

# Class-based Affirmative Action in College Admissions



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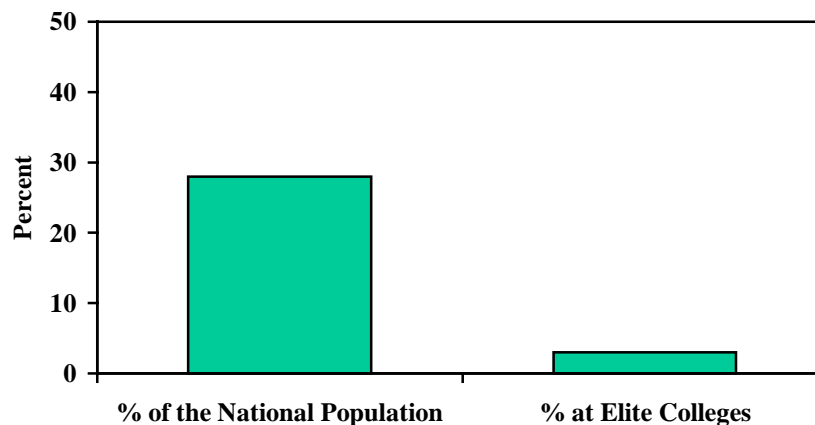
## THE IDEA

To ensure greater fairness in the college admissions process and to maintain diversity at selective universities, affirmative action programs should be “mended” rather than “ended” so that preferences are provided on the basis of economic disadvantage rather than race or gender.<sup>1</sup>

## THE PROBLEM

Many Americans are torn over the issue of affirmative action in higher education because they recognize that there are powerful and persuasive arguments on both sides of the debate. Opponents of affirmative action criticize the means employed by universities and say that immutable factors like race should not determine who gets ahead in life. Proponents of affirmative action emphasize ends and point out that simply admitting students based on test scores and grades will result in the admissions of very few African-American, Latino, and Native-American students and will serve to perpetuate the unfair legacy of past discrimination.

**Figure 1. Representation of Low Socioeconomic Students at Elite Colleges**



*Note:* Low socioeconomic students are defined as those whose family income was below \$22,000 in 1989 and neither of whose parents had a B.A. degree.

*Source:* William Bowen and Derek Bok, *The Shape of the River: Long-term Consequences of Considering Race in College and University Admissions* (Princeton, N.J.: Princeton University Press, 1998), p. 341.

<sup>1</sup> The idea of class-based affirmative action also can be applied to government contracting and entry-level employment. See Richard D. Kahlenberg, *The Remedy: Class, Race, and Affirmative Action* (New York: Basic Books, 1996), pp. 124-27.

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Because there is good evidence to support the layperson's view that where one goes to college matters to one's economic prospects,<sup>2</sup> the means for deciding who will get ahead must be fair. The problem is that the three major existing positions on the admissions process in higher education--abolishing affirmative action, maintaining race-based affirmative action, or instituting race-neutral, class-rank approaches--fail to reconcile fair means and desirable ends.

### **Abolishing Affirmative Action**

Some critics argue against any kind of affirmative action (by race or class) and instead say that college admissions should be based primarily on academic record.<sup>3</sup> Because this approach is color-blind, it may have the appearance of a fair process but in fact it fails both the means and ends tests.

- *Means.* Judging a disadvantaged student from a single-parent household who attended inadequate schools by the same academic measure as an advantaged student with access to superior opportunities is both unfair and antimeritocratic. In fact, studies show that the student who has done well despite having to overcome serious obstacles is likely to have greater long-run potential; one study of Harvard students in the 1950s, 1960s, and 1970s found that blue-collar students with more modest SAT scores were the most successful of all as adults.<sup>4</sup>
- *Ends.* Admitting students on the basis of academic record would yield precious little diversity by race or class. Whites and Asians would constitute 96 to 97 percent of undergraduates at selective universities if a system of grades and standardized tests alone guided admissions.<sup>5</sup>

### **Maintaining Race-based Affirmative Action**

Defenders of race-based affirmative action argue that there is no substitute for racial preferences in promoting college diversity and that it is fair to consider race in part because African Americans and Latinos are on the whole economically disadvantaged in American society. But in fact a primary focus on race is problematic with regard to both the means and ends tests, as well as for legal and political reasons.

- *Means.* Providing preferences to all members of certain minority groups strikes many people as unfair and unmeritocratic. One central reason is that race is an unreliable indicator of disadvantage. Indeed, William Bowen and Derek Bok's 1998 study, *The Shape of the River: Long-term Consequences of Considering Race in College and University Admissions*, found that 86 percent of black students at the selective colleges studied were from middle or high socioeconomic backgrounds.<sup>6</sup>
- *Ends.* While race-based affirmative action has ensured a fair amount of racial diversity at selective colleges, it does not provide much in the way of economic diversity. Bowen

<sup>2</sup> See Dominic J. Brewer, Eric R. Eide and Ronald G. Ehrenberg, "Does It Pay to Attend an Elite Private College?" *Journal of Human Resources* 34 (1999): 104-23; Thomas J. Kane, "Racial and Ethnic Preferences in College Admissions," in Christopher Jencks and Meredith Phillips, eds., *The Black-White Test Score Gap* (Washington, D.C.: Brookings Institution Press, 1998), pp. 431-56; and William G. Bowen and Derek Bok, *The Shape of the River: Long-term Consequences of Considering Race in College and University Admissions* (Princeton: Princeton University Press, 1998). For a contrary finding, see Stacy Berg Dale and Alan B. Krueger, "Estimating the Payoff to Attending a More Selective College," *NBER Working Paper* no. 7322, National Bureau of Economic Research, Cambridge, Mass., 1999.

<sup>3</sup> See, e.g., Abigail Thernstrom, "A Class Backward Idea: Why Affirmative Action for the Needy Won't Work," *Washington Post*, June 11, 1995, p. C1.

<sup>4</sup> See Ethan Bronner, "Dividing Lines: Colleges Look for Answers to Racial Gap in Testing," *New York Times*, November 8, 1997, p. A1 (citing unpublished dissertation at the Harvard Graduate School of Education).

<sup>5</sup> Jencks and Phillips, *Black-White Test Score Gap*, pp. 7-8.

<sup>6</sup> Bowen and Bok, *Shape of the River*, p. 49.

and Bok found that under existing race-based affirmative action schemes, the bottom 28 percent by socioeconomic status have just a 3 percent representation at the selective universities they studied. Today, many people are rightly concerned that if racial preferences are abolished and no alternative program is instituted, African Americans, who constitute 13 percent of the population, would see their representation at selective universities drop to about 3 percent. But note that the under representation of low-income students today is substantially worse than the under representation of African Americans would be if race-based affirmative action were ended.<sup>7</sup>

Race-based affirmative action also faces two other practical problems:

- *Legal.* As a matter of law, the fate of the 1978 *Bakke* decision, upholding the use of race as a criterion in university admissions, is in serious question. In 1996 the Fifth Circuit Court of Appeals ruled in the *Hopwood* case that *Bakke* is no longer good law and barred the University of Texas from using race in its admissions decisions. Many legal observers now believe that when the Supreme Court is given the opportunity to revisit the *Bakke* decision, a majority of the Court will vote to reverse it.<sup>8</sup>
- *Political.* When put to an initiative vote, race and gender preferences lost in California (1996) and Washington (1998), and the threat of a similar initiative in Florida moved Governor Jeb Bush to outlaw public racial preferences in a preemptive move this year.

### ***Instituting Race-neutral Class-rank Approaches***

In three states where race-based affirmative action has been banned in public universities, officials have instituted programs guaranteeing admissions to public universities for in-state students graduating in the top 4 percent (California), 10 percent (Texas), and 20 percent (Florida) of their high school class—regardless of skin color and regardless of SAT scores. These programs generally allow, but do not require, consideration of socioeconomic status. The plans do produce greater racial diversity than admissions systems that rely heavily on test scores, and, since they are race-neutral, they pass legal muster. The conventional wisdom has now rallied around this approach.<sup>9</sup> But these plans are seriously flawed in three respects.

- *Means.* Class-rank plans are a poor way of measuring merit because they require universities to admit students on the basis of roughly half the information that is necessary to make a fair decision about who gets in. In trying to identify which young people are likely to have the most potential, university administrators will look at numerous intangible indicators of leadership and creativity, but on the whole, to be fair they should consider four things: students' grades, their test scores, obstacles they have had to overcome at home, and obstacles they have had to overcome because of school quality. The class-rank plans only factor in two of these: they take account of high school grades, and indirectly give a leg up to students attending bad schools. By ignoring SATs and giving all schools a fixed number of university slots, including schools that prepared few children for college in the past, class-rank plans effectively give a preference to students attending bad schools.
- *Ends.* Because the class-rank approach essentially dispenses with the use of standardized tests, a tool that has some predictive value of academic success, it may prove to raise the dropout rate at competitive public colleges.<sup>10</sup> Though SATs are controversial and hardly perfect, the problem with relying on class-rank alone is that schools vary dramatically in quality. One national study, for example, found that students receiving an *A* in high-poverty schools score about as well on the

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<sup>7</sup> *Ibid.*, pp. 39 and 341.

<sup>8</sup> See, e.g., "Race Sensitive Admissions in Higher Education: Commentary on How the Supreme Court Is Likely to Rule," *Journal of Blacks in Higher Education* (Winter 1999/2000): 97-100.

<sup>9</sup> Mickey Kaus, "Yes, There Are Easy Answers!" *Slate*, December 1, 1999.

<sup>10</sup> Bowen and Bok, *Shape of the River*, pp. 271-74.

Comprehensive Test of Basic Skills as students receiving a *C* in low-poverty schools.<sup>11</sup> Standardized tests provide an important gauge of whether students can handle challenging university work, and ignoring tests entirely may end up hurting the intended beneficiaries.

The class-rank approach also raises another issue:

- *Limited applicability.* It is hard to imagine how the class-rank approach would apply to private colleges that admit large numbers of students from out of state, or to graduate programs of any kind. This limitation is significant because many of those schools are the ones that offer the most promising economic prospects but that also have a poor track record of admitting applicants from low-income families.

## HOW THE PLAN WOULD WORK

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Rather than providing preferences based on race or school district or providing no breaks at all (*laissez-faire*), universities should provide preferences based on economic disadvantage.

A working definition of economic disadvantage should begin with what sociologists consider the “big three” determinants of socioeconomic status: parents’ education, income, and occupation. On average, it is a disadvantage to have parents who have little education, low income, and low-status occupations. In addition, consideration should be given to net worth, family structure, school quality, and neighborhood quality. Growing up in a family with a small net worth reduces life chances; families are less likely, for example, to be able to afford test preparation courses. Growing up in a single-parent family is a disadvantage, even controlling for income, because there are fewer adults around to provide nurturance and support. Schools vary dramatically by quality, so a person who does well on standardized tests despite having gone to a substandard school probably has a lot of potential. And growing up in a neighborhood of concentrated poverty presents an additional risk independent of family poverty. All these factors are quantifiable and made readily available when students provide detailed financial data in order to qualify for financial aid.<sup>12</sup> Some schools already have a version of a test for economic disadvantage in place in their admissions processes. UCLA Law School, for example, has successfully employed an objective, six-part definition of economic disadvantage.

In addition to providing a preference for economically disadvantaged students, colleges and universities should eliminate legacy preferences, which are tantamount to affirmative action for the wealthy. Existing antidiscrimination laws should be strictly enforced, particularly Title VI of the 1964 Civil Rights Act, which outlaws intentional discrimination as well as practices that have a disparate impact on minorities and cannot be justified on neutral educational grounds.

The evidence suggests that universities have not provided and will not provide systemic affirmative action for low income students without outside pressure.<sup>13</sup> One promising tool for applying pressure is the Strivers program being developed by the Educational Testing Service, which could be used to identify publicly the degree to which each university admits promising disadvantaged students who do better on the SAT than expected given their economic background. In addition, legislation could make taxpayer subsidies toward universities contingent upon their reaching out to include highly promising disadvantaged applicants.

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<sup>11</sup> Michael J. Puma, Nancy Karweit, Cristofer Price, Anne Ricciuti, William Thompson, and Michael Vaden-Kiernan, *Prospects: Final Report on Student Outcomes* (Cambridge, Mass.: Abt Associates, 1997), p. 12.

<sup>12</sup> For more details on how these factors can be quantified, see Kahlenberg, *Remedy*, pp. 128-36.

<sup>13</sup> Richard D. Kahlenberg, “The Colleges, the Poor, and the SAT’s,” *Washington Post*, September 21, 1999, p. A19.

## EVIDENCE THAT THE PLAN WOULD WORK

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A system of class-based preference appeals to universal values of fairness far more than the other approaches reconciling fair means with desirable ends. If one evaluates two applicants, one poor and black and the other middle class and white, most Americans would agree that the poor African-American applicant deserves a leg up. But if a poor white applicant is up against a privileged black applicant, as a matter of fairness most Americans believe that the poorer student should be given preferences. The reason is that racism is not the only source of inequality: in addition to discrimination, there is deprivation. As Martin Luther King noted in 1964, "It is a simple matter of justice that America, in dealing creatively with the task of raising the Negro from backwardness, should also be rescuing a large stratum of the forgotten white poor."<sup>14</sup>

By definition, class-based preferences would provide far greater economic diversity than the alternatives, and the evidence suggests they would produce a good measure of racial diversity as well (see the following discussion of UCLA's program). Of course, if one seeks a freshman class with 8.2 percent African-American and 7.6 percent Latino representation, there is no better way to guarantee such a result than to use race and ethnicity. But since the whole purpose of class-based preferences is to devise a system that is fair and meritocratic, class-based affirmative action should yield a lot more racial diversity than simply relying on grades and test scores.

Some critics of class-based affirmative action have pointed out that low-income whites score higher on standardized tests as a group than low-income blacks and Hispanics and therefore are pessimistic about the prospect that class-based affirmative action will yield much racial diversity.<sup>15</sup> But it is important to probe *why* it is that low-income blacks and Hispanics score lower than poor whites. One major possibility is that low income, by itself, is an incomplete indicator of disadvantage, and that income alone does not capture the difference, in the aggregate, between black and white poverty. Looking closer, three key differences emerge.

- *Concentrated poverty.* Poor African Americans are six times as likely to live in areas of concentrated poverty as poor whites. One study found that in Los Angeles, blacks making a very good income (between \$75,000 and \$100,000) lived in neighborhoods with a higher mean poverty rate than did whites with incomes between \$5,000 and \$10,000.<sup>16</sup>
- *Wealth.* While, on average, a black worker earns 60 percent of what a white worker earns, his or her net worth is just 9 percent of a white worker's net worth. Whites with incomes of \$7,500 to \$15,000 have a higher net worth on average than blacks with incomes of \$45,000 to \$60,000.<sup>17</sup>
- *Family structure.* Of those who are under age eighteen, whites are more than twice as likely to live with both parents (76 percent versus 33 percent).<sup>18</sup>

Considering these additional factors in admission decisions is fair and will boost the "racial dividend" of class-based affirmative action by helping some African-American students who, because of family income, appear on the surface to be middle class but in fact face significant economic obstacles. Of course, class-based preferences will not provide as much racial

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<sup>14</sup> Martin Luther King, Jr., *Why We Can't Wait* (New York: New American Library, 1964), p. 138.

<sup>15</sup> See e.g. Thomas J. Kane, "Misconceptions in the Debate over Affirmative Action in College Admissions," in Gary Orfield and Edward Miller, eds., *Chilling Admissions* (Cambridge, Mass.: Civil Rights Project, Harvard Education Publishing Group, 1999), pp. 24-25.

<sup>16</sup> Richard H. Sander, "Experimenting with Class-based Affirmative Action," *Journal of Legal Education* (December 1997): 477.

<sup>17</sup> Melvin L. Oliver and Thomas M. Shapiro, *Black Wealth, White Wealth: A New Perspective on Racial Inequality* (New York: Routledge, 1995), p. 197; Kahlenberg, "In Search of Fairness," p. 27.

<sup>18</sup> Kahlenberg, "In Search of Fairness," p. 27 (citing various studies).

diversity as using race per se, but they will provide a good measure of such diversity in a more legally and politically sustainable fashion. In an experiment at UCLA Law School, Professor Rick Sander found that racial preferences yielded a class that was 25.1 percent black, Latino, and Native American, and class-based affirmative action yielded a class with 13.1 percent representation of these groups. Admissions based on tests and grade scores would have yielded a class with 2.3 percent representation. Moreover, UCLA could have taken further steps to improve the fairness of the program and raise the racial yield.<sup>19</sup> Note also that the racial dividend of class-based affirmative action is only likely to increase in the future. According to a recent RAND study, by the year 2015, Latinos and African Americans will constitute 78 percent of those students having neither parent with a high school diploma.<sup>20</sup>

Class-based affirmative action offers advantages on two additional fronts: legal and political. First, unlike race-based affirmative action, class-based preferences are legally unassailable. Even the most conservative Supreme Court justices, Antonin Scalia and Clarence Thomas, have endorsed the idea as constitutional and as good policy. Second, class-based affirmative action is also far more popular among the public than racial affirmative action. In a December 1997 *New York Times* poll, Americans rejected preferences for blacks by 52 percent to 35 percent, but supported replacing these measures with a “preference” for “people from poor families” by 53 percent to 37 percent.<sup>21</sup> The evidence from the November 1998 election in the state of Washington also is suggestive. Voters simultaneously rejected racial preferences by 59 percent to 41 percent and supported a hefty increase in the minimum wage by 67 percent to 33 percent.<sup>22</sup>

## THE COST

Any type of affirmative action, whether race or class based, is relatively inexpensive since preferences involve allocating existing slots rather than creating new ones. A system of class-based affirmative action is unlikely to increase the total number of students from poor families attending colleges and instead will mean larger numbers attending selective colleges and fewer attending nonselective colleges. To the extent that selective colleges are more expensive on the whole, there will be a modest increase in cost to the taxpayer, who will need to help pay part of the way for low-income students.

Significantly, however, conservatives may be willing to support the program despite its greater expense if it replaces race-based preferences. Former House speaker Newt Gingrich said race-based programs should be replaced with special help for people “who come out of poor neighborhoods, who come out of poor backgrounds, who go to school in poor counties.”<sup>23</sup> Presidential candidate Bob Dole declared toward the end of the 1996 campaign: “The real focus should be on helping citizens who are economically disadvantaged, to provide assistance based on need and not on skin color—in other words, needs-based preferences, not race-based preferences.”<sup>24</sup> And this year, Florida governor Jeb Bush’s plan to replace racial preferences with the class-rank approach was accompanied by a call for \$20 million in new financial aid.<sup>25</sup> These are not insignificant developments considering conservatives’ historical inattention to issues of class inequality.

<sup>19</sup> *Ibid.*, p. 28.

<sup>20</sup> National Task Force on Minority High Achievement, *Reaching The Top* (New York: College Board, 1999), p. 11.

<sup>21</sup> Sam Howe Verhovek, “In Poll, Americans Reject Means but Not Ends of Racial Diversity,” *New York Times*, December 14, 1997, p. A1.

<sup>22</sup> Richard D. Kahlenberg, “Lessons for the Other Washington,” *Intellectual Capital.com*, November 5, 1998.

<sup>23</sup> *Face the Nation*, April 9, 1995, transcript, p. 5.

<sup>24</sup> Senator Robert Dole, speech in San Diego, October 28, 1996.

<sup>25</sup> Jeffrey Selinger, “Florida Plan to End Racial Preferences in Admissions Attracts Attention -- and Criticism,” *Chronicle of Higher Education*, November 26, 1999.

## **MORE INFORMATION**

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For further information on this idea, see:

William Bowen and Derek Bok, *The Shape of the River: Long-term Consequences of Considering Race in College and University Admissions* (Princeton: Princeton University Press, 1998).

Lydia Chavez, *The Color Bind: California's Battle to End Affirmative Action* (Berkeley: University of California Press, 1998).

Christopher Edley, Jr., *Not All Black and White: Affirmative Action and American Values* (New York: Hill and Wang, 1996).

Richard D. Kahlenberg, *The Remedy: Class, Race, and Affirmative Action* (New York: Basic Books, 1996).

Richard D. Kahlenberg, "In Search of Fairness: A Better Way," *Washington Monthly*, June 1998, pp. 26-30.

Richard D. Kahlenberg, "The Colleges, the Poor, and the SATs," *Washington Post*, September 21, 1999, p. A19.

Richard H. Sander, "Experimenting with Class-Based Affirmative Action," *Journal of Legal Education* (December 1997): 472-503.

William Julius Wilson, *The Bridge over the Racial Divide: Rising Inequality and Coalition Politics* (Berkeley: University of California Press, 1999).

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