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Researchers Note Correlation Between Students' Race and Willingness to Take On College Loans

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Seattle

Asian-American students are significantly more likely than students of other racial and ethnic groups to attend their first-choice college even if doing so involves taking on significant loans, according to data presented Thursday at the annual meeting of the American Educational Research Association.

The information was reported by two doctoral students at the University of California at Los Angeles, Dongbin Kim and Gigi G. Gomez.

"It is crucial to consider students' race or ethnicity," said Ms. Kim.

Understanding the role of financial aid on college choice is important because more minority students might go to college if financial-aid packages were more carefully designed, the two doctoral students said.

Previous research has shown that the amounts and types of financial aid are among the most important factors in the college-choice process, they noted. Just how influential financial aid is, however, has not been clear in research findings, some of which suggest that the quality, reputation, and prestige of colleges play a larger role.

"The findings are not consistent and sometimes even contradictory," said Ms. Kim.

She and Ms. Gomez discovered that various types of financial aid -- grants, loans, or a combination of both -- had different effects on whether students attended colleges that were among their "first choice colleges," which was defined in their study as colleges that students wanted to be accepted by, and were.

Using data from two national surveys by the Higher Education Research Institute at U.C.L.A., the 1994 Freshmen Survey and the 1998 College Student Survey, Ms. Kim and Ms. Gomez found significant differences among racial and ethnic groups.

They found, first, differences among racial and ethnic groups in whether students attended a first-choice institution: 79 percent of white students did; 71 percent of Latino students; 68 percent of African-American students; and 54 percent of Asian-American students.

The groups also differed in whether they received financial aid: 80 percent of Latino students did; 74 percent of African-American students; 68 percent of white students; and 40 percent of Asian-American students.

Finally, the researchers considered the effect of types of financial aid according to racial and ethnic group.

Among white students, the probability of attending a first-choice institution was five percentage points greater for students receiving grants only than for others, and four percentage points greater for students who received grants and loans.

For Asian-American students, however, just about any form of aid had a huge impact on whether students attended their first-choice college. Unlike other students, who did not seem swayed by loans, Asian-American students are significantly more likely to go to a first-choice college if they are provided with loans only -- by a striking 40 percent -- or loans and grants together -- by 32 percent. It made no difference, however, if they were offered grants only.

"That's a really interesting finding, because it seems that Asian-American students are less hesitant to spend money to attend their first-choice institution," said Ms. Kim.

The type of financial-aid package offered did not make any difference to the decisions of African-American students as a group, nor to Latino students. It was not clear from the researchers' study why this was the case, so they will consider those phenomena in later studies.