

HOW COLLEGES CAN DRIVE SOCIAL MOBILITY FOR LOW-INCOME STUDENTS AND STUDENTS OF COLOR

Tuesday, June 25, 2019 | Washington, DC

TIAA Institute The Education Trust



PARTICIPANT PERSPECTIVES

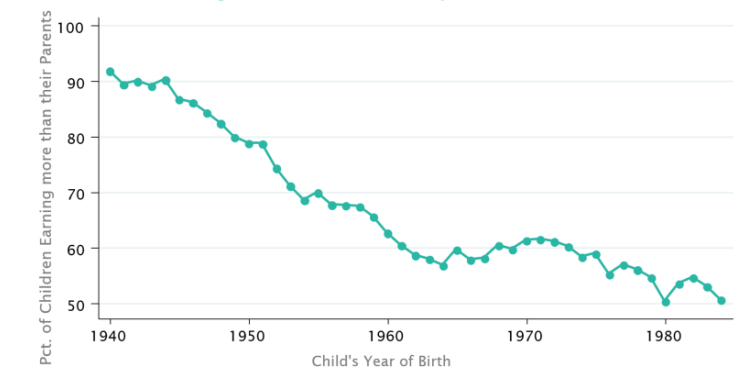
Opportunity Insight

RESTORING THE AMERICAN DREAM: Using big data to improve social mobility

A defining feature of the “American Dream” is upward income mobility: the aspiration that children will have a higher standard of living than their parents. Unfortunately, the American dream is fading: Children’s chances of earning more than their parents have fallen from 90% to 50% over the past half-century.

What factors have led to this erosion of the American Dream? And what policies can we implement to revive it for future generations? [Opportunity Insights](#) is a non-partisan research and policy institute based at Harvard University that seeks to tackle these questions.

The Fading American Dream
Percent of Children Earning More than Their Parents, by Year of Birth



Source: Chetty, Grusky, Hell, Hendren, Manduca, Nairang (Science 2017)

Recent research released by the institute includes an [Opportunity Atlas](#) that presents detailed information on upward mobility for 70,000 neighborhoods in America by tracking 20 million children from childhood to adulthood. This tool allows policymakers and the broader public to target interventions to improve economic opportunity where it is most lacking. In other work, we have analyzed an array of issues, including the sources of racial disparities in economic opportunity, how economic opportunity affects rates of innovation, the role of primary school education in improving children’s long-term outcomes, and how colleges contribute to economic mobility.

CLIMB currently includes 422 colleges and 5.2 million students



Opportunity Insights leads the [Collegiate Leaders in Increasing MoBility](#) (CLIMB) Initiative, a partnership between leading higher education economists, policymakers, and a diverse set of U.S. colleges and universities. Through CLIMB, we seek to understand not only which colleges act as engines of intergenerational mobility, but why, and how schools and policymakers can promote opportunity and economic growth and help larger numbers of low-income students reach the middle class.

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To assess the extent to which colleges serve as engines of intergenerational mobility, we look at two main components:

The *access* that low-income students (those coming from families in the bottom fifth of the income distribution) have to an institution; and

The *success* that low-income students have, defined by the fraction of students from the bottom quintile who move to the top quintile in the income distribution.



Measure a college's *mobility rate* (MR) as the fraction of its students who come from bottom fifth and end up in top fifth

Mobility rate equals access times success rate:

Mobility Rate = Access x Success Rate

$$4.9\% = 8.8\% \times 55\%$$

At UC-Berkeley

Multiplying the access and success rates together can give us a cumulative measure of a college's mobility rate.

Some elite colleges accept very few low-income students, but have great outcomes for those who attend. Other colleges have a high proportion of low-income students, but are less successful in moving them from the bottom to the top of the income distribution.

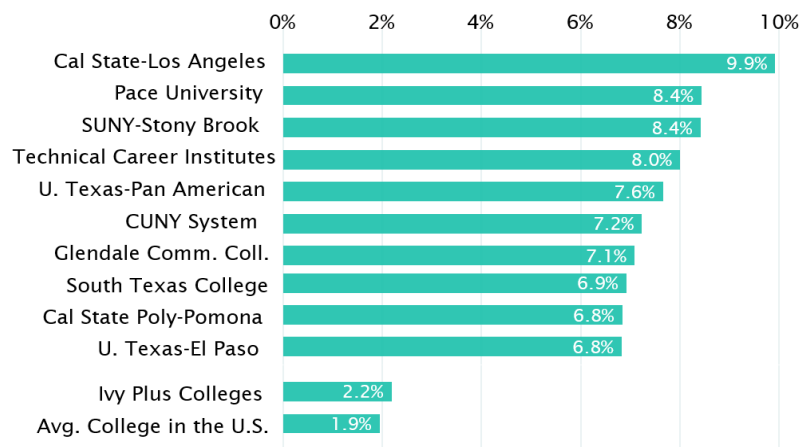
However, moving students from the bottom all the way to the top of the income distribution is only one measure of a college's impact on its low-income students. We must also look at which colleges are successful in moving low-income students into the middle class (the top three-fifths of the income distribution), as opposed to the top fifth. By that measure, outcomes are better across the board, particularly at community colleges.

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Top 10 Colleges in America – By Mobility Rate Fraction of Bottom-to-Top Success Stories



Along with our partners, the CLIMB Initiative seeks to answer three specific questions:

- How much of the variation in mobility rates across schools is due to aspects of the colleges themselves, compared to other factors, such as geography or academic focus?
- How can colleges find more qualified students from disadvantaged backgrounds to expand access, rather than institutions targeting the same set of qualified students?
- What successful programs and pathways do colleges already use to support student success, and how can we target the best specific mix of programs for each student?

In conjunction with this event, The Education Trust and TIAA Institute invited event participants to share their perspectives on social mobility, race, and higher education. Any opinions expressed herein are those of the author, and do not necessarily represent the views of TIAA, the TIAA Institute, or Ed Trust.