

## **Aiding Students, Buying Students: Financial Aid in America**

BY RUPERT WILKINSON  
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*Reviewed by Paul Marthers*

College and university financial assistance in the United States has existed, in one form or another, since the founding of the first institutions of higher learning. At its core, financial help to students, whether it has been in the form of scholarships, loans, and work, has been about access. How and to whom that access has been provided has a complex and multilayered history bound up in notions of merit, obligation, and social justice, involving collisions between mission and market. Yet even in enrollment management circles, that history is elusive and fuzzy, especially the era before entities such as the College Scholarship Service and practices such as need-blind admission. Rupert Wilkinson's *Aiding Students, Buying Students: Financial Aid in America* fills a knowledge gap, explaining, summarizing, and examining the peculiarly American institution that has come to be known as financial aid.

Wilkinson, an emeritus professor of American studies and history at England's University of Sussex, has crafted a book that will interest students of higher education policy, students seeking to understand the history of American colleges and universities, and anyone focused more generally on the history of u.s. institutions. Wilkinson's book should be required reading for admission and financial aid officers, college presidents, lawmakers, and boards of trustees. It is the result of fourteen years of research, including discussions with 475 officials at 133 colleges. Just the illuminating footnotes, extensive bibliography, and detailed glossary of terms could form the basis of a course in American financial aid. For those who choose merely to skim the book or use it simply as a reference, the final chapter, "Reforming the System," is a word-for-word must read. Here Wilkinson proposes policies and reiterates the complex issues shaping how college officials grapple with questions of access and bottom line pressures.

Wilkinson's book is one I read with personal interest, because I am a product of post-World War II spending on higher education, a beneficiary of what was perhaps the apex of the need-based era of financial aid—I entered college in

the late 1970s. Without financial aid from the Vermont Student Assistance Corporation, the federal government, and the colleges I attended, I would not have completed a bachelor's degree and I would not now be a dean of admissions at an elite private college. Like others in and out of higher education, I have had little more than a vague suspicion that the financial aid policies since the 1950s have not always been standard operating procedure at America's colleges and universities.

*Aiding Students, Buying Students* dispels the numerous myths that inhabit the territory in higher education occupied by financial aid. Chief among those myths is the belief that merit scholarships have only recently re-emerged to crowd out the ubiquitous need-based financial aid. Colleges, according to this belief, were historically driven just by altruistic aims when dispensing funds to worthy students. Such a view is a romanticized distortion of the facts, according to Wilkinson. His book demonstrates persuasively that there has been a longstanding historical tension between scholarship aid for the needy and scholarship aid for the meritorious. With the earliest scholarships, officials at Yale, just to name one example, debated whether to provide gift aid, loans, work-based aid, or some combination of each. The concept of scholarship aid, Wilkinson shows, has never been far removed from American conceptions about worthiness, self-reliance, and dependence. At Stanford, for example, the original policy of free tuition was criticized by Herbert Hoover, himself a beneficiary, for lowering students' "sense of responsibility." Looking back to America's first university, Harvard, Wilkinson finds that a dominant intention behind need-based scholarship assistance was to make college affordable for the children of ministers, a primarily middle class lot. Early Harvard officials, he emphasizes, were not fretting about the under-representation of Boston's working classes in "the Yard."

Readers will recognize that Wilkinson performed a thorough sift of college archives before reaching the conclusion that, despite good intentions, higher education in America, particularly at its upper tiers, has never done an effective job of enrolling students from low income backgrounds. He cites as a representative example Smith College's efforts in the 1890s to attract students from a wider socioeconomic spectrum. Despite the availability of funds, Smith's application of financial aid failed to enroll more than a rare daughter of a laborer, tradesman, or unskilled worker. Elite colleges like Smith, according to Wilkinson, have always struggled with the thorny challenge of increasing access for students below the upper and middle classes, periodically launching dramatic well-intentioned initiatives to mixed results.

Wilkinson details the founding of the College Scholarship Service (css) as a standardized way to assess financial need. He shows how the efforts of a small number of officials, chief among them financial aid director John Munro of Harvard, and a cadre of elite eastern institutions in the early 1950s established the modern era of financial aid. The css shifted

emphasis toward aiding the needy, using scholarships to provide access rather than just to lure the best students. Wilkinson seems to support the stance that the shift in emphasis to need-based aid was welcome. He also points out that the elite early members of the CSS were primarily drawing well-prepared applicants from the nation's best high schools and had little reason to use merit aid to "buy" talent. What the eastern elites needed—and here Wilkinson suggests that financial aid has always been driven by institutional needs and aspirations—and what need-based aid could help provide, was a national student body, not just a collection of prep school graduates. Harvard, thus, started seeking the children of Wyoming ranchers and Texas well drillers.

Equally illuminating is the case study chapter Wilkinson devotes to Oberlin College. It presents a representative example of how an elite institution made the transition from need-blind to need-aware admissions. In the Oberlin chapter, Wilkinson shows the depth of his understanding of the issues as well as his acute sensitivity to the complicated trade-offs involved in making such an institutional choice. Unlike all too much writing on higher education, Wilkinson gets the story of what happened at Oberlin right. Reading the Oberlin chapter, I recognized the arguments being made and the data being considered when I was an alumni admissions board member there in the 1990s. It was painful to see my alma mater giving substandard aid packages simply in an attempt to afford the ideal of need-blind admissions. A few years later as an Oberlin admissions officer, I was at least comforted to find that need-awareness affected fewer than a dozen applicants annually and those receiving aid had 100 percent of their need met.

As strong as the Oberlin chapter is, I do wish that Wilkinson had more closely examined the College's justifications for the use of merit scholarships. Merits have been controversial among the faculty and student body at Oberlin since their introduction in the early 1990s. Wilkinson could have raised critical questions about Oberlin's tuition discounting practices. What have been the opportunity costs? What have been the benefits? What if Oberlin had eschewed merits to no-need admits for a merit-within-need approach, offering full grant packages to the most stellar needy admits? In doing so, Oberlin would have anticipated the later moves by Princeton, Harvard, and other wealthy institutions toward no loans for the students with the lowest incomes.

On the other hand, Wilkinson deserves credit for the evenhandedness of his discussion of need-blind versus need-aware admissions. It would have been all too easy for him to condemn need-aware institutions and lionize need-blind institutions. Just as he astutely dispels myths about financial aid, Wilkinson shows that need-blind institutions are not

always as virtuous as they seem, especially when such institutions fail to meet full need in all cases, offering aid packages with substantial "gaps." Need-aware colleges are not obvious villains, he argues, offering statistics showing that the three elite liberal arts colleges with the highest percentage of low-income Pell Grant recipients are Mount Holyoke, Oberlin, and Smith. All three practice need-aware admissions.

Wilkinson also argues quite persuasively that extreme selectivity insures a wealthier-than-average student body. The most selective institutions that practice need-blind admissions, according to this view, naturally favor applicants with the best academic preparation and the highest standardized test scores. And where are the majority of such applicants from? They come from affluent zip codes where household incomes are well above the threshold for need-based aid. As a result, the ultra-selective institutions have an imbalance toward full payers built into their admissions process. They can afford need-blind admissions because fewer than 50 percent of their admitted and enrolled students (sometimes even fewer than 40 percent) require financial aid.

Some admissions deans and financial aid directors at ultra-selective institutions might disagree with Wilkinson and point to extensive outreach to students from every socioeconomic class in every corner of the country. A possible retort that Wilkinson did not explore concerns a less obvious reality at elite, private, need-based institutions that do not offer athletic scholarships. Athletics, in the words of Reed's president—himself an Amherst trustee—can serve as a proxy for wealth. Except for football and basketball, most of the sports found at Ivy League and elite Division III colleges are ones populated by former participants in expensive summer sports camps and pay-to-play leagues. Several colleges that can afford need-blind admissions, like Amherst and Williams, also field 35–50 teams, involving 50 percent or more of their students. Is it any surprise that large numbers of the athletic prospects recruited by crew, field hockey, ice hockey, lacrosse, sailing, skiing, squash, tennis, and water polo coaches—recruits who subsequently receive a tie-breaking edge in the admissions review—do not require financial aid?

Regardless of the noted few issues not addressed, Wilkinson's book is arguably the best work ever written about financial aid. In it he shows where American higher education has been and provides sound thinking and thorough analysis to guide the architects of financial aid's future.

#### ABOUT THE AUTHOR

**Paul Marthers** is Dean of Admission at Reed College. He has also worked at Oberlin College (OH), Phillips Academy (MA), Boston College (MA), Duke University (NC), Vassar College (NY), and Bennington College (VT).