

HARNESSING DIVERSITY IN HIGHER EDUCATION


Lessons from Texas

The United States has a vital resource that gives it an advantage over its industrialized peers, namely, people. With the third largest population in the world, the United States stands apart from many European countries and Japan, which are coping with the challenge of population aging and below-replacement fertility levels. As the U.S. population continues to grow, it becomes ever more diverse. Census 2000 recorded the United States' largest "minority" population in history—28 percent, including 12 percent African-American, 11 percent Hispanic, 4 percent Asian, and 1 percent from other groups. Marta Tienda, Maurice P. Daring '22 Professor in Demographic Studies and professor of sociology and public affairs at Princeton University, assesses Texas's attempts to broaden access to higher education for its rapidly growing minority population and gleans lessons from that effort for the rest of the nation.



MISSION CONTROL

- ✘ By 2020, blacks and Hispanics will comprise over half of Texas's workforce. The fact that both groups are highly underrepresented in the state's higher education institutions bodes ill for the state's future economic prospects.
- ✘ The key lesson from the Texas Top 10 Percent Law is that weighting class rank while ignoring test scores actually does qualify a broader cross section of students for college admission.
- ✘ By 2030, 40 percent of the U.S. population is projected to be minority, with about one-third of the total either black or Hispanic.
- ✘ Trends in college attendance have profound implications for the future contours of inequality.



Demography of Higher Education in the United States and Texas

College graduates in 2000 resembled the U.S. college-educated population in 1970, with whites comprising 83 percent of degree recipients. The key difference is that Asians, who were a tiny share of the 1970 population and roughly 4 percent of the total population in 2000, represent 7 percent of the degree holders today. Only 6 percent of college graduates are African-American, which is less than half their population share, while Hispanics comprise only 4 percent of the college educated, or about one-third of their population share. These educational disparities imply lifelong differences in socioeconomic welfare and indicate that diversity will define the future contours of inequality unless racial and ethnic disparities in college attainment are reduced.

In Texas, if current growth trends continue, the Hispanic college-age population will surpass non-Hispanic whites of college age in this decade. By 2020, blacks and Hispanics will comprise over half of Texas's total workforce. The fact that both groups, but especially Hispanics, are highly underrepresented in the state's higher education institutions bodes ill for the state's future economic prospects.

Despite continued and gradual improvements in Texas's educational profile, nearly one-quarter of adults ages 25 and over lack high school diplomas—compared to one in five nationally—with large differences among demographic groups. In 2000, about half of the state's adult Hispanic population had completed high school, compared with about 80 percent of Anglos and Asians and about three-fourths of blacks. Although Texas matches the nation in its share of college graduates among persons ages 25 and older—just under one-quarter for the state and the nation—racial and ethnic differentials in postsecondary attainment are relatively large. Less than 10 percent of Texas Hispanics ages 25 and older hold college degrees, compared with almost half of Asians and about one-quarter of non-Hispanic whites.

Texas lags behind the nation in its cohort probabilities of graduating from high school, enrolling in college, and completing college. In Texas the greatest stricture in the minority educational pipeline occurs during high school, because minorities are significantly less likely than their national peers to achieve this threshold. In part this is due to the continued influx of immigrants with low education levels. Although the Texas cohort has a minority representation 65 percent above the

national average, the probability that Hispanics and blacks will complete college degrees is lower: 12.5 percent versus 14 percent for the national average.

Texas faces a formidable challenge in closing racial and ethnic gaps in college attainment because the size of its high school graduation cohorts has been growing rapidly, partly as a result of demographic increase. In this respect, Texas is similar to other immigrant-receiving states, such as California and Florida, whose high school graduate cohorts also grew much faster than the national average as they became more diverse. Growth in the number of high school graduates in Texas is projected to exceed the national average well into the next decade, even as other states experience modest growth or declines in their college-eligible cohorts.


Although college enrollment also rose in Texas from 1994 to 2004, the expansion of postsecondary opportunities did not keep pace with demographic trends, particularly at four-year institutions. It appears that the confluence of two macro trends—the rapid growth of the college-age population coupled with the underinvestment in four-year institutions—created a college squeeze that manifested itself as intensified competition for access to the most selective institutions and waning support for affirmative action. The “Texas college squeeze” and the state's rapid demographic diversification had a significant impact on the public reaction to the “top 10 percent” admission regime that sought to level the playing field among a growing number of contenders for slots at the selective institutions.



The Texas Top 10 Percent Law

Texas moved to center stage in higher education during the late 1990s by shifting the terms of the affirmative action debate. Following the Fifth Circuit Court's decision outlawing the use of race-sensitive criteria in college admissions decisions, in 1997 the Texas legislature approved a bold experiment by changing the acceptable criteria to achieve diversity in higher education. Building on strong empirical evidence that high school grades are better predictors of college success than standardized test scores, the Texas legislature passed House Bill 588, which guaranteed admission to public postsecondary institutions to all high school seniors who graduated in the top decile of their high school class.

The uniform admissions law is



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deceptively simple: it uses a *uniform* measure of merit, namely, class rank, and applies it *uniformly* to all high schools—big or small, rich or poor, diverse or segregated. The Texas 10 percent plan differs from those used in Florida and California in that rank-eligible students are able to choose which public institution to attend and high schools, rather than a centralized educational body, decide how to compute their class rank distributions. Heralded as a “race-neutral” admissions regime, in fact the percent plan capitalizes on residential and school segregation to provide underrepresented minority groups access to the selective public institutions, notably the University of Texas at Austin (UT) and Texas A&M University at College Station (A&M). Although the number of rank-eligible minority students is higher at schools where minority students dominate, white and Asian students are more likely to qualify for automatic admission than either blacks or Hispanics. Furthermore, without financial aid, the likelihood that blacks and Hispanics will enroll is far lower than for whites and Asians. Fully six years after the Top 10 Percent Law was enacted, A&M had not restored the black population share it had attained under affirmative action.

Texas’s experiment with allegedly race-neutral admissions is a telling example of how diversity challenges commitment to equity. Like affirmative action in the context of a tightening college squeeze, the Top 10 Percent Law has resurrected vitriolic debate about what constitutes academic merit. However, rather than target low standardized test scores as criteria to disqualify minority students, the target now is underperforming schools. Critics complain that high-performing students from low-performing schools are being privileged over lower-ranked students from more competitive schools in their access to the most competitive public institutions. As such, the shift from a race-conscious admissions regime to a uniform admissions regime merely changed the criteria for exclusion from *individuals* to *schools*. Public outcry intensified after the share of applicants who were automatically admitted soared from 47 to 70 percent.

The key lesson from the Texas admissions experiment is that weighting class rank while ignoring test scores actually does qualify a broader cross section of students for college admission. The fact that students who graduated in the top 10 percent of their high school class earn higher grade point averages in college than their lower-ranked counterparts who scored 200–300 points higher on standardized tests further attests to the value of class rank as a measure of merit and as a predictor of college success. At UT, the uniform admissions law seems to have restored campus diversity to levels achieved with affirmative action, but to some extent this reflects the continuing diversification of high

school graduates. Because of its location outside a metropolitan area, A&M has had a more difficult time restoring campus diversity, even with the admission guarantee. Both public flagship institutions have tuition scholarship programs for low-income minority students who graduate in the top decile of their class and both institutions target schools with weak college-going traditions, which, not incidentally, have large minority student bodies.

If the uniform admissions plan is appealing as a politically correct form of affirmative action that builds on merit, it imposes considerable opportunity costs. By using a single criterion for admission decisions, the uniform admissions law blunts the broad-ranging diversity that can only be achieved by full review of applicants’ files. Although the 2003 Supreme Court *Grutter* decision conceded that diversity is a compelling state interest that justifies a narrowly tailored consideration of race in college admissions decisions, the Texas Top 10 Percent Law, like the legislative initiatives that outlawed affirmative action in Washington and California, remains in force until repealed through legislative action. In fact, several state legislators have attempted to repeal the legislation without success. Notably, House Bill 588 is backed by Democrats from minority districts and Republicans representing rural white districts who argue that the law gives students from their districts access to the public flagships.

The Benefits of Campus Diversity

Before the landmark 1954 *Brown v. Board of Education* Supreme Court decision, debate about diversity and educational opportunity revolved around the *need* for integration; today most of the controversy revolves around the *acceptable means* to achieve it. Yet, as the Texas case illustrates, both race-conscious and race-neutral admissions policies have met with steep opposition. Although public debate focuses on the appropriateness of ascribed traits or school quality as acceptable criteria for rationing college admissions, I argue that the “college squeeze” resulting from the confluence of rapid demographic growth and slow expansion of four-year enrollment opportunities is what ultimately drives the controversy. The diversification of the college-age population added complexity to the college squeeze that was unfolding even before race-sensitive admissions were replaced by the Texas uniform admissions plan.

Because college admissions are a zero-sum game in some respects, particularly for access to selective institutions, the Top 10 Percent Law intensified competition among students from affluent schools with strong college-going traditions by expanding access to students from schools with little or no

representation at the flagship campuses. That the largest initial impact of the uniform admissions law involved increased geographic diversity of the high schools represented at the flagship campuses attests to the success of the law in broadening equity and access to higher education in Texas.

Although researchers disagree about the educational benefits of an ethnically diverse campus, I propose three broad reasons why diversity is a valuable social goal—one economic, one demographic, and one philosophical. First, trends in college attendance have profound implications for the future contours of inequality. In 1999, nearly 6 in 10 jobs required college-level skills, including many that had not required college training in the past. In 1959, just one in four managers and business professionals held college degrees, but more than half did so by 1997. In fast-growing occupations such as health services, nearly three in four jobs now require some college education.

Unfortunately, higher education funding in Texas has been losing ground to other state services, notably correction. Annual expenditures per pupil in Texas public schools are \$5,400, but annual expenditures per prisoner are over \$13,000 per capita. Between 1990 and 2005 the state's expenditures on higher education grew 44 percent in real terms, compared with 223 percent for public safety and corrections.

Yet there is ample evidence that investment in higher education yields high returns. In Texas, for example, the comptroller of public accounts estimated in a 2005 report that every dollar invested in higher education yields a \$5.50 return, adding over \$33 billion per year to the economy. This exceeds the economic impact of Texas's oil and gas industry and high-technology businesses. Beyond its value in maintaining competitiveness in the global economy, investment in higher education is a social commitment to the well-being of future generations, which, given the demography of Texas, will largely involve minority populations.

Diversification is not a transitory feature of the U.S. population. By 2030, 40 percent of the population is projected to be minority, with about one-third of the total either black or Hispanic. For rapidly growing states such as Texas, the potential demographic transition is greater than the national average and, given recent trends, the risk of underinvestment in the minority "boomlet" is larger still.

The demographic concurrence of an aging white society and growing cohorts of minority youth represents a window of opportunity to better secure the economic future of retirees while enhancing the nation's global com-

petitiveness. However, to realize the demographic dividend afforded by the minority age bubble, significant improvements will be required in their representation among the college-educated ranks, particularly in states such as Texas with burgeoning minority youth populations. As one of the few states projecting increases in the number of high school graduates well above the national average, Texas has the potential to fuel its economic engines via higher labor-force productivity. Whether its growing minority population will contribute to economic productivity or become a drag on social resources hinges crucially on the state's success in broadening access to higher education for its swelling minority population.

Conclusion

In its 2003 *Grutter* decision affirming that diversity is a compelling state interest, the Supreme Court both recognized the unique role of higher education in achieving this interest and acknowledged the importance of access to public institutions to further the goals of democratic citizenship:

...the diffusion of knowledge and opportunity through public institutions of higher education must be accessible to all individuals, regardless of race or ethnicity...In order to cultivate a set of leaders with legitimacy in the eyes of the citizenry, it is necessary that the path to leadership be visibly open to talented and qualified individuals of every race and ethnicity.

This philosophical principle explicitly links diversity in higher education with the broad goals of democracy. Reducing the large racial and ethnic disparities in higher education is essential not only for broadening access to the most selective public institutions, but also for opening the pathways to leadership and redefining the terms of inclusion in the most demographically complex nation in the world. As a microcosm of the nation, Texas has an opportunity to blaze the trail.

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