

Explaining College Enrollment

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College enrollment rates

- Year 1995-96

	New York		U.S.	
	2-year	4-year	2-year	4-year
Enrollment rate	23%	51%	20%	47%
State need-based aid per FT-FY student	\$765		\$324	

- Source: NLSY: 1996 and NPSAS: 1995.

Characteristics

Explanatory Variables	New York State	US	
	College Attendees	College Attendees	High School graduates
Local tuition/wage	679	717	885
Family income	\$15498	\$12630	\$10064
Scholastic ability	76	71	49
Parents attended college	55%	47%	15%
Blacks	5%	10%	12%
Females	45%	53%	48%
Highly averse to risk	44%	44%	52%

Probit Analysis

Explanatory Variables	Changes in Probability				
	(1)	(2)	(3)	(4)	(5)
Local tuition/wage	-.06	-.04	-.05	-.04	-.04
Scholastic ability	.01	.01	.01	.01	.01
Parents attended college	-	.23	-	.23	.24
Blacks	-	-	.21	.21	.22
Females	-	-	.06	.06	.07
Highly averse to risk	-	-	-	-	-.04

Findings

- Controlling for scholastic ability,
 - family income has almost no effect on enrollment;
 - parental education and black indicators have strong positive effects on enrollment.
- The reluctance to attend college due to a higher level of risk aversion supports the notion that investing in college education is risky.

Policy Implication

- Special efforts need to be made to induce those youths with non-college-educated parents to attend college.