

Parents Paying for the Party

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Larry Bernstein:

Welcome to What Happens Next. My name is Larry Bernstein. What Happens Next is a podcast which covers economics, finance, politics, and science.

This week's topic is Parent's Paying for the Party!

Our guest today is Laura Hamilton who is a sociologist at UC Merced and the author of multiple books including *Broke*, *Who is Paying for the Party*, and *Parenting by Degree*. Laura is interested in how socio-economic status influences who goes to college, how students perform, their job prospects, and their marriage market. This discussion should be very provocative.

There is much to cover so buckle up.

I make this podcast to learn, and I offer it free of charge. If you enjoy today's podcast, please subscribe from our website for weekly emails so that you can continue to enjoy this content. Let's begin with Laura's opening remarks.

Laura Hamilton:

Thanks for having me, Larry. The past half-century has brought dramatic reductions in public commitments to higher education in the U.S., but defunding has not hit all colleges and universities evenly. The result is what some have referred to as a separate and unequal system of higher education in which students from low-income households are disproportionately racially marginalized and attend resource poor post-secondary schools. In my book *Broke*, my co-author Kelly Nielsen and I document the consequences of public funding cuts on schools serving large percentages of marginalized students. The book uses the University of California system as a test case, but the patterns are widely applicable when states divest in higher education. Universities increase tuition and fees. Schools also turn to private sources of revenue to help compensate for low state support. Endowments, non-resident tuition donors, auxiliary services, and corporate partners have become much more central to public university budgets as states pull back, our focal schools in *Broke*—the University of California Merced and the University of California Riverside—do the lion's share of work with marginalized student populations for the system. Both schools are majority Latinx and majority low income, and both schools have very little access to sources of private revenue that universities use to compensate for state disinvestment. Indeed, Merced's Foundation receives less than 1% of the private support that Berkeley's Foundation takes in during a given year. University wealth is nationally concentrated at schools that serve very few numbers of marginalized students. The gaps by student race are larger than the gaps by student class. If you look at endowment dollars per student-by-student race at four-year publics across the nation, you'll see a clear pattern over time.

In the mid 1980s, endowment dollars per student were very similar regardless of student race. Over time, as post-secondary schools came to rely on private funding sources, disparities sharpen such that Asian and white students are located at Resource Rich Schools, where the average endowment dollars per student are between \$15,000 and \$25,000. Whereas Latinx, Black and

Indigenous students are enrolled in schools where there are fewer endowment dollars closer to around \$10,000 per student.

The chronic underfunding of racially disadvantaged students relative to racially advantaged students has been described by some scholars as troublingly reminiscent of redlining. Redlining is a series of discriminatory practices that systematically deny public services or support to residents of certain areas based on their race and ethnicity. The term was most commonly used to refer to the fact that areas where black residents lived were deemed risky investments, making it harder for black families and individuals to obtain mortgages and other types of loans. The redlining metaphors fitting for today's post-secondary system as colleges and universities that serve marginalized students routinely and systematically have more limited access to funding and resources.

Schools serving disadvantaged students are often treated like redline neighborhoods and that they have less access to various forms of financial support. These schools take hits in both status and ranking calculations that determine access to private resources. They may also receive less resources from the state. Universities that work with marginalized populations are being literally starved for resources.

In *Broke*, we document on the ground consequences of institutional wealth gaps for vibrant, sharp, and driven Latinx and black youth from low-income families. We described classrooms with broken furniture, missing ceiling tiles, dust and crusted air vents, wires coming out of walls, floors covered with dirty footprints and filthy chairs. We saw academic advisors with caseloads of 750 students per advisor, double that of the national average. We found that counseling services, even for urgent cases, had a three month wait. These disparities are deeply troubling. College, particularly public college, is often thought of as the great equalizer, particularly for students from underrepresented backgrounds. However, unequal post-secondary funding leads to qualitatively different educational experiences for racially marginalized students relative to their more privileged peers.

Larry Bernstein:

You are a professor of sociology at UC Merced and It's a brand new school that opened in 2005. Many of our listeners do not know about this university. Tell us about this new UC institution?

Laura Hamilton:

UC Merced is in the Central Valley of California. It is an area that is very underserved by the state. Most of the wealth in California is concentrated on the coasts, and a lot of the infrastructure development, education, healthcare, business is on the coast as well. This particular University of California campus has been a long time in the making. So it was discussed as part of the Master Plan of California Higher Education in 1960, to have a University of California campus here. But due to a lot of the inequities I just mentioned, it took a long time for the campus to come online. It serves a largely disadvantaged student body, around 60% Latinx, largely first-generation low-income students and Pell Grant recipients. The school has played an important role in outreach to this region of the state, but it also serves disadvantaged students from the southern and northern parts of the state as well.

Larry Bernstein:

I looked up some demographic facts and the student body is 99% from in-state.

The university has around 8,000 students. Nearly 5,000 are Latino. 1500 are Asian, 350 are African American, and 650 are white, and nearly everyone that applies gets accepted. It is basically open admission. Normally when we talk about privilege, historically we describe it as white versus black. But there are very few white students who attend this school. This is a predominantly a Latino and Asian school. What is it like teaching in a university dominated by Latinos and Asians.

Laura Hamilton:

I wanna emphasize that these are Southeast Asian students who are largely from disadvantaged Asian groups. Often when we talk about Asian students, there's a perception that we're talking about those who have a great deal of privilege. But in terms of Asian access to resources, the group is pretty bifurcated with East Asian students having more family wealth and those who are Southeast Asian having a lot less family wealth and looking very similar to my low-income Latinx students.

UC Merced, it's great. I love teaching here. I'm white and I had a huge learning curve to teaching at UC Merced; the students would challenge me in the classroom. The sociology of education literature and a lot of my prior research was white students. And the students here were just having none of it. They were really interested in thinking about intersections between class and race, and not just black-white disparities. And they were really clear to point out the ways in which their racial backgrounds and experiences meant that they brought unique things to the table. The students at UC Merced in sociology understood fundamental inequities and the ways in which systems of power intersected that were really challenging for students at the Indiana University where I was previously teaching. We started at a much higher level in sociology because of that understanding and awareness. I can't actually imagine teaching a different student body at this point.

Larry Bernstein:

In your book *Broke*, you mention that UC Merced is not a major research institution like Berkeley. Why is research relevant because this student body is seeking is a decent education that supports underprivileged kids.

Laura Hamilton:

New universities at these schools that are striving for a research profile that rely strongly on students that have been underrepresented in higher education. The school produces an enormous amount of research for its size. My department alone has something like \$10 million in grants. That's been one of the struggles is to convey the importance of having a research institution to which students from underrepresented communities typically don't have great access to.

One of the challenges is to balance research with the student population in an era where you have reduced state funding because Merced has been trying to grow in about the worst possible historical moment for higher education growth. Almost immediately after the school was

founded, we hit a massive recession. And higher education spending over that period nationally has really taken a dive. It's been a bit of a fight to be able to do the research and the teaching at a high level with limited resources.

Larry Bernstein:

I sent my kids to private schools in NYC, and I gave money to the school to provide scholarships for underprivileged kids to attend that school. I am not sure that gift had the best bang for the buck. Does it make more sense to give money to a school that has predominantly underprivileged children where the same funds could have helped many more children than just a handful of kids that will get access to one of the best private schools?

The same goes for university philanthropy. I gave money to my alma mater. Does it make more sense to give to a local community college or UC Merced to help poor students?

Laura Hamilton:

It seems to me that sending it to institutions that are serving large numbers of students from underrepresented groups is the way to go. And the schools that are serving large numbers are really not receiving much, if any, large dollar donations to support the student population that they have. The students who are attending privileged institutions are likely to graduate. They're likely to do well.

The students who are attending less resourced institutions are every bit as talented as most of the students that attend prestigious elite schools, but they haven't had opportunities to perform in supported ways. I've watched these students over time and I see when there is adequate support.

Larry Bernstein:

Previously on the What Happens Next podcast, Zvi Galil spoke. He is the former head of Georgia Tech's computing department. Zvi set up an online school for Georgia Tech that specializes in computer science that has a hundred thousand students. It's relatively inexpensive at \$8,000 a year per student. And the school allows students to both live at home and work to make some needed cash. What do you think about technology radically reducing the price of education that makes it easier for underprivileged kids to enjoy most of the benefits of a university education while living at home and earning money on the side?

Laura Hamilton:

I've done a great deal of work on online education in recent years with my postdocs Christian Smith and Amber Villalobos and my co-author Charlie Eaton. We have the Higher Education Race in the Economy Lab at UC Merced, that has been focused on just this issue. I don't know anything about the particular program that you're mentioning, but unfortunately, research using national data both on institutions and their enrollments, and also individual data on students, suggests that online programs produce worse graduation outcomes and worse student debt payment outcomes for students if they're attending online versus in-person.

There is probably a lot of variation in terms of how students are going to do online depending on how the program is set up. But most public education programs are outsourced. Online education is outsourced to online program managers, which are for-profit companies, often backed by

private equity or venture capital that run these programs for universities. And there's significant evidence to suggest that these programs are of not high quality and end up exploiting marginalized students. I am not particularly optimistic about technology as the silver bullet.

Larry Bernstein:

Not all online programs are the same. Georgia Tech is ranked number 5 in the country for undergraduate computer science, and hopefully this outstanding public university can scale up to help its online students.

I want to change topics to two of your previous books, *Paying for the Party* and *Parenting by Degree*. You did an ethnographic analysis of female students at the University of Indiana's main campus at Bloomington who lived on your dormitory floor where you were the RA. You initially did an ethnographic study of the students who lived on your RA floor, and then afterwards you did ethnographic work on the parents of the same students. Tell us about your findings.

Laura Hamilton:

That research started with a dormitory floor of women. There was a year of ethnography on the dormitory floor, and then there were interviews with students every year for six years. Then I did interviews when they were 30. We were really interested in seeing how their social class trajectories were formed over a long period of time.

There were a number of instances in which families were highly involved with what their students were doing on every level: social, educational, emotional, economic. This as a form of opportunity hoarding and it's understandable. I have a high level of involvement in my kids' lives, and I grapple with this too; to what extent am I extracting resources from institutions to support my privileged affluent white children? But higher education institutions really want involved parents because they can outsource responsibilities of making sure that students complete school and move into career pathways that are really lucrative.

The parent-university dynamic that encourages parents to be really involved such that the university's benefit and the parents engage in forms of opportunity hoarding makes sense. But it, on the aggregate, has some pretty negative consequences for students from families whose parents haven't attended college, don't have that knowledge, maybe don't feel welcome on college campuses.

I sat through an orientation once where the leadership was talking to parents and they were saying, "you probably remember this when you were in college." And I could just see parents' faces fall because a lot of them hadn't attended college, and that made them feel like they didn't belong. Parents want to help their kids in almost all cases, but if it's not an experience you've had, you may feel out of your depth. One of the things my research suggests is that universities really need to think about how to scaffold and provide resources without expecting that level of parental involvement that's not possible for all families.

Larry Bernstein:

In one of my favorite scenes from your book *Paying for the Party* is the first day of college at Indiana and you walk into the room of a Jewish girl from Highland Park, Illinois which is the suburb directly next to where I was raised. Her mother was unpacking her suitcase. You asked where's dad, and he was off to Home Depot buying supplemental lighting for the room. And the young woman was sitting there on the bed watching her parents take care of the situation. And then her roommate arrived, and she was a first-generation college student from a rural farm town in Indiana. She entered, threw her duffel bag on the bed, and walked out. You asked yourself at the time, I wonder which student will do better here at college the pampered child with intense parental involvement, or the student who will skin her knee and figure out stuff on her own. What did you find out?

Laura Hamilton:

What you're describing is the intergenerational transmission of wealth. A lot of people think about higher education as the great equalizer. The problem is that that doesn't work quite that way. Parents are leveraging all kinds of capital, whether it's social connections to ensure their child gets access to a job, whether it's money to allow for geographic mobility. A lot of lower income students couldn't get to the labor markets where they would have the greatest bang for their buck on the skills that they had had learned in higher education.

It's also about marital networks—access to someone who's equally privileged and you're gonna consolidate your family wealth with his family wealth, and then create a new generation of children. When I interviewed women at 30, the grandparents were already paying for the private schools of their kids' children. So, it's many generations of wealth.

Those processes often are not visible. People tend to make assumptions that the success of individuals is a function of their effort and abilities, and it ignores these forms of privilege that get laundered.

Larry Bernstein:

In *Paying for the Party*. You introduced the term pink helicopters and in *Parenting by Degree*, you added a second term called paramedic helicoptering. Tell us what you mean by these terms and why they are important?

Laura Hamilton:

The paramedic helicoptering could involve social elements that would be so severe as to derail a child from their path. But the pink helicopters were predominantly interested in producing a particular type of femininity. And the idea there was that for these women, their class reproduction projects were closely linked to their ability to be particular types of women. It's super gendered that these women would marry wealthy men, and that their success would be predominantly through his success.

Paramedic Helicoptering was much more oriented to supporting a different model of professional women's success, where they anticipated their daughters weren't gonna marry into wealth.

Instead, the women's own accomplishments were pretty important for her class project, and she might meet a partner down the line who is similarly interested in professional pursuits.

So, they were driven by different models of how you get to a certain class position in life, which led them to invest differently. If you're really thinking that the primary mode for mobility is marriage through a man, you're gonna invest heavily in what she's wearing, who she knows, what she's doing socially. If you're thinking that her primary mobility mechanism or reproduction mechanism is through her own success, you're gonna be there with a safety net to catch her if something throws her off a professional trajectory.

Larry Bernstein:

The Princeton mom, Susan Patton spoke on this podcast previously. She believes that finding the right spouse is the most important decision in life. You shouldn't treat it like something that is just going to happen. You should take as much or more interest in finding your spouse as you do in your academic career or in your career. The Princeton mom opposes finding your life partner with dating apps or seeking out men at your local bar.

She wants women to find a mate that has similar interests, educational attainment and job prospects. Someone who has similar attitudes about maximizing cultural capital and intellectual pursuits. To do that, the best place to find that man is at the university that you are attending. After you graduate, the boys you will meet are likely to be less intelligent and with poorer job prospects. The Princeton mom encourages women to find 10 to 15 eligible bachelors while at university, get their numbers and email addresses, and follow up with them after graduation.

Laura, what do you think of the Princeton mom's advice?

Laura Hamilton:

Well, one thing the Princeton mom is right about is that that marriage is wildly important for people's class trajectories. It is very much the case that for women, if you look at national data, that marriage drives their class position. And it is also the case that when women are in the top one percent of income earners, it's almost always through their marriage to a man. Now, I would argue that that reflects a great degree of gender inequality in our society. I think that the kind of advice that she's giving works for people who are from affluent backgrounds, and it does not work, even if you are at Princeton, as a low-income student. Class consolidation happens through marriage precisely because people select people like themselves who have similar experiences, similar networks, meaning that a low-income student at Princeton, even if they were to take her advice, wouldn't work.

Some of the things that she doesn't acknowledge and when she's talking is that her advice reproduces class and racial privilege in ways that are pretty insidious. I would also argue that the women in my sample that did not take her advice ended up just fine <laugh>. They did marry men who were successful, and they were peer partners. These were men who are more interested in having a household structure that allowed for women to be equals.

Larry Bernstein:

Princeton is very different than UC Merced. Looking at the gender breakdown at UC Merced there are 9% more females than males. Top American universities have even gender distributions

but everywhere else, there are a supermajority of women. What are the implications of this gender imbalance?

Going back to the Indiana farm girl that you met on the first day of college when you were an RA. Her high school boy friend dropped out of college, and she ended up transferring to Indiana's Valparaiso campus where she graduated with a degree in nursing. She married him and did not achieve the same social economic status as her roommate from Highland Park who met her banker spouse when she moved to Lincoln Park after graduation.

Laura Hamilton:

In general, women are kicking ass in ways that men aren't. The fact that more privileged institutions have more gender even distributions, I would highly suspect that there's some, I don't wanna call it affirmative action for men, but they're very careful to ensure that there are equal distributions. Another thing in underrepresented communities where folks are economically or racially marginalized, women are the ones that are more upwardly mobile. They are the ones that are leaving to go to college and their male peers are not. What this does create as, as you aptly suggest, is a dynamic in which women who are disadvantaged tend to find themselves on college campuses without the men that they grew up with.

This means that if they want to be upwardly mobile, they have to cut ties with the people, the places that feel comfortable with them. It's an unfortunate choice to have to make. Whereas privileged women are able to be in upwardly mobile spaces, they're able to connect with people who are in their networks, who follow them along to college. And so they are not making hard choices. Like, am I gonna be with somebody that feels familiar and is from home, or am I gonna be successful in my career? So a lot of the less privileged women end up excluded from the social spaces in which privileged men are, and those partnerships are not really available to them. So, they're more likely to be single and to try to find someone later in their professional careers, but they don't have the same access to partners that are equally educated and on the same kind of professional trajectory.

Larry Bernstein:

In your second published book entitled *Parenting by Degree*, you interviewed the mothers and fathers of the students on that RA floor at Indiana. As a dad of college students, I was interested to see what the other dads had to say.

What you found was that the mothers were much more involved than dads in the daughter's college experience. Mom gave advice about relationships, sorority parties, housing, vacations, and all daily interactions. Dad helped out when something broke.

Tell us about dads helping daughters in college.

Laura Hamilton:

The most successful fathers were those who were paramedics where there was some safety net provided and parents would swoop in if there was an emergency, but there wasn't this like constant hovering presence dictating every move that students made. In those families, dads were able to take as active a role as mothers, and they had really good relationships with their daughters. They were involved, they knew what was going on.

In the case of the helicopter parents, the mothers did almost all the work. And the fathers, as you noted, were fairly checked out. Those households, the relationship between the daughter and the father was more distant.

Larry Bernstein:

My daughter is a second semester senior at the University of Pennsylvania and before classes started this semester, my daughter said, “dad it's my last semester in college. I know you've wanted me to take specific classes. I am going to let you select one of my classes this semester.

Laura Hamilton:

<Laugh>, what'd you pick?

Larry Bernstein:

I said, “the question answers itself, it's my favorite class at Wharton. It's an Introduction to Corporate Finance.” So she said, “dad, I'll do it for you.” I called her a few hours after the first class and I said, “how was it?” She said, “I dropped it <laugh>.” I said, “oh, come on, Hannah. This is it. This is the only thing I have asked you to do, and you gave it only 90 minutes and then abandoned it.” She said, “Dad, what's your second favorite choice?” I said, “Investments.” She said, “dad, it's at nine o'clock in the morning. No can do what's your third best choice?” I said, “How about legal studies? You could take a class in torts.” And she said, “fine.” So it's something, it's not my first choice, but I think it's indicative of how limited the father's role is in all this. I had no influence on the choice of a major. I don't have little influence on the curriculum or course selection. I'm rarely called upon for advice. When you talk about equality and parental involvement, what are you talking about?

Laura Hamilton:

I doubt that your wife has that much involvement in curriculum, either, to be honest, probably most of what she's doing is fielding all questions about social dynamics, living logistics, and emotional breakdowns.

Larry Bernstein:

In *Paying for the Party* you discussed the importance of choosing a major. Indiana has an excellent undergraduate business school, but they also offer business-light courses and majors that frankly aren't that useful in the job market. You said that the university was not transparent with the students as to the economic consequences of choosing a major that maximizes lifetime income. Parents can sometimes be helpful in navigating these minefields. Why does the university provide insufficient information about the monetary consequences of choosing a major?

Laura Hamilton:

If you're wealthy enough and you have the right connections, you just want your kid to graduate. But most people, that is not the situation they're in.

Families and students are trusting that the majors that are available at the university are appropriately linked to career paths and are going to be successful for their students. That's where you get that disconnect because universities are trying to bring in students and dollars and parents are trying to get their students to be stable and successful. And that doesn't always match up <laugh>.

Larry Bernstein:

Is there a tension within the school departments? I'll give you an example at my alma mater the University of Pennsylvania. Penn has four undergraduate schools: nursing, engineering, the College of Arts and Sciences, and the Wharton Business School. The students enrolled in the College of Arts and Sciences start transferring to Wharton when they hear that the Wharton graduates have superior job prospects because of the business degree. The faculty in the liberal arts do not like when their best and brightest transfer into the Wharton Business School.

Since I graduated, the university has made it more difficult to transfer. Why aren't the needs of the student's paramount and the faculty desires less important?

Laura Hamilton:

Part of those tensions that you mentioned between departments over the loss of students have developed as funding models have shifted. The tension arises because the administration says we are going to take resources from units unless they get more students enrolled in their classes. Then it becomes like a fight over the students across campus. That's a pretty bad dynamic.

There's some emerging research that people with business degrees often end up moving into jobs where they're not actually using the skills that they earned in their business classes, but they're often drawing on skills they might have learned in classes that are writing heavy or communication heavy. There's a bit of mismatch between what skills people actually use in their jobs and what the degrees are. A lot of English majors, for example, will be very well suited for a fair number of business jobs. So there seems to be also just a mismatch between employer perception of what a worker needs and the hiring practices.

Larry Bernstein:

I am sure that you are correct that English majors write better essays than the business school graduates, but they earn multiples more. And I suspect that employers generally get it right and properly pay for performance.

Laura Hamilton:

Yeah, for sure. That's the other thing we didn't mention yet, students are accruing a lot of debt, and then you're an English major and then you're making \$25,000 and you're paying back, \$50,000 or \$100,000 and the math does not add up.

Larry Bernstein:

Laura, what are you optimistic about?

Laura Hamilton:

I am optimistic about today's youth. I see these kids in the classroom, and I tell you, they are smart, they are resilient, they are questioning the way we've done things in ways that challenge adults. They're figuring out how to make it even under pretty adverse circumstances. I hear a lot of griping about new generations. That's not what I feel at all. I feel optimistic about their prospects even in the face of hardship.

Larry Bernstein:

Thanks to Laura Hamilton for joining us today. If you missed last week's show on the Opioid Crisis, check it out.

Our speaker was Gerald Posner who wrote the book *Pharma: Greed, Lies and the Poisoning of America*. Gerald spoke about the conflict that pharmaceutical firms face with their desire for advancing public health and maximizing profits. We will also discuss the advancement of pain management care, fears of addiction, and the success and failures of OxyContin.

I would now like to make a plug for next week's podcast with Dan Willingham who is a professor of cognitive psychology at the University of Virginia. He is the author of the new book entitled *Outsmart Your Brain: Why Learning is Hard and How You Can Make It Easy*.

You can find our previous episodes and transcripts on our website whathappensnextin6minutes.com. If you enjoyed today's podcast, please subscribe to our weekly emails, and follow us on Apple Podcasts or Spotify.

I would like to thank our audience for your continued engagement with these important issues, good-bye.