Old Boys' Clubs and Upward Mobility Among the Educational Elite

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Joseph Price, Brigham Young University
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We take on two questions:

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  e.g. Weber 1922; Mills 1956; Bordieu 1998; Bol and Weeden 2015
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This paper: evidence from Harvard undergrads in "Greatest Generation" cohorts

- Important, because we rely on universities to provide paths to upward mobility
  e.g. Zimmerman 2019; Chetty et al. 2020
- Convenient, because lives of Harvard students are richly, publicly documented

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- Two complementary research designs
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  - Room randomization design generating systematic variation in peer attributes
- Extend descriptive analysis across 20th century
  - Do patterns of academic, career achievement persist?

Three facts about Harvard in the early 20th century

> *Snobbish separation of the students on lines of wealth [...] would destroy the chief value of the College as a place for the training of character.*

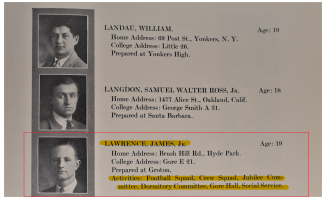
– Harvard President Lawrence Lowell, 1902

1. Central goal of Harvard admins: on-campus interaction between economically diverse students
2. Students compete for membership in exclusive social groups known as final clubs
3. Important determinant of social status: whether you went to private feeder school

Academic, social, and career outcomes for 1919-1935 entering classes

1. Harvard Archives
   - In school: high school backround, social activities, grades
   - Long run: detailed biographical accounts 25 years later

Figure: Freshman year

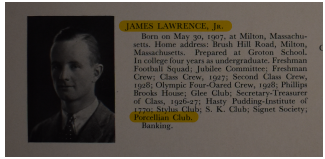


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Activities: Football Squad, Crew Squad, Jubilee Committee, Dormitory Committee, Gore Hall, Social Service.

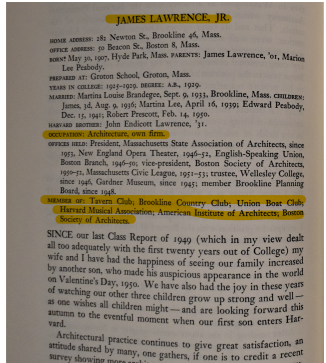
Figure: Senior year



JAMES LAWRENCE, Jr.

Born on May 30, 1907, at Milton, Massachusetts. Home address: Brush Hill Road, Milton, Massachusetts. Prepared at Groton School. In college four years as undergraduate. Freshman Football Squad; Jubilee Committee; Freshman Crew; Class Crew, 1927; Second Class Crew, 1928; Olympic Four-Oared Crew, 1928; Phillips Brooks House; Glee Club; Secretary-Treasurer of Class, 1926-27; Hasty Pudding-Institute of 1770; Stylus Club; S. K. Club; Signet Society; Porcellian Club.
Banking.

Figure: 25 years later



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HOME ADDRESS: 282 Newton St., Brookline 46, Mass.
OFFICE ADDRESS: 50 Beacon St., Boston 8, Mass.
BORN: May 30, 1907, Hyde Park, Mass. PARENTS: James Lawrence, '01, Marion Lee Peabody.
PREPARED AT: Groton School, Groton, Mass.
YEARS IN COLLEGE: 1925–1929. DEGREE: A.B., 1929.
MARRIED: Martina Louise Brandegee, Sept. 9, 1933, Brookline, Mass. CHILDREN: James, 3d, Aug. 9, 1936; Martina Lee, April 16, 1939; Edward Peabody, Dec. 15, 1941; Robert Prescott, Feb. 14, 1950.
HARVARD BROTHER: John Endicott Lawrence, '31.
OCCUPATION: Architecture, own firm.
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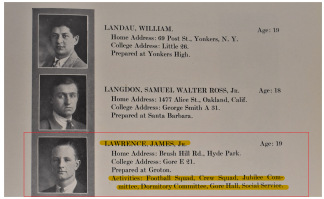
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2. US Census 1910-1940

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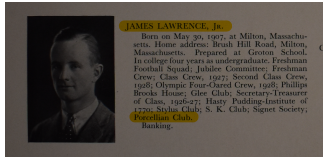


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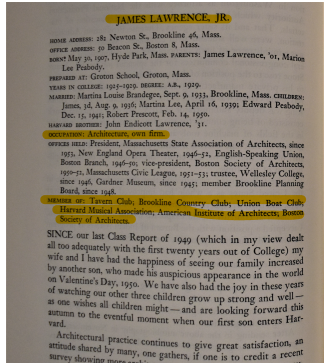
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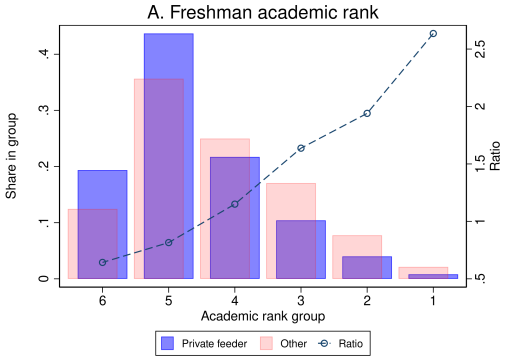
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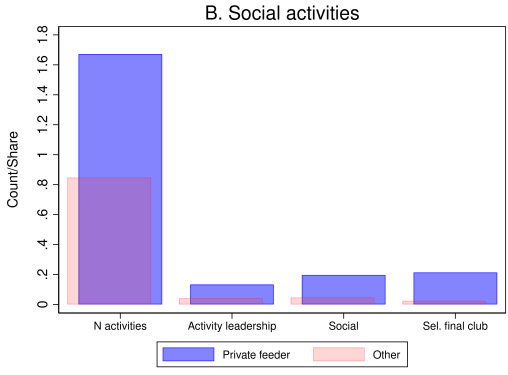
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Private feeder students: worse in class, but more extracurriculars

- 55% more likely to be in lowest group; 51% less likely to be in two highest
- 2x more activities, 3x freshman leadership, 4x social committees, 9x final clubs





Few low-SES students at the top of the social ladder

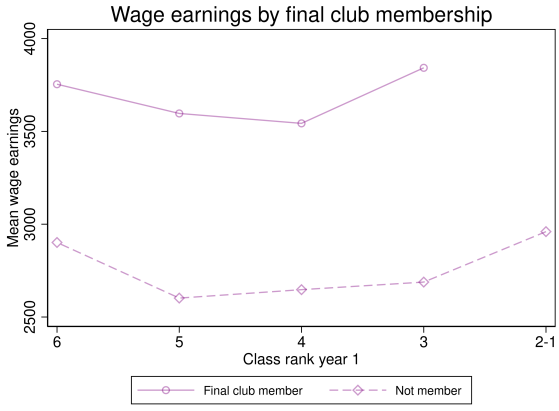




	All students	Selective final clubs
Private feeder share	24%	73%
Public feeder share	23%	1.2%
Jewish name share	7%	0%

Social success $>$ academic success

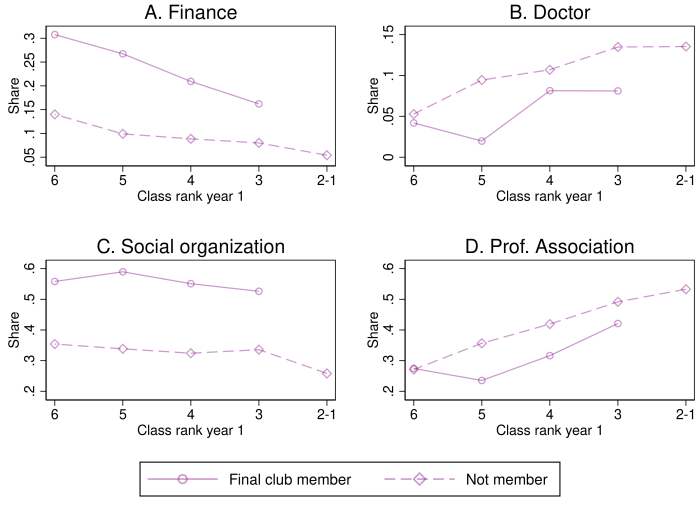
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- Weak relationship between grades, income
- Selective final club members earn 32% more than non-members

Points with N<20 not displayed. Top two groups are pooled.

Social success → other adult outcomes



Source: 25th Reunion class reports. Points with N<20 not displayed. Top two groups are pooled.

Social success premium persists within HS, legacy status, family

- What about selection?
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- Final club premium does not reflect selection on family, social engagement
  - Does not rule out selection within families; e.g. on social skill

Can policy affect social success?

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- Important for university impacts on upward mobility
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Approach: use random peer assignment

- We evaluate the actual policy used to improve social cohesion
- Proof of concept that what universities do matters

Room randomization and residential integration

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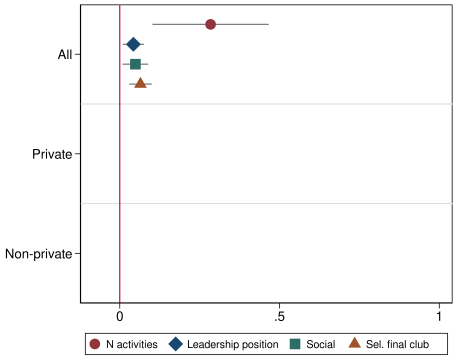
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- Hard to combine w/ Census data due to sample size limits

Higher-status peers $\rightarrow$ more social success

$$\underbrace{Y_i}_{\text{College social outcomes}} = \beta_0 + \beta_1 \underbrace{RP_{p(i)}}_{\text{nbd price rank}} + \underbrace{\theta_{r(i)} + \tau_{h(i)}}_{\text{block and HS FEs}} + e_i \qquad (1)$$

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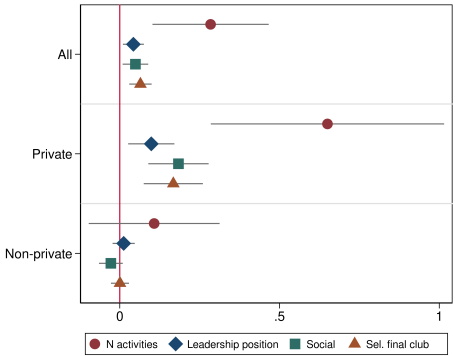
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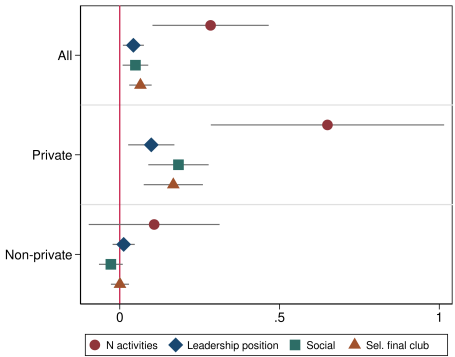
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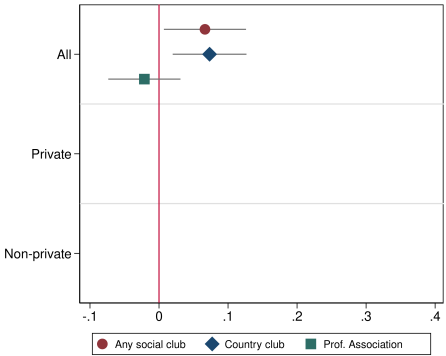
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- 50 pp peer rank change →
  - activity count ↑ 19%
  - freshman leadership ↑ 35-50%
  - final club membership ↑ 38%

Higher-status peers → bigger gaps in adult social outcomes

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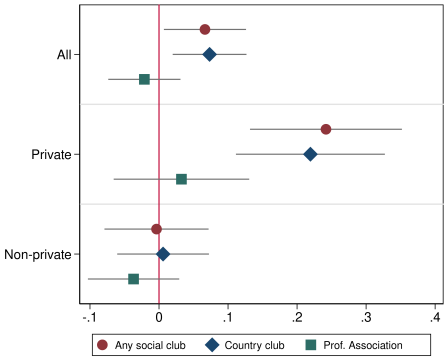
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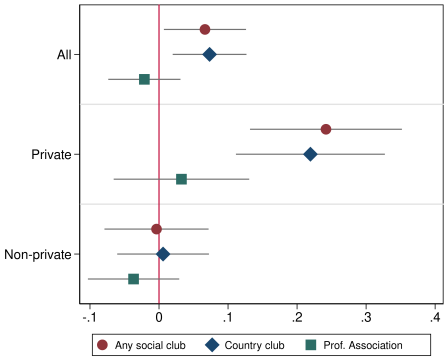
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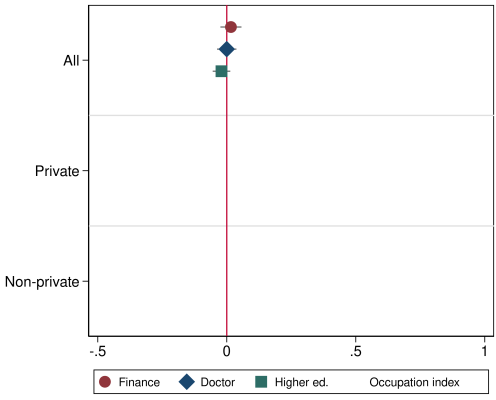
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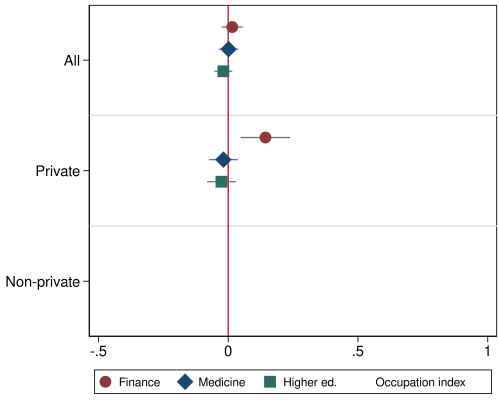
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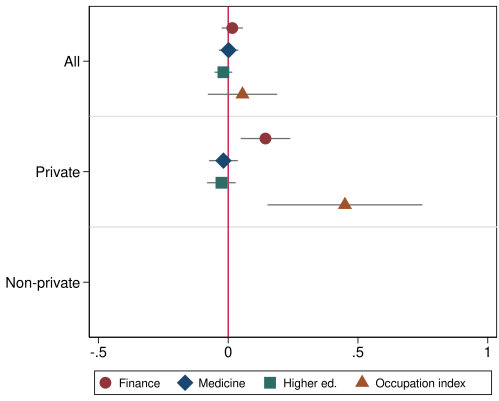
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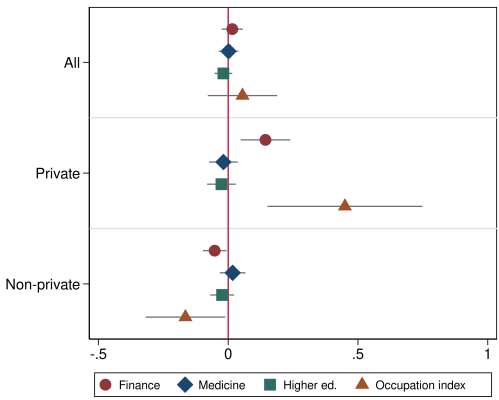
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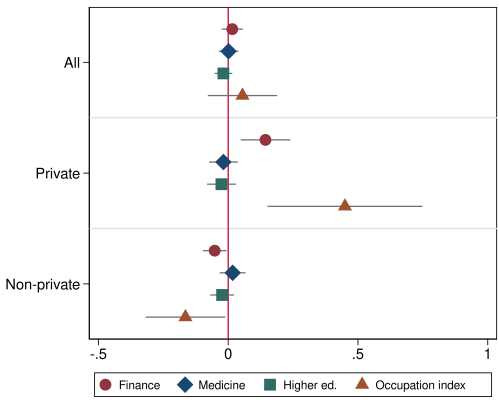
$$\underbrace{Y_i}_{\text{Career type}} = \beta_0 + \beta_1 \underbrace{RP_{p(i)}}_{\text{nbd price rank}} + \underbrace{\theta_{r(i)} + \tau_{h(i)}}_{\text{block and HS FEs}} + e_i \quad (1)$$



- Full-sample effects ≈0
- Private feeder students:
  - → finance careers
  - Away from medicine, higher ed
- Occupation score: standardized share of private HS students in occupation
- Other students: opposite direction

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- 50 pp peer rank change → 40% increase in finance

Summary

1. Students from rich families perform better socially, worse academically
2. Social success premium = high, academic success premium = low
3. Exposure to high-status peers $\rightarrow$
   - Increased chance of joining exclusive social groups;
   - Long run shifts in career and social outcomes...

   ... but tends to further segregate these groups

Summary

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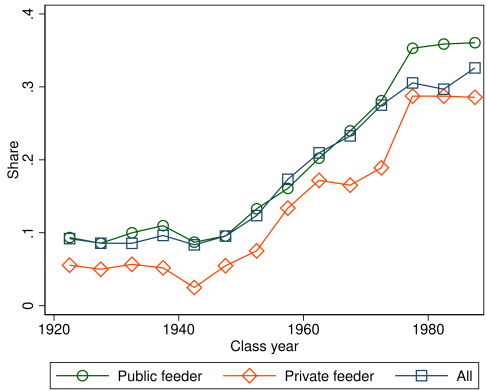
- **Exclusive social groups shaped access to post-war economic elite, but did not provide a path for underrepresented groups**

How much have things changed?

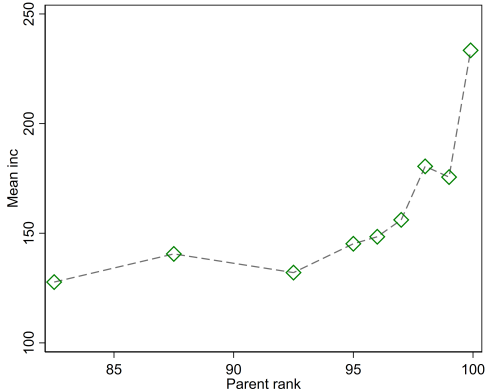
- Extend descriptive analysis through Gen X/Millenial cohorts
  - Don't have social activity data, but can look at academic performance, career choice
- Three key findings:
  1. Academic gaps persist: public feeder $>$ private feeder, 1923-1990
  2. Career gaps change: finance converges, medicine persists, MBAs diverge
  3. Income gaps at elite universities by baseline SES persist;
     Arguably large in historical terms
- Not dispositive evidence that social path to elite remains the same
  - Does support reports that it's still important (Rivera 2016; Jack 2019)
  - Striking that gaps today $\sim$ those generated by unequal institutions 100 years ago

Academic and income gaps by baseline SES

(a) Latin honors by HS type, class year



(b) Income by parent pctile for Ivy+ students



Left panel: share of magna/summa grads at Harvard by HS type and class year. Right panel: Data from Chetty et al. (2020) on age 32-34 earnings outcomes (1000s) for Ivy+ students in 1980-82 birth cohorts.

How should this change my mind?

1. **College peer effects matter in the long run.**
   - Many papers show short-run impacts of college peers; we elevate this.
     Sacerdote 2001; Zimmerman 2003; Stinebrickner & Stinebrickner 2006; ...; Jones & Kofoed 2020
   - Finance literature shows college networks matter; we show access is unequal
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2. **Social component of elite higher education is key.**
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     Abramitzky et al. 2014, 2020; Baltzell 1964; Zweigenhaft & Domhoff 1982; Davidson et al. 1995
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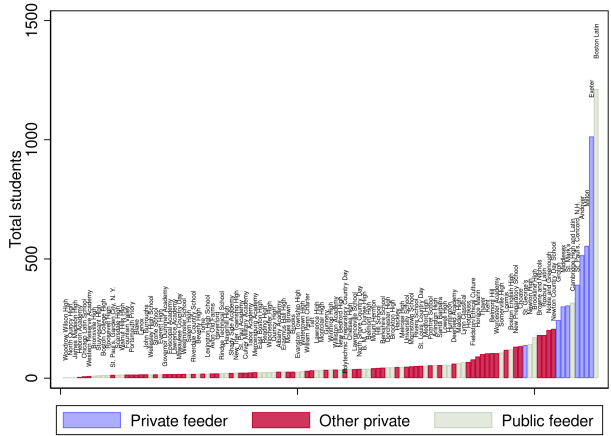
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3. **Social cohesion is hard to build when the stakes are high.**
   - "Contact hypothesis": cooperative intergroup interactions $\rightarrow$ social cohesion
   - Borne out in low- or medium-stakes settings
     Rao 2019; Carrell et al. 2019; Lowe 2020; Mousa 2020
   - May be harder to do in high-stakes settings

Counts by high school

Figure: Counts by HS



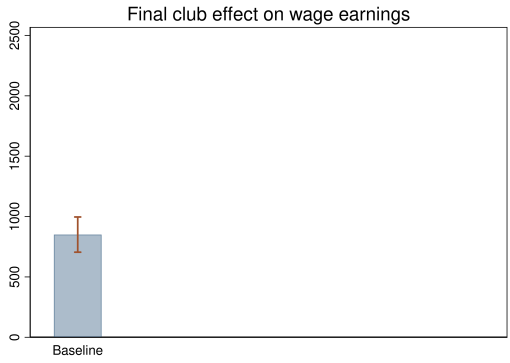
(Back)

Social success premium persists within HS, legacy status, family **(Back)**

$$\underbrace{Y_i}_{\text{Wage earnings}} = \underbrace{S_i\beta_{\mathbf{s}}}_{\text{final club}} + \underbrace{R_i\beta_r}_{\text{Class rank}} + \underbrace{X_i\beta_x}_{\text{Other controls}} + e_i \quad (1)$$

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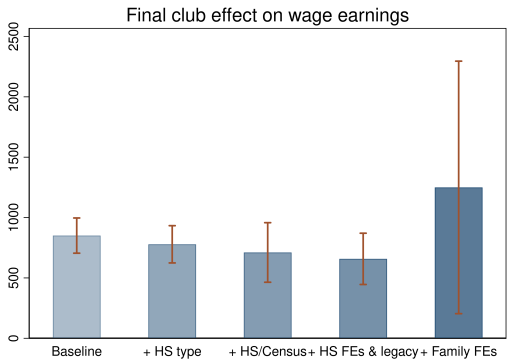


Base specification: rank and cohort only

- Baseline: \$835

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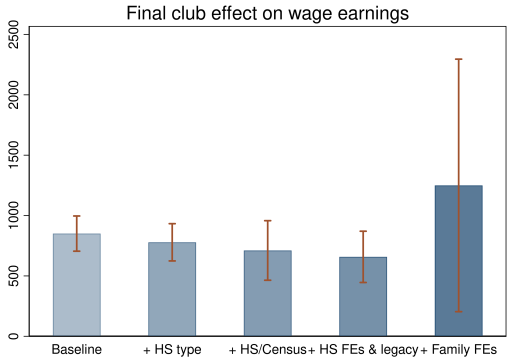


Base specification: rank and cohort only

- Baseline: \$835
- + HS type: \$778
- + HS, Census X_i: \$711
- + HS FE, legacy: \$658 (feeders only)
- + Family FEs: \$1250

Social success premium persists within HS, legacy status, family **(Back)**

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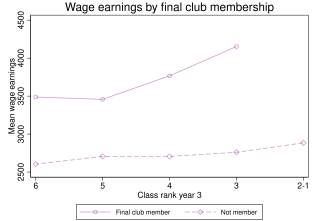
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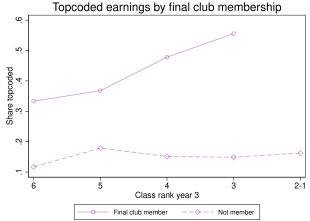
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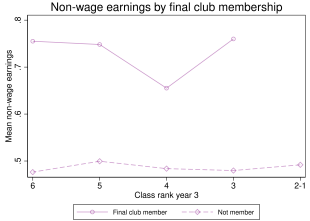
What can we conclude?

- Not selection on family attributes
- Selection within families?

Academic and social success in the labor market







Points with N<20 not displayed. Top two groups are pooled.

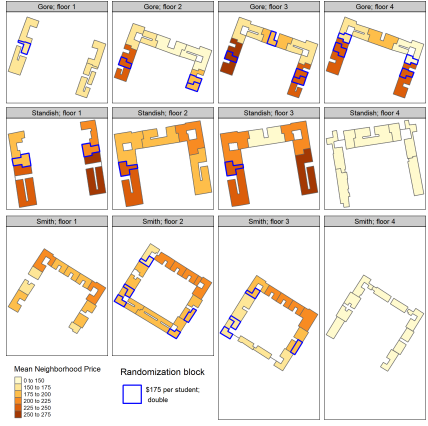
(Back)

Room randomization and residential integration

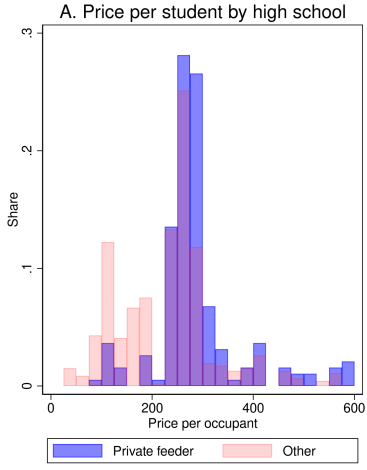
(a) Rooms by price per student

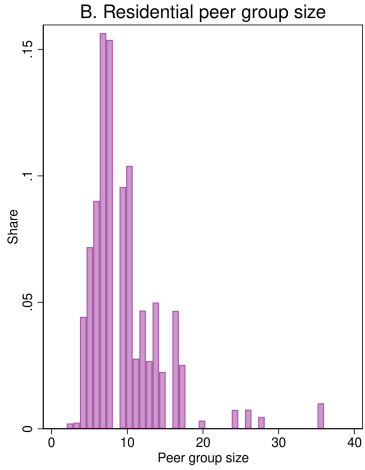


(b) Neighborhoods by mean price per student

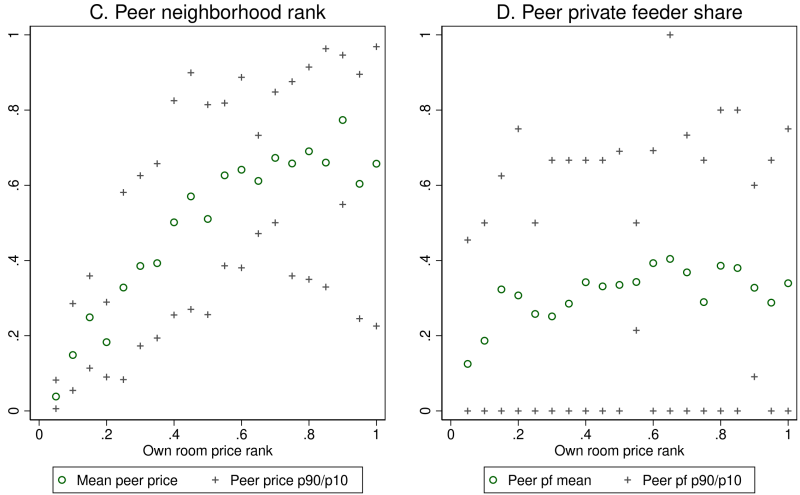


Room and neighborhood characteristics





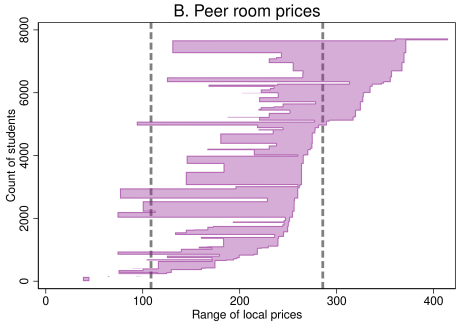
Peer neighborhood characteristics

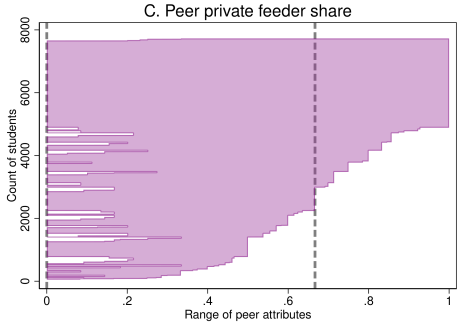


(Back)

Wide variation in peer group attributes within randomization block

- 24% of nbd price variation; 68% of private feeder share variation are within-block





(Back)

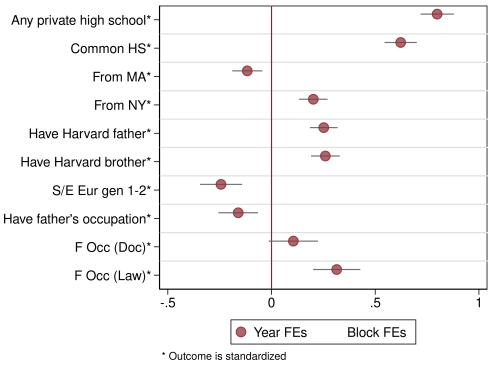
Randomization $\rightarrow$ balance on observables

$$\underbrace{Y_i}_{\text{Own attributes}} = \beta_0 + \beta_1 \underbrace{RP_{p(i)}}_{\text{nbd price rank}} + e_i \tag{2}$$

(Back)

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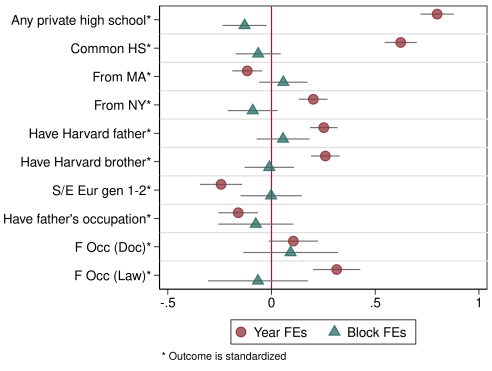


- Students in high-price nbds come from high-status backgrounds

(Back)

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- Students in high-price nbds come from high-status backgrounds
- Adding controls for occupancy and own-room price kills this relationship

(Back)

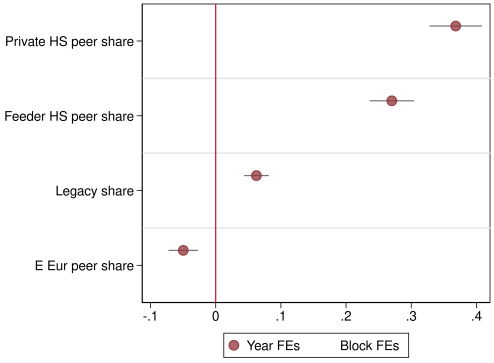
Higher priced peer neighborhood $\rightarrow$ higher status peers

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(Back)

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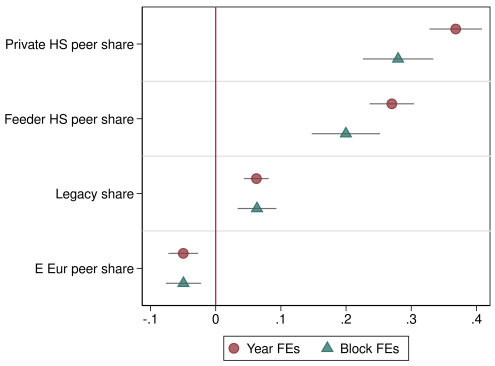
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- 50 percentile ↑ in nbd price rank →
  - Peer priv. feeder share ↑ 10pp (40%)
  - Peer legacy share ↑ 3.2pp (44%)
  - Peer immigrant share ↓ 2.3pp (24%)

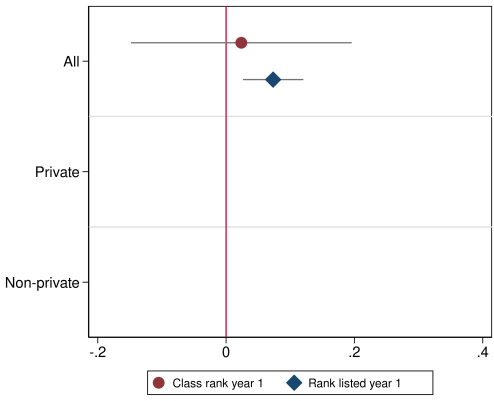
(Back)

Higher-status peers $\rightarrow$ similar academic outcomes

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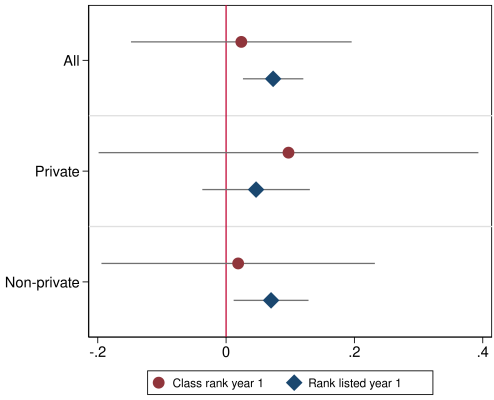
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- Effects similar by HS type