

## Long-term Impacts of Perceived College Costs

To a large extent, the public debate over college tuition has focused upon the fairly direct and immediate impact of tuition increases upon students' decisions to begin or continue postsecondary education. However, social scientists have studied the relatively indirect and long-term impact of student and parent knowledge about tuition. They find that the varying quality of this knowledge may influence the composition of future postsecondary enrollment populations. A recent study by Grodsky and Jones makes the following points, among others:

1. "Our work extends the Horn, Chen and Chapman's research on inequalities in knowledge of college costs. In particular, we qualify their analysis of the relative accuracy of parents' estimates...we have restricted the sample to parents estimating tuition and fees for public in-state institutions and taken full advantage of the data available to us...[p.35]
2. "Our findings...support our hypothesis that disadvantaged parents are more prone to error in their estimates of the costs of college than advantaged parents...[The error in cost estimation] declines as family income and parental education increase and is lower for whites than it is for blacks and Hispanics..." [p.32]
3. "If Morgan [a researcher] is correct in arguing that those with broader belief distributions (greater uncertainty) are less likely to engage in activities in support of their stated goals, this differential dispersion in errors has implications for persistent inequalities in educational attainment...belief plays a causal role in stratification. Poor information weakens preparatory commitment..." [pp.32-33]
4. "Those who are not serious about (their child) going on to college are least likely to gather information about college costs and, when they do have information, that information is likely to be fairly unreliable. The costs of learning about tuition and fees may outweigh the benefits of having such knowledge for parents who do not really believe their child will go on to college..."[p.33]
5. "...there is a substantial body of literature that suggests that sensitivity to tuition is inversely related to family income...If this is so, the same bias in tuition estimates will have a greater effect on preparatory commitment of middle class parents and their children. Equality in bias need not imply equality in the consequences of misinformation...Unfortunately, we lack the data on outcomes necessary to empirically test the differential effects of information bias on college enrollment decisions..." [pp.30-31] [Note: Here is a research topic that addresses a major policy issue in education that deserves public or private support.]
6. "In terms of policy, our findings highlight the need for more effective means of informing parents about the costs of a college education. The most generous aid policies and most aggressive selective tuition discounting will be ineffective if parents and students are unaware that such policies exist. Perhaps knowing that the cost of higher education is affordable, or at least more reasonable than they imagine, will help parents and students more effectively maintain their postsecondary options..."[pp. 35-36]

Regarding study methods, the study used data from more than five thousand parents who had responded in 1999 to the National Household Education Survey (NHES). The analysis used only this number from the survey's sample of 24,600 parents because the researchers needed to use data limited to those parents who (a) reported having "a child between 6th and 12th grade at the time of the survey" or a child age 12 or older and (b) indicated that "their child will continue his or her schooling at the postsecondary level." [p.10] Furthermore, the study only used parents in the NHES who had offered [in response to a survey question] "an estimate of the costs of attending a public four-year college in their state of residence or a community or junior college." [p.12]

This study has much relevance for education policy makers across the nation and within California. It highlights a mechanism that helps to explain the disparities in postsecondary participation and achievement that occur between various populations in this nation and in California. It also informs us about the potential long-term benefits of effective programs to educate parents and youths about the affordability of college--- programs such as outreach campaigns to publicize financial aid options. On a different level, the study also suggests one of many reasons why the California community college system, with its open access policy, sees so many academically under-prepared students (whenever they do choose to attempt postsecondary education).

Eric Grodsky (Assistant Professor) and Melanie Jones (graduate student), are at the University of California, Davis, Department of Sociology. They document their study in a forthcoming article ("Real and Imagined Barriers to College Entry: Perceptions of Cost"). The article (a 52-page working paper at the time of this abstract) includes discussions about their methodology (especially their measurement of knowledge quality), related theories and literature about educational achievement, and three pages of references. Interested parties may explore the technical details of the analysis by accessing the following web address:

<http://repositories.cdlib.org/cgi/viewcontent.cgi?article=1001&context=ucdsoc>

This abstractor obtained prior permission from Professor Grodsky to cite the study before its actual publication in a sociology journal.

[Abstract done by Willard Hom, Director, Research & Planning Unit, System Office, California Community Colleges, 11/20/05]