

THE CHRONICLE OF HIGHER EDUCATION

ADMINISTRATION

Engine of Inequality

By Karin Fischer | JANUARY 17, 2016

Seventy years ago, with the passage of the GI Bill, Congress opened the doors of America's colleges to millions of World War II veterans. At peak enrollment, in 1947, former servicemembers accounted for almost half of college admissions.

By giving all veterans, rich and poor, the chance to earn a degree, the measure is credited with helping to fuel postwar prosperity and create a new middle class. And it cemented colleges' role as engines of opportunity, as economic equalizers. Just this fall, President Obama called higher education the "secret sauce" of Americans' economic success.

Is that reputation deserved?

The wage premium for college graduates — the earnings disparity between workers with bachelor's degrees and those with only high-school diplomas — is great and getting greater. But so, too, is the socioeconomic split between the two groups. Even though the number of financially needy students graduating from high school and attending college has increased in recent decades, the share of bachelor's degrees awarded to students from the lowest income quartile declined, from 12 percent in 1970 to 10 percent in 2014. Less than a quarter of students from families with annual incomes of less than \$10,000 earned bachelor's degrees within six years, compared with nearly two-thirds of those with incomes of more than \$150,000.

Does Higher Education Perpetuate Inequality?



Colleges are seen broadly as engines of opportunity, as economic equalizers. Is that reputation deserved?

This is part of an occasional series exploring that question. Read stories from the series:

- Engine of Inequality
- Poor Kids, Limited Horizons

So for the individual, yes, higher education offers economic opportunity. But if higher education is a ticket — and increasingly *the* ticket — to economic security in this country, there are real imbalances in whose tickets get punched.

Here's how Thomas G. Mortenson, an analyst who crunched the data, puts it. "The rich are getting richer because of higher education," says Mr. Mortenson, a senior scholar at the Pell Institute for the Study of Opportunity in Higher Education, "and the poor are getting poorer because of it."

Many factors that have little to do with higher education, of course, influence whether students go to college, where they enroll, and whether they succeed: maternal health care, school quality, the neighborhood they grew up in.

But higher education "takes the inequality given to it and magnifies it," says Anthony P. Carnevale, director of the Center on Education and the Workforce at Georgetown University. "It's an inequality machine."

Finding a solution is pressing, says Kati Haycock, president of the Education Trust. Half of current public-school students — those who could go on to college or get left behind — qualify for free or reduced-price lunch. (Subsidized lunches are available to children from families that earn up to \$44,863 annually, for a family of four.) The risks of doing nothing, she says, "are too awful to contemplate."

In the coming months, *The Chronicle* will examine how college itself plays a role in reinforcing and even widening the gap between haves and have-nots. We will look at the ways that happens, and why.

How do the messages that rich kids and poor kids get about earning a degree differ? Why do the poorest and least-prepared students end up disproportionately at institutions ill-equipped to help them succeed? What are the policy choices and the day-to-day decisions that state legislators and federal regulators, college presidents, chancellors, and boards of trustees make that perpetuate economic and educational divides? How have we ended up with a system that perpetuates disadvantage? Can it be fixed?

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