

Race and Ethnicity in Higher Education: 2020 Supplement

INVITED ESSAY

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- Rucker C. Johnson
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Race and Ethnicity in Higher Education: 2020 Supplement

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This chapter is part of a larger report by the American Council on Education (ACE) titled *Race and Ethnicity in Higher Education: 2020 Supplement*, which follows ACE's 2019 release of *Race and Ethnicity in Higher Education: A Status Report*. These reports, along with their accompanying microsite, provide a data-informed foundation for those working to close persistent equity gaps by providing a comprehensive review of the educational pathways of today's college students and the educators who serve them.

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Visit www.equityinhighered.org to learn more about the project and to download the full report, figures, detailed data tables, and other resources on race and ethnicity in higher education.

The screenshot shows the homepage of the ACE website. At the top left is the ACE logo with the text 'American Council on Education' and 'RACE AND ETHNICITY IN HIGHER EDUCATION'. To the right of the logo is a navigation menu with links for HOME, ABOUT, INDICATORS, DATA SOURCES, DATA TABLES, and RESOURCES. Further right are social media icons for Twitter, Facebook, LinkedIn, YouTube, and a search icon. The main content area features a large image of a smiling Black woman with a backpack. Overlaid on the image is a 'Featured Findings' box with two statistics: '40.1% of Associate Degrees were Earned by Students of Color' and '31.5% of Bachelor's Degrees were Earned by Students of Color'. Below the image are two buttons: 'EXPLORE THE FINDINGS' and 'DOWNLOAD THE REPORT'. At the bottom left, there is a section titled 'Explore the Findings' with a paragraph of text and a link to 'Download Reports >'. At the bottom right, there is a blue box titled 'NEW: IDEAS AND INSIGHTS' with the text 'View essays, videos, podcasts, and more >' and a speech bubble icon.

About the American Council on Education

ACE is a membership organization that mobilizes the higher education community to shape effective public policy and foster innovative, high-quality practice. As the major coordinating body for the nation's colleges and universities, our strength lies in our diverse membership of more than 1,700 colleges and universities, related associations, and other organizations in America and abroad. ACE is the only major higher education association to represent all types of U.S. accredited, degree-granting institutions: two-year and four-year, public and private. For more information, please visit www.acenet.edu.

Segregation in Higher Education and Unequal Paths to College Completion: Implications for Policy and Research

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Access to quality higher education is key to socioeconomic mobility. The other side of the coin is equally true: when such access is limited by financial constraints, information barriers, and lack of academic preparedness, socioeconomic mobility is also limited. While more students are going to college than ever before, only about half of those who begin college obtain a degree within six years. College dropout rates are particularly high among Black, Latinx, and first-generation students (Kirp 2019).

Boosting college graduation rates for students from lower-income backgrounds is often considered the most effective mechanism to narrow economic and racial disparities and spur wealth generation. But the converse relationship has received inadequate attention—the increasing and already-outsized role of parental wealth in educational attainment. Even with student loans readily available for those from lower-income backgrounds, skyrocketing college costs have put a spotlight on financial aid policy and student loan debt.

Moreover, financial aid alone is insufficient as a policy response. A refocusing on the pre-college years, tracing the unequal outcomes of college back to earlier fault lines of race and class, is needed. Many of the barriers impeding improvements in college graduation rates are rooted in the ways that parental wealth purchases access to high-quality schools during the K–12 years, influencing whether students successfully graduate from high school prepared for college-level coursework. Unfortunately, these patterns are not just economic; they are a byproduct of the resegregation of K–12 public schools over the past 25 years (Johnson 2019; Frankenberg et al. 2019).

The housing market (and related zoning) effectively rations access to high-performing public K–12 schools. School quality is factored into housing prices, thus perpetuating racial and socioeconomic divides. In many ways, housing prices represent the price of buying upward mobility for one's children as much as the number of bedrooms and square footage of the house itself. Housing and schools are inseparably linked due to the historical heavy reliance on the local property-tax base to fund public schools. Opportunity-rich communities where children thrive in well-funded, highly resourced schools are geographically close but socioeconomically worlds apart from the concentrated-poverty schools in the same metropolitan area.

These patterns begin early in children's lives, but our public policy response occurs very late:

- Only one-third of public high schools with high Black and Hispanic enrollment offer calculus, often considered a college gateway course to STEM majors and careers. Lack of calculus partially explains why less than 2 percent of Black freshmen in the U.S. enter college engineering programs, ultimately affecting the diversity of engineers and the overall number of STEM graduates to tackle public problems.
- Even among high-achieving Black and White third graders with the same test scores, Black children are one-third less likely to be placed in gifted and talented programs (Card and Giuliano 2016; Grissom and Redding 2016).
- Black and Hispanic students are disproportionately inappropriately referred to non-college preparatory tracks and special education due to structural forces that systematically underestimate their potential. Racialized tracking that begins in early elementary school results in segregated classrooms within what appear ostensibly as desegregated schools, where qualified minority students are underrepresented in Advanced Placement classes filled mostly with White and Asian students (Johnson 2019).

These factors cause many students to enter college unprepared for college-level coursework. For example, Kurlaender et al. (2018), using administrative student-level data from the full universe of California high schools, find that only 30 percent of students are ready, or conditionally ready, for college-level work in both mathematics and English language arts (based on 11th-grade achievement assessments). Given these statistics, however, it is important not to confuse the symptoms—vast gaps in college attendance, persistence, and completion rates by race and class—with the underlying disease: gaping educational opportunities along race and class lines that preceded them.

From Personal Choices to Policy Choices

The pathways to college are unequal and strongly influenced by the aforementioned patterns of socioeconomic and racial inequality. But policymakers' concerns about budget deficits, and a myopic focus on easy-to-measure short-term outcomes, often forfeit the returns to longer-term, sustained public investments that can alleviate growing deficits of opportunity. For example, one study found that the effectiveness of public K–12 spending doubled when preceded by access to quality pre-K programs (Johnson and Jackson 2019). Future research and policy attention should investigate such synergistic effects of quality K–12 programs and public higher education spending investments on postsecondary outcomes—even if the results take several terms in office to bear fruit.

Over three-quarters of college students attend public institutions (Espinosa et al. 2019), and public colleges and universities rely heavily upon state support for their operations budgets. But over the past decade, state legislators slashed an estimated \$9 billion from higher education budgets, and additional steep cuts are likely as we navigate a new recession caused by the COVID-19 pandemic. As a result of these unprecedented cuts, many state university systems will continue to be under pressure to increase tuition and admit more out-of-state students with higher incomes.

If this trend of declining appropriations for higher education continues, public colleges and universities will enroll a smaller share of low-income students, along with potential reductions in institutional quality. These actions would further exacerbate the economic stratification of higher education. Furthermore, enrollment in for-profit colleges—which have low graduation rates and other unimpressive student outcomes—tends to increase when funding for public colleges declines (Cellini 2009).

Tuition spikes often occur during economic recessions when tax revenues plummet and states cut funding for higher education. But recessions are precisely when lower- and middle-income families can least afford tuition and also when millions desire to enroll in college. The response by parents has been a marked increase in refinancing their homes in the years immediately preceding their children reaching college age. Thus, housing wealth has become an increasingly important component of the college enrollment decision over the past 20 years. Unfortunately, one of the unique features of the Great Recession was that it involved a home-foreclosure crisis that disproportionately afflicted minority communities. African Americans, in particular, lost more wealth due to the real estate and foreclosure crisis than any single event in recent history. Without strategic policy intervention, when the COVID-19 pandemic subsides, there could be another sweep of foreclosures and a dramatic spike in housing insecurity fueled by a deep recession.

Housing wealth has become an increasingly important component of the college enrollment decision over the past 20 years.

Recent evidence indicates that the housing market downturn that accompanied the Great Recession led to a reduction in the likelihood of graduating from college, particularly for African American youth (Johnson 2020). The impact of negative house prices, lower parental wealth accumulation, and children's reduced higher education outcomes was particularly pronounced for children from lower-income families with high mortgage debt in the years immediately preceding college age. In general, educational outcomes of youth whose parents are homeowners with relatively low income, high household debt, and/or low levels of housing equity are especially vulnerable to the destabilizing effects of negative house price surprises, particularly when it occurs leading up to college age.

Information Barriers

The important role that information about the financial aid process plays has been well documented. Not possessing adequate information often causes students to overestimate the costs of college and/or underestimate the benefits and keeps many from applying to selective schools and for aid altogether (Perna 2007; Scott-Clayton 2012). Unfortunately, the students least likely to be able to afford college are also the ones with the least amount of accurate information about college costs (Horn, Chen, and Chapman 2003; Scott-Clayton 2012; Kurlaender, Reed, and Hurtt 2019). This reality is particularly true for low-income parents and first-generation college goers (Grodsky and Jones 2007; Horn, Chen, and Chapman 2003). In high-poverty, heavily minority districts, there are often more police officers than guidance counselors in schools (Whitaker et al. 2019), which particularly disadvantages prospective first-generation college goers.

One recent study by Susan Dynarski and colleagues illustrates the importance of information. It found that high school students considering applying to the University of Michigan who received a detailed, personalized mailing of information about free tuition, financial aid, and application assistance had a greater application rate: 67 percent applied to the university, while only 26 percent of the control group applied. Twenty-seven percent of the students in the treatment group currently attend the University of Michigan, compared with 12 percent of the students in the control group (Dynarski et al. 2018). Moreover, this low-cost information intervention significantly diversified the cohort of students entering the University of Michigan along both race and class lines.

In many cases, the students who didn't attend the University of Michigan, but would have otherwise been admitted, ended up going to a community college, which may be an affordable option but is often a challenging path to a bachelor's degree given the low transfer rates. Furthermore, the proliferation of low-quality, for-profit colleges that more low-income students are attending is a concerning trend. These higher education institutions are publicly financed via federal financial aid programs, but they have abysmal graduation rates and often leave students with a significant debt burden. An additional concern is that the vast majority of students—particularly students of color—at for-profit institutions are low income (Taylor and Turk 2019).

This information gap is another way economically segregated school districts equate to ongoing inequality.

Information is key to helping students make the best decision, but the availability and quality of information is often tied to the school district they live in. This information gap is another way economically segregated school districts equate to ongoing inequality.

Role of Admissions Policies

The increased challenges of attending college when coming from an underfunded school district are compounded by parental education level. Parents with postsecondary education not only have the experience to guide their children through the application process—they also can increase their likelihood of admission. For example, preferential treatment received by legacy applicants increases the likelihood of admission by roughly the equivalent of the impact of having an additional 170 points on the SAT (Hurwitz 2011). Furthermore, a recent study showed over 43 percent of White students admitted to Harvard University were either legacies, recruited athletes, children of faculty or staff, or had relatives that donated large contributions to the university. It was shown that roughly three-quarters of these White students would have been rejected had they not received preferential treatment (Arcidiacono, Kinsler, and Ransom 2019). Other elite universities have used similar admissions criteria.

And it is not just legacy or extracurricular advantages that work against some students. SAT scores of applicants from low-income families who had access to poorer-quality K–12 schools may provide a far less reliable signal of their academic potential than those from more advantaged backgrounds. In other words, the SAT does not predict success in college for students from low-income backgrounds as well as it does for those from affluent ones. California, in the midst of major debates over

the role of the SAT and ACT in admissions decisions, reached a unanimous vote from the University of California Board of Regents in the landmark decision to end the use of the SAT and ACT in admissions at the University of California. As more institutions understand the potential bias created by an over-reliance on such tests, many schools are moving toward a test-free admissions process.

University admissions policies make a difference in both equity and efficiency, best illustrated in two just-released studies. Bleemer (2020) provides new causal evidence showing the long-term impacts of elimination of race-based affirmative action in all California public colleges and universities via the 1998 enactment of Proposition 209. In particular, using student-level administrative longitudinally linked data of application records, student transcripts, and California earnings records, he finds ending affirmative action resulted in significant declines in college quality, college graduation rates, and STEM degree attainment for African Americans and Hispanics. Bleemer finds this also resulted in significant earnings declines for underrepresented minorities. Collectively, Bleemer's work demonstrates that limits on university affirmative action policies lead to greater socioeconomic inequities down the road.

A related study by Black, Denning, and Rothstein (2020) similarly shows that Texas's Top Ten Percent rule (wherein all students in the top decile of their high school class are guaranteed admission to Texas state schools) resulted in greater racial and socioeconomic diversity of the flagship university. The increased access to selective universities from this policy reform led to substantial increases in college graduation rates and earnings for Black and Hispanic students, as well as improvements overall for the entire system.

Teacher Diversity

While more recent focus has been placed on school segregation, the lack of faculty diversity at all levels across education systems is also a troubling pattern that warrants more attention. There is growing evidence of how faculty diversity positively affects Black students in ways that parallel how increases in female professors in STEM subjects influence female students' choice of major (Bristol and Martin-Fernandez 2019; Carrell, Page, and West 2010; Price 2010).¹ How teachers can affect student leadership qualities, motivation, socioemotional development, and career choice should not be overlooked.

Faculty diversity is often a missing ingredient in recipes to improve teacher quality in both K–12 and higher education. Having teacher diversity can be critical to create safe spaces that facilitate open dialogue of different perspectives. At the same time, troubling patterns of systematic racial bias in teachers' expectations and tendencies to underestimate the potential of minority students has been highlighted in both the K–12 and higher education contexts. For example, Nicholas Papageorge and co-authors (2020) analyzed longitudinal data and found that when a Black teacher and a White teacher evaluated the academic abilities of the same Black student, the White teacher was about 40 percent less likely to predict the student would finish high school and roughly 30 percent less likely to predict the student would complete a four-year college degree. Conversely, for White students, the ratings from both Black and White teachers tended to be the same (Papageorge, Gershenson, and Kang 2020).

A diverse teaching staff matters, as does access to rigorous curriculum.

The lower expectations of some White teachers for Black students' potential for academic success may lead to self-fulfilling prophecies, and may be related to not only differences in likelihood of placement in college-preparatory curriculum tracks, but also racial disparities in suspensions and expulsions, thus contributing to the school-to-prison pipeline. A diverse teaching staff matters, as does access to rigorous curriculum. Representation and access matter. Both phenomena are related to why, for example, less than 2 percent of Black freshmen in the U.S. enter college engineering programs. This must concern us, as it is influencing the rate of innovation to address many public problems, including those that most impact minority communities. Research has shown that intentional changes in policy and practice can dramatically change such trends.

¹ Female students perform significantly better in introductory math and science courses if taught by female faculty, and they are more likely to pursue majors in science, technology, engineering, or math (Carrell, Page, and West 2010). And Black students are more likely to persist in a STEM major if they have a STEM course taught by a Black instructor (Price 2010).

Future Research Directions

Among the most promising directions for future research is the development of better and more integrated data systems to address policy silos. For example, rather than continuing the narrow K–12 focus on test scores, research should incorporate holistic assessments that account for the development of socioemotional competencies, leadership skills, and more. Tracking the right metrics of success with the right tools of evaluation is paramount. Data systems that remain disconnected—and siloed across the pre-K, K–12, and postsecondary sectors—cause gaps in student progression to go undiagnosed and untreated, exacerbate curricular misalignment among the sectors, and ultimately cause educational disparities to proliferate.

Integrated longitudinal data systems would allow researchers to track the progress of students throughout the states' public education systems and beyond, enable the detection of barriers to college entry and attainment, and help develop real-time interventions for current students. These integrated data systems would also enable researchers to document the social returns to public investments in education systems. An integrated data system would also promote accountability, monitoring and evaluating the effectiveness of education spending across the entire continuum from pre-K to career (and every step between).

Indeed, taking this holistic approach may be one of the most important (and unsung) investments to help more students earn a college degree, with disproportionate beneficial effects for those from less advantaged backgrounds who fall through the cracks of our current systems. The governor of California, Gavin Newsom, has proposed state investments in data infrastructure along these lines. If California—the most diverse state in the country, and home to the leading state university system with the highest upward mobility for students from low-income backgrounds (Chetty et al. 2017)—can be successful in these investments, perhaps it will set a new standard for other states to follow.

Conclusion

Students, their families, and taxpayers alike can no longer afford for the college-dropout epidemic to go unaddressed. The numbers show just how expensive, inefficient, and inequitable segregated systems are. Segregation levels across colleges are on par with the degree of residential segregation across neighborhoods in the average American city (Chetty et al. 2017). These patterns mirror and are a direct byproduct of the resegregation of K–12 public schools in this country that has become entrenched over the past 25 years due to the effects of housing and policy decisions. From kindergarten through college, education inequalities cripple the short- and long-term success of underprivileged students, which affects us all. America's youth deserve an urgent research and policy response that allows all students to realize their potential, no matter their address.

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