggest that racial segmentation is largely driven by preferences rather than institutional features that affect meeting. Changes in university policies that affect student meeting channels would appear to have limited ability to reduce racial segmentation.

Our network formation model does not allow for strategic interaction between agents. Rather, it provides a purely mechanical meeting process, which is assumed to be independent of preferences for friendship formation. The challenge for future work is to develop models that allow for more complex mechanisms of network formation, while being still empirically tractable.

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Appendix: Classification of race and selection into Facebook

Minorities are underrepresented in the data used in section II.B (see Tables 1 and 5) There are two possible explanations for this: First, minorities may participate less in the Facebook. Second, the way we use the pictures to categorize students by race could lead to an underrepresentation of minorities.

Table A1 shows the share of minority students at A&M, for both the entire student body and for the students in our Facebook samples. The first row reports the composition of the entire student body using data from the Texas A&M Registrar's office. Rows two and three report the composition of our two Facebook samples, based the categorization by the research assistants and on the race categorization from the registrar's office. Minorities are only slightly underrepresented in sample based on the registrar's data. In the sample based on the visual categorization, the under representation of minority students is more pronounced. This suggests that the difference between row 1 and row 3 is mainly due to the fact that minority students could not be clearly categorized by our research assistants and are eliminated from the sample. This is especially true for Asian students.

Table A2 shows that the accuracy of the race classification is very high if the two research assistants agreed.

Table 1: Characteristics of Overall Student Body at the 10 Universities in Our Sample

	Rice	U Texas	Texas A&M	Baylor	Texas Tech	Texas Christian	SMU	U North Texas	UT Arlington	Texas State
Enrollment:	2,933	36,473	35,605	11,521	23,329	7,024	6,090	24,274	18,176	22,402
Female:	49%	52%	49%	58%	45%	60%	55%	55%	53%	55%
Out of State:	47%	5%	3%	16%	4%	20%	31%	3%	2%	1%
International:	3%	3%	1%	1%	1%	4%	4%	3%	5%	1%
Black:	7%	4%	2%	7%	3%	5%	5%	12%	14%	5%
Asian:	15%	17%	3%	6%	2%	2%	6%	4%	11%	2%
Caucasian:	55%	60%	82%	74%	81%	79%	75%	68%	57%	71%
Hispanic:	11%	15%	10%	8%	11%	6%	9%	10%	13%	19%
Native American:	1%	0%	1%	1%	1%	1%	1%	1%	1%	1%

Source: Princeton Review (2005). The universities are listed in the order that they joined the Facebook. The private universities are Rice, Baylor, Texas Christian and Southern Methodist.

Table 2: Composition of Facebook Sample

	Rice	U Texas	Texas A&M	Baylor	Texas Tech	Texas Christian	SMU	U North Texas	UT Arlington	Texas State	Total
Gender											
Female	1,254	7,417	7,732	3,971	3,427	2,137	1,861	2,240	618	2,537	**33,194**
Male	1,301	6,184	6,659	2,728	3,087	1,233	1,349	1,729	667	1,710	**26,647**
Not Reported	339	2,309	2,571	898	999	493	555	721	196	786	**9,867**
Type of Student											
Undergrad	2,354	14,728	15,797	7,008	7,219	3,678	3,496	4,474	1,442	4908	**65,104**
Alumni	445	815	733	397	133	136	131	107	11	72	**2,980**
Faculty	9	15	25	10	5	4	11	4	1	5	**89**
Staff	18	46	42	22	14	10	32	4	8	43	**239**
Grad Student	68	300	339	158	137	32	93	90	18	4	**1,239**
Summer Student		6	25	2	5	2	2	11	1	4	**58**
Year of Graduation											
2002	13	26	44	5		3	3	2		1	**97**
2003	61	82	116	18	5	13	8	9		2	**314**
2004	267	795	1,080	448	391	188	170	238	58	197	**3,832**
2005	438	1,789	2,249	1,030	701	504	516	417	123	518	**8,285**
2006	480	2,660	3,098	1,214	1,133	616	630	647	194	892	**11,564**
2007	568	2,909	3,560	1,463	1,354	799	770	703	250	998	**13,374**
2008	593	3,298	3,701	1,964	1,676	948	848	961	375	1,056	**15,420**
2009	3	43	35	24	79	4	3	20	5	5	**221**
2010	2	51	9	19	34	6	9	19	16	12	**177**
Total Students	**2,894**	**15,910**	**16,962**	**7,597**	**7,513**	**3,863**	**3,765**	**4,690**	**1,481**	**5,033**	**69,708**
Fraction of Undergrads in Facebook sample	**0.80**	**0.40**	**0.44**	**0.61**	**0.31**	**0.52**	**0.57**	**0.18**	**0.08**	**0.22**	

Note: This table includes students registered for facebook.com as of January 17, 2005. Universities are listed in the order in which facebook websites were established.

Table 3: Network Composition and Chartacteristics

	Rice	U Texas	Texas A&M	SMU	Baylor	Texas Tech	Texas Christian	U North Texas	UT Arlington	Texas State
Composition										
Number of Students	1300	8467	9299	2223	4295	4648	2342	2607	820	2922
Fraction female	0.50	0.56	0.55	0.59	0.60	0.53	0.64	0.57	0.47	0.58
Fraction White or Hispanic	0.82	0.85	0.96	0.94	0.91	0.97	0.95	0.92	0.82	0.96
Fraction Black	0.05	0.02	0.02	0.04	0.06	0.02	0.04	0.06	0.12	0.03
Fraction Asian	0.13	0.13	0.02	0.03	0.03	0.01	0.01	0.02	0.06	0.01
Fraction liberal	0.32	0.23	0.06	0.11	0.08	0.08	0.12	0.18	0.16	0.14
Fraction conservative	0.15	0.23	0.54	0.42	0.47	0.50	0.43	0.27	0.27	0.31
Characteristics										
Average number friends	50.8	39.5	41.1	62.9	59.8	40.5	49.8	23.8	17.2	25.6
Variance of number of friends	31.9	36.5	38.4	48.3	50.8	35.6	36.0	23.9	17.7	23.8
Skewness of number of friends	1.06	2.01	2.06	1.75	1.74	1.50	1.11	2.28	1.52	1.69
Total Cluster coefficient	0.24	0.20	0.17	0.23	0.19	0.21	0.23	0.21	0.27	0.23
Avg. Individual cluster coefficient	0.30	0.22	0.19	0.27	0.21	0.23	0.25	0.22	0.25	0.23
Degree correlation	0.22	0.57	0.57	0.49	0.58	0.57	0.54	0.35	0.53	0.55
Degree-cluster correlation	-0.47	-0.04	-0.10	-0.17	-0.14	-0.08	-0.09	0.06	0.16	0.02

Note: This table includes undergraduates in our facebook.com sample for whom we could identify race based upon the picture. Degree, degree-correlation, total cluster coefficient, and individual cluster coefficient are defined in section II.B. The degree-cluster correlation is the correlation between students' number of friends (degree) and individual cluster coefficient.

Table 4: Degrees of Separation

Fraction of all Pairs with:	Rice	U Texas	Texas A&M	SMU	Baylor	Texas Tech	Texas Christian	U North Texas	UT Arlington	Texas State
One degree of separation	0.04	0.00	0.00	0.03	0.01	0.01	0.02	0.01	0.02	0.01
Two degrees of separation	0.59	0.13	0.15	0.51	0.37	0.22	0.41	0.17	0.22	0.16
Three degrees of separation	0.36	0.62	0.66	0.43	0.57	0.62	0.52	0.54	0.43	0.56
Four degrees of separation	0.00	0.20	0.16	0.02	0.04	0.12	0.04	0.18	0.17	0.20
Five degrees of separation	0.00	0.01	0.01	0.00	0.00	0.00	0.00	0.02	0.03	0.02
Six degrees of separation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Connected Pairs	0.99	0.97	0.98	0.98	0.99	0.97	0.98	0.93	0.87	0.94
Average Distance	2.30	3.00	2.95	2.40	2.62	2.81	2.54	2.81	2.57	2.88

Note: At six of the schools, a small number (less than .5%) of pairs have 7 degrees of separation. This table includes undergraduates in our facebook.com sample for whom we could identify race based upon the picture. To illustrate degrees of separation, if student i and j are friends, they have 1 degree of separation. If i and j are not friends but both are friends with student k, then i and j have 2 degrees of separation. The same logic applies to higher degrees of separation. Distance is defined in section II.B. A pair is connected if some path exists that connects a given pair of students.

Table 5: Segmentation by Race

	Rice	U Texas	Texas A&M	SMU	Baylor	Texas Tech	Texas Christian	U North Texas	UT Arlington	Texas State
Pair of:					**Fraction of pairs who are friends (in %)**					
White/Hisp & White/Hisp	4.05	0.52	0.45	2.97	1.53	0.89	2.20	0.95	2.40	0.89
White/Hisp & Asian	3.08	0.20	0.33	1.72	0.60	0.46	1.17	0.70	0.67	0.74
White/Hisp & Black	3.40	0.26	0.34	1.50	0.57	0.61	1.38	0.60	1.16	0.66
Asian & Asian	9.43	1.93	3.28	17.69	5.90	3.36	5.21	3.28	3.35	1.56
Asian & Black	3.61	0.25	0.45	2.43	0.72	0.70	1.65	0.63	0.77	0.88
Black & Black	20.04	6.13	7.31	19.59	8.34	6.41	11.90	4.61	12.01	5.55
Any two students	3.92	0.47	0.44	2.83	1.39	0.87	2.13	0.92	2.10	0.88
Pair of:					**Relative probability of friendship**					
White/Hisp & White/Hisp	1.03	1.12	1.01	1.05	1.10	1.02	1.03	1.04	1.14	1.01
White/Hisp & Asian	0.79	0.42	0.74	0.61	0.43	0.52	0.55	0.77	0.32	0.84
White/Hisp & Black	0.87	0.56	0.77	0.53	0.41	0.70	0.65	0.66	0.55	0.75
Asian & Asian	2.41	4.13	7.42	6.24	4.23	3.85	2.45	3.58	1.59	1.78
Asian & Black	0.92	0.54	1.01	0.86	0.52	0.80	0.77	0.69	0.36	1.00
Black & Black	5.12	13.13	16.54	6.92	5.99	7.35	5.59	5.03	5.71	6.33
Any two students	1	1	1	1	1	1	1	1	1	1
Fraction of Students White/Hisp	0.82	0.85	0.96	0.94	0.91	0.97	0.95	0.92	0.82	0.96
Fraction Friends of Wh/H who are Wh/H	0.85	0.93	0.97	0.96	0.96	0.98	0.97	0.94	0.92	0.97
Fraction of Students Asian	0.13	0.13	0.02	0.03	0.03	0.01	0.01	0.02	0.06	0.01
Fraction Friends of Asians who are Asian	0.30	0.58	0.16	0.22	0.25	0.07	0.05	0.10	0.23	0.02
Fraction of Students Black	0.05	0.02	0.02	0.04	0.06	0.02	0.04	0.06	0.12	0.03
Fraction Friends of Blacks who are Black	0.25	0.38	0.27	0.32	0.47	0.17	0.25	0.33	0.58	0.18

Note: This table includes undergraduates in our facebook.com sample for whom we could identify race based upon the picture. Students were classified as either White/Hispanic, Black, Asian, or Don't Know, as described in Section II.B. The fraction of pairs of students of race X and Y who are friends is the fraction of all possible pairs of students of race X and Y who report being friends (reported in percentage points). The relative probability of friendship is defined in section II.B.

Table 6: Segmentation by Major, Cohort and Political Orientation

	Rice	U Texas	Texas A&M	SMU	Baylor	Texas Tech	Texas Christian	U North Texas	UT Arlington	Texas State
Segmentation by Major										
Fraction of Friends in Same Major if friendships were formed randomly	0.04	0.02	0.02	0.01	0.02	0.03	0.01	0.01	0.05	0.01
Actual Fraction of Friends in Same Major	0.08	0.08	0.07	0.08	0.06	0.06	0.07	0.08	0.10	0.08
Segmentation by Cohort										
Pair of:	**Relative probability of friendship**									
Freshman & Freshman	2.14	2.24	2.10	2.10	2.10	2.01	1.95	1.85	1.72	2.07
Freshman & Sophomore	0.64	0.74	0.72	0.64	0.60	0.82	0.74	0.84	1.00	0.79
Freshman & Junior	0.46	0.40	0.45	0.38	0.33	0.52	0.45	0.62	0.73	0.46
Freshman & Senior	0.35	0.25	0.31	0.20	0.18	0.43	0.25	0.58	0.61	0.31
Sophomore & Sophomore	2.18	2.28	2.04	2.42	2.62	1.80	2.19	1.74	1.29	2.01
Junior & Junior	2.17	2.13	2.14	2.21	2.29	1.46	2.17	1.55	1.27	1.77
Senior & Senior	1.80	2.05	2.43	2.08	2.06	1.71	1.92	2.38	1.95	1.93
Segmentation by Political Orientation										
Pair of:	**Relative probability of friendship**									
Liberal & Liberal	1.22	1.06	1.28	1.00	1.13	1.07	1.09	1.18	1.24	1.05
Liberal & Conservative	0.86	0.75	0.69	0.66	0.59	0.70	0.85	0.76	0.79	0.81
Conservative & Conservative	1.35	2.17	1.28	1.36	1.41	1.44	1.30	1.45	1.84	1.53

See Notes of Table 5.

Table 7: Selection into Facebook at Texas A&M - Means

	Students In Facebook	Overall Student Population
GPR	2.95	2.93
SAT	1168	1152
High School %ile Class Rank	86.5	86.0
High School Class Size	437	416
Texas Resident	97.4%	97.4%
Female	55.2%	50.6%
In a Greek	14.3%	11.6%
In Corps	1.7%	1.8%
Lives in a dorm	41.1%	33.7%
Athlete	2.5%	2.5%
Freshman	27%	22%
Sophomore	27%	22%
Junior	26%	26%
Senior	20%	29%
White	81.8%	80.5%
Hispanic	11.4%	12.0%
Asian	4.0%	3.8%
Black	2.3%	2.9%
Native American	0.4%	0.5%
Father College Degree	61%	58%
Mother College Degree	54%	51%
Household Income < $40,000	14%	17%
Household Income $40,000-$80,000	33%	35%
Household Income > $80,000	53%	48%
N	6754	17288

The sample is all undergraduate students enrolled in Spring 2005 with complete data for gender, high school rank, SAT, parents' education, household income, financial need, Greek and Corps status. 54% of registered students have complete data for these variables. Students with complete data are relatively similar to those without complete data in GPR (2.93 vs. 2.87), SAT (1152 vs. 1147), father college (58% vs. 56%), mother college (51% vs. 49%), but differ in high school rank (86% vs 80%), Greek (12% vs 15%), and parental income less than $40K (17% vs 8%).

Table 8: Factors Predicting the Probability that Two Students are Friends

Dependent Variable =1 if students *i* and *j* are friends and =0 otherwise
Mean of Dependent Variable (baseline rate): 0.0034

Relationship Between Student *i* and *j*

	Race		High School, Age		Family Background		Dorm, Academic		Ability		Activities		All Covariates	
	Coef	90% CI	Coef	90% CI	Coef	90% CI	Coef	90% CI	Coef	90% CI	Coef	90% CI	Coef	90% CI
Constant	0.0026	[0.0018,0.0035]	0.0039	[0.0037,0.0041]	0.0027	[0.0025,0.0029]	0.0028	[0.0027,0.0029]	0.0045	[0.0043,0.0047]	0.0030	[0.0029,0.0031]	0.0028	[0.002,0.0038]
Both Black	0.0562	[0.04,0.0712]											0.0542	[0.0387,0.0694]
Both Asian	0.0132	[0.0095,0.0175]											0.0126	[0.0088,0.0169]
Both Hispanic	0.0028	[0.0017,0.0037]											0.0027	[0.0016,0.0035]
Hispanic - Black	0.0011	[-0.0002,0.0021]											0.0010	[-0.0001,0.0019]
Both White	0.0011	[0.0001,0.0019]											0.0009	[0,0.0016]
Asian - Black	0.0008	[-0.0004,0.0022]											0.0010	[-0.0004,0.0023]
Hispanic - Asian	0.0002	[-0.001,0.001]											0.0005	[-0.0005,0.0013]
White - Hispanic	0.0001	[-0.0009,0.0009]											0.0003	[-0.0006,0.001]
White - Black	-0.0001	[-0.0012,0.0008]											-0.0002	[-0.0013,0.0007]
White - Asian	-0.0002	[-0.0011,0.0007]											-0.0002	[-0.0012,0.0006]
Same High School			0.1864	[0.1796,0.1941]									0.1859	[0.179,0.1935]
Same Year in College			0.0010	[0.0009,0.0012]									0.0010	[0.0009,0.0012]
Same Gender			0.0006	[0.0005,0.0008]									0.0000	[-0.0001,0.0001]
Difference b/t Yrs in College (Yrs)			-0.0013	[-0.0014,-0.0012]									-0.0011	[-0.0012,-0.001]
Both from High Income Households (>$60K)					0.0006	[0.0004,0.0008]							0.0002	[0,0.0004]
Both from Low Income Households (<$60K)					0.0002	[0.0001,0.0004]							0.0002	[0.0001,0.0004]
2 College Parents - 2 College Parents					0.0014	[0.0011,0.0017]							0.0009	[0.0005,0.0012]
2 College Parents - 1 College Parent					0.0005	[0.0002,0.0007]							0.0003	[-0.0001,0.0005]
1 College Parent - 1 College Parent					0.0003	[-0.0001,0.0006]							0.0002	[-0.0002,0.0005]
2 College Parents - 0 College Parents					0.0000	[-0.0002,0.0001]							0.0000	[-0.0001,0.0002]
1 College Parent - 0 College Parents					-0.0001	[-0.0003,0.0001]							-0.0001	[-0.0003,0.0001]
Same Dorm							0.0426	[0.0395,0.0453]					0.0407	[0.0377,0.0433]
Same Major							0.0038	[0.0034,0.0042]					0.0030	[0.0027,0.0035]
Same College on Campus							0.0018	[0.0016,0.002]					0.0016	[0.0014,0.0018]
Difference in SAT scores (absolute points in 100s)									-0.0004	[-0.0004,-0.0003]			-0.0003	[-0.0003,-0.0002]
Difference in GPA Quintile (0-4 absolute quintiles)									-0.0003	[-0.0003,-0.0003]			-0.0002	[-0.0003,-0.0002]
Both are Athletes											0.0649	[0.0502,0.0791]	0.0635	[0.0492,0.0777]
Both in Corps of Cadets											0.0536	[0.0398,0.0744]	0.0428	[0.0301,0.0625]
Both are Greek											0.0192	[0.0171,0.021]	0.0188	[0.0167,0.0206]
One is Greek											-0.0003	[-0.0004,-0.0001]	-0.0003	[-0.0005,-0.0002]
One is Athlete											-0.0003	[-0.0007,0]	-0.0003	[-0.0007,0]
One in Corps of Cadets											-0.0005	[-0.001,0.0001]	-0.0004	[-0.0009,0.0002]
R^2	0.0006		0.0293		0.0001		0.0033		0.0001		0.0032		0.036	

Obervations are all pairwise combinations of students in Texas A&M Facebook with complete data on covariates (29,787,621=N*(N-1)/2 observations where N=7719). Linear probability model estimated via least squares. Bootstrap confidence intervals are constructed by sampling with replacement over individual students to obtain 7719 students and forming all pairwise combinations of those students as the bootstrap sample. We construct 100 bootstrap samples. Excluded categories for race are any combinations with Native American.

Table 9: Factors Predicting Friendship Probability Controlling for Number of Common Friends

Dependent Variable =1 if students *i* and *j* are friends and =0 otherwise
Mean of Dependent Variable (baseline rate): 0.0034

Relationship Between Student *i* and *j*	Controls for Friend of Friend?			
	NO		YES	
	Coef	90% CI	Coef	90% CI
Number of Common Friends	--	--	0.0298	[0.0291,0.0306]
Constant	0.0028	[0.002,0.0038]	-0.0003	[-0.0014,0.0005]
Both Black	0.0542	[0.0387,0.0694]	0.0151	[0.0092,0.0207]
Both Asian	0.0126	[0.0088,0.0169]	0.0071	[0.005,0.0096]
Both Hispanic	0.0027	[0.0016,0.0035]	0.0013	[0.0004,0.0027]
Hispanic - Black	0.0010	[-0.0001,0.0019]	-0.0003	[-0.0011,0.0009]
Both White	0.0009	[0,0.0016]	-0.0005	[-0.0012,0.0007]
Asian - Black	0.0010	[-0.0004,0.0023]	-0.0004	[-0.0014,0.0012]
Hispanic - Asian	0.0005	[-0.0005,0.0013]	0.0000	[-0.0007,0.0015]
White - Hispanic	0.0003	[-0.0006,0.001]	-0.0004	[-0.0011,0.0009]
White - Black	-0.0002	[-0.0013,0.0007]	-0.0007	[-0.0015,0.0006]
White - Asian	-0.0002	[-0.0012,0.0006]	-0.0003	[-0.001,0.001]
Same High School	0.1859	[0.179,0.1935]	0.1379	[0.1327,0.1442]
Same Year in College	0.0010	[0.0009,0.0012]	0.0012	[0.001,0.0013]
Same Gender	0.0000	[-0.0001,0.0001]	-0.0005	[-0.0006,-0.0004]
Difference b/t Yrs in College (Yrs)	-0.0011	[-0.0012,-0.001]	0.0001	[0.0001,0.0002]
Both from High Income Households (>$60K)	0.0002	[0,0.0004]	-0.0003	[-0.0005,-0.0002]
Both from Low Income Households (<$60K)	0.0002	[0.0001,0.0004]	0.0003	[0.0002,0.0004]
2 College Parents - 2 College Parents	0.0009	[0.0005,0.0012]	-0.0013	[-0.0015,-0.001]
2 College Parents - 1 College Parent	0.0003	[-0.0001,0.0005]	-0.0008	[-0.0011,-0.0006]
1 College Parent - 1 College Parent	0.0002	[-0.0002,0.0005]	-0.0004	[-0.0007,-0.0001]
2 College Parents - 0 College Parents	0.0000	[-0.0001,0.0002]	-0.0006	[-0.0007,-0.0004]
1 College Parent - 0 College Parents	-0.0001	[-0.0003,0.0001]	-0.0003	[-0.0004,-0.0001]
Same Dorm	0.0407	[0.0377,0.0433]	0.0214	[0.0192,0.0229]
Same Major	0.0030	[0.0027,0.0035]	0.0024	[0.0021,0.0027]
Same College on Campus	0.0016	[0.0014,0.0018]	0.0004	[0.0003,0.0006]
Difference in SAT scores (absolute points in 100s)	-0.0003	[-0.0003,-0.0002]	0.0000	[-0.0001,0]
Difference in GPA Quintile (0-4 absolute quintiles)	-0.0002	[-0.0003,-0.0002]	-0.0001	[-0.0001,0]
Both are Athletes	0.0635	[0.0492,0.0777]	0.0111	[0.006,0.0164]
Both in Corps of Cadets	0.0428	[0.0301,0.0625]	0.0216	[0.0133,0.0317]
Both are Greek	0.0188	[0.0167,0.0206]	-0.0083	[-0.0096,-0.0074]
One is Greek	-0.0003	[-0.0005,-0.0002]	-0.0023	[-0.0024,-0.0021]
One is Athlete	-0.0003	[-0.0007,0]	-0.0015	[-0.0018,-0.001]
One in Corps of Cadets	-0.0004	[-0.0009,0.0002]	-0.0006	[-0.0011,-0.0002]
R^2	0.036		0.246	

See Notes to Table 8.

Table 10: Parameters of the Model Under the Calibration and the Counterfactual Experiments

			Counterfactuals					
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Sample of 1930 Students	Full Model Simulation	Completely Random Friends	Full Model without friends of friends	Random Meeting	No Preferences	Affirmative Action, double hispanics	Introduction to students of different race
Number of Cycles of Meeting Friends of Friends	-	8	0	0	8	8	8	8
c_{init} - Avg # Randomly Met	-	6.15	6.41	14.58	25.56	6.16	5.70	4.98
Probability of meeting friend of friend	-	0.54	0	0	0.54	0.54	0.54	0.54
c_{coll} - Avg # Met Same College	-	4.60	0	10.90	0	4.60	4.26	3.73
Probability of meeting student in same Year	-	0.02	0	0.05	0	0.02	0.02	0.02
Probability of meeting student in same dorm	-	0.35	0	0.83	0	0.35	0.32	0.28
$\beta_{Constant}$	-	-1.72	0	-1.72	-1.72	-1.57	-1.72	-1.72
β_{WW} (Whites)	-	0.07	0	0.07	0.07	0	0.07	0.07
β_{BB} (Blacks)	-	2.10	0	2.10	2.10	0	2.10	2.10
β_{HH} (Hispanics)	-	0.40	0	0.40	0.40	0	0.40	0.40
β_{AA} (Asians)	-	0.85	0	0.85	0.85	0	0.85	0.85
β_{skill} (High SAT)	-	0.10	0	0.10	0.10	0	0.10	0.10
β_{ParEdu}	-	0.09	0	0.09	0.09	0	0.09	0.09
$\beta_{Conservative}$	-	0.12	0	0.12	0.12	0	0.12	0.12

Notes:

The data used are a random sample of 1930 of the 7719 students described in the note to Table 8.

(2) are the parameters of the full model calibration that fit the simulated moments to the moments of the actual network.

(3) Students meet with the same probability independent of school environment, they do not have preferences for characteristics, and they do not meet friends of friends.

(4) Students meet with probabilities that vary with the school environment, they have preferences for characteristics, but they do not meet friends of friends.

(5) Students meet with the same probability independent of school environment, they have preferences for characteristics, and they meet friends of friends.

(6) Students meet with probabilities that vary with school environment, they do not have preferences for characteristics, and they meet friends of friends.

(7) Double the number of Hispanic students (with parameters of full model but meeting probabilities scaled down to generate the same average number of friends).

(8) Add an extra meeting round where each white meets 1% of minority students and each minority student meet 1% of white students (with parameters of full model but meeting probabilities scaled down to generate same average number of friends).

Table 11: Simulation Results and Counterfactual Experiments

			Counterfactuals					
	(1)	**(2)**	(3)	(4)	(5)	(6)	(7)	(8)
Moments Entering Calibration	Sample of 1930 Students	**Full Model Simulation**	Completely Random Friends	Full Model without friends of friends	Random Meeting	No Preferences	Affirmative Action, double hispanics	Introduction to students of different race
Average # of Friends	6.42	**6.42**	6.41	6.42	6.41	6.42	6.41	6.41
Variance of # of Friends	6.44	**6.27**	2.52	2.96	5.56	5.77	6.40	6.14
Skewness of # of Friends	1.82	**1.82**	0.39	0.69	1.58	1.56	1.88	1.79
Cluster Coefficient	0.15	**0.16**	0.00	0.01	0.17	0.16	0.16	0.17
Fraction from Same Year	0.44	**0.44**	0.25	0.59	0.25	0.44	0.45	0.39
Fraction from Same College	0.22	**0.22**	0.13	0.31	0.13	0.21	0.21	0.20
Fraction from Same Dorm	0.08	**0.07**	0.01	0.14	0.01	0.07	0.08	0.06
Fraction White Friends of Whites	0.87	**0.85**	0.82	0.85	0.85	0.82	0.76	0.77
Fraction Hispanic Friends of Hispanics	0.21	**0.22**	0.12	0.23	0.22	0.12	0.42	0.21
Fraction Asian Friends of Asians	0.15	**0.14**	0.04	0.14	0.14	0.03	0.12	0.14
Fraction Black Friends of Blacks	0.32	**0.33**	0.02	0.22	0.28	0.02	0.28	0.31
Fraction Hi SAT Score Friends of Hi SAT	0.49	**0.49**	0.39	0.47	0.47	0.41	0.47	0.48
Fraction Friends of Same Parental Education	0.53	**0.53**	0.44	0.50	0.52	0.45	0.50	0.51
Fraction Conservative Friends of Conservative	0.62	**0.62**	0.52	0.59	0.61	0.53	0.60	0.60
Other Moments Not Entering Calibration								
Fraction White Friends of Whites if same Year	0.87	**0.86**	0.82	0.84	0.85	0.83	0.74	0.80
Fraction Hispanic Friends of Hispanics if same Year	0.23	**0.25**	0.11	0.25	0.25	0.15	0.48	0.19
Fraction White Friends of Whites if same College	0.87	**0.87**	0.82	0.84	0.85	0.84	0.77	0.80
Fraction Hispanic Friends of Hispanics if same College	0.22	**0.26**	0.13	0.24	0.16	0.12	0.50	0.15
Fraction White Friends of Whites if same Dorm	0.84	**0.86**	0.78	0.84	0.82	0.83	0.78	0.83
Fraction Hispanic Friends of Hispanics if same Dorm	0.17	**0.28**	0.00	0.22	0.00	0.14	0.47	0.16
Average Individual Cluster Coefficient	0.12	**0.16**	0.00	0.01	0.16	0.16	0.15	0.15
Degree correlation	0.49	**0.61**	-0.02	0.23	0.63	0.62	0.70	0.64
Degree-cluster correlation	0.24	**0.15**	0.05	0.17	0.21	0.16	0.10	0.28

See notes in Table 10 for a description of each counterfactual.

Table A1: Minority Representation: Population vs. Facebook

	Hispanic	Black	Asian
All Students			
Texas A&M Registrar	12	2.9	3.8
Our Facebook Sample			
Research Assistants	--	1.7	1.9
Texas A&M Registrar	11.4	2.3	4

Table A2: Testing Accuracy of Using Pictures to Classify Race

Administrative Data	Classification by Picture: White/Hispanic	Black	Asian	Other/Don't Know	% Mis-classified
White/Hispanic	4,174	3	4	73	0.2%
Black	3	92	0	4	3.0%
Asian	14	0	90	36	10.0%
Native American	18	0	0	0	--

Notes: This table compares the actual race from administrative records to the race classification made by research assistants based upon pictures. The sample is all Texas A&M students meeting two criteria: (1) in Facebook with a picture in which the two research assistants agreed on their race classification and (2) administrative records contain complete demographic data. In the picture classification data, "Other" includes those classified as 'don't know but not black' and 'don't know but maybe black'. The "% Mis-classified" is the percent of students in each category of Administrative race that are improperly classified in a specific category (we do not include students that the research assistant classified as Don't Know).

Table A3: Factors Predicting the Probability that Two Students are Friends by Gender of Two Students

	CROSS GENDER	MALE - MALE	FEMALE - FEMALE
Baseline rate	0.0030	0.0032	0.0041
	Coef Estimate	Coef Estimate	Coef Estimate
Constant	0.0026	0.0025	0.0038
Both White	0.0011	0.0006	0.0001
Both Hispanic	0.0035	0.0016	0.0020
Both Asian	0.0123	0.0091	0.0174
Both Black	0.0592	0.0525	0.0429
White - Hispanic	0.0007	0.0001	-0.0005
White - Asian	0.0002	-0.0003	-0.0009
White - Black	0.0005	0.0002	-0.0023
Hispanic - Asian	0.0009	0.0001	0.0000
Hispanic - Black	0.0016	0.0007	-0.0002
Asian - Black	0.0013	0.0015	-0.0007
Same High School	0.1775	0.1741	0.2072
Same Year in College	0.0011	0.0012	0.0009
Difference b/t Yrs in College (Yrs)	-0.0011	-0.0009	-0.0013
Both from High Income Households (>$60K)	0.0002	0.0000	0.0003
Both from Low Income Households (<$60K)	0.0002	0.0004	0.0002
2 College Parents - 2 College Parents	0.0007	0.0011	0.0011
1 College Parent - 1 College Parent	0.0002	0.0004	0.0001
2 College Parents - 1 College Parent	0.0002	0.0006	0.0003
2 College Parents - 0 College Parents	0.0000	0.0002	0.0000
1 College Parent - 0 College Parents	-0.0001	0.0001	-0.0001
Same Major	0.0029	0.0031	0.0030
Same College on Campus	0.0018	0.0008	0.0019
Same Dorm	0.0699	0.0482	0.0302
Difference in SAT scores (absolute points in 100s)	-0.0003	-0.0002	-0.0003
Difference in GPA Quintile (0-4 absolute quintiles)	-0.0002	-0.0003	-0.0002
Both are Athletes	0.0445	0.0903	0.0750
One is Athlete	0.0001	0.0004	-0.0016
Both are Greek	0.0047	0.0164	0.0300
One is Greek	0.0002	-0.0010	-0.0008
Both in Corps of Cadets	0.0275	0.0415	0.1361
One in Corps of Cadets	-0.0003	-0.0004	-0.0008
R^2	0.032	0.040	0.043

Note: Observations are all pairwise combinations of students of each gender type in the Texas A&M Facebook with complete data on covariates. Linear probability model estimated via least squares.