Why Top Colleges Miss Great Students

By Betsey Stevenson & Justin Wolfers - Dec 18, 2012

The real crisis in American higher education is that our best colleges never see a large chunk of our smartest students.

In an important recent study, the economists Caroline Hoxby and Christopher Avery found that very few high achievers from low-income families ever apply to top colleges, and that the missing applications from these kids largely explain why they’re underrepresented at our leading universities.

At first glance, poor students’ reluctance to aim for the Ivy League might seem to make sense. After all, there’s no way the typical low-income family can afford tuition of $50,000 a year. But in reality, they don’t have to pay anything for these schools.

Leading private universities such as Harvard, Yale, Princeton or Stanford work hard to counter the lack of income diversity on their campuses. In recent years, they have adopted policies reducing the costs of tuition, room and board for middle-class and low-income students all the way to zero. Qualified students who settle for less-selective colleges often end up paying more to do so.

Safety Schools

Irrational as it may seem to sell oneself so short, the behavior is strikingly pervasive. Hoxby and Avery systematically studied the college applications of all high-achieving students in the U.S., zeroing in on those who earned at least an A-minus grade point average and scored in the top decile on college admissions exams. They found that high-achieving kids from high-income families applied to colleges much as any good guidance counselor would recommend, aiming for a few top-tier “reach” schools, a handful of “match” schools, and one or two “safety” schools, where admission was pretty much guaranteed.

Similarly qualified students from low-income families followed a completely different pattern. Most didn’t apply to any selective college or university, and some didn’t apply to college at all. Too often, the best schools they approached should have been their safety schools. They effectively gave up a chance for upward mobility the day they sent in their college applications.

The result is that university admissions officers see a very skewed picture of their potential students.
Among applicants to selective colleges, high-achieving, high-income students outnumber their low-income peers by 15 to 1, leading colleges to perceive the latter as a rare species. But this is wrong. The true ratio of high-income to low-income high achievers is roughly 2.5 to 1, according to Hoxby and Avery.

Why haven’t the generous subsidies for low-income students at elite colleges generated a stampede of smart, working-class applicants?

Some insights come from analyzing the kids who break the mold by applying to elite universities. Overwhelmingly, they tend to live in major cities where they meet other students who are also high-achieving. These students both share information and form a critical mass that attracts visits from admissions officers. Their teachers are also more likely to have attended a strong university. Many of these low-income students attended magnet schools, or other feeder schools, which have historically sent their best students to good colleges. The common denominator is that low-income students who apply to top schools typically come from an information-rich environment.

Once they gain admission to a good university, their educational paths largely parallel those of similarly qualified students from better-off families. Whatever doubts they might harbor about their abilities, these students are just as prepared as anyone for success at selective universities.

**Difficult Problem**

So how can top universities get more of these kids? This is a difficult problem for universities to address, because the students who don’t apply are typically located in rural areas without other high-achieving classmates. Traditional recruiting methods, such as sending an admissions officer to visit the high school or town, aren’t feasible. And their isolated locations mean that the students can’t easily visit the schools before applying.

However, an intriguing strand of recent research suggests that small changes might help. For instance, one experiment showed that completing the Free Application for Federal Student Aid for low-income families yielded huge increases in college attendance. Another study found that removing the $6 charge for sending admissions-test scores to a university led to more students applying to top schools.

It’s a startling fact that such small barriers could be a stumbling block to socioeconomic diversity on U.S. college campuses and to economic mobility.

The good news is that the talent is there. Now all we have to do is tap it.

(Betsey Stevenson is an associate professor of public policy at the University of Michigan. Justin
Wolfers is an associate professor of business and public policy at the University of Pennsylvania, and a non-resident senior fellow of the Brookings Institution. Both are Bloomberg View columnists. The opinions expressed are their own.)

To contact the writers of this article: Justin Wolfers at jwolfers@umich.edu Betsey Stevenson at betseys@umich.edu.

To contact the editor responsible for this article: Mark Whitehouse at mwhitehouse1@bloomberg.net.