

# Inequality in High Education: Family Income and People's Choices of School

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## ABSTRACT

The purpose of this study is to examine how family income affects the people's choices of schools—for example, how far in the education they go into (such as high schools, undergraduates, master's degrees or so on)—by researching different family income groups and how family income and educational background relate to their children's choices of school. In addition, my study focuses on analyzing a broad range of schools such as the types of school and the schools' levels of the education system that different families' parents go to and the ones they choose to let their children go to, which is a more complete and deeper research regarding the relationships between family income and school choices.

**Keywords:** *Inequality, Education, Family Income, School.*

## 1. INTRODUCTION

It has long been obvious that people's achievements are correlated with the education they received. Better schools and higher degrees can lead to greater achievements. There are probably exceptions, but the schools people go to mostly depends on their parents' economic conditions [1]. A comprehensive school usually requires way more money than an ordinary school does because a great school—regardless of the abilities and the achievements of the students, children with higher parents' income have more opportunities to enter better schools—needs more money to invest in the teachers' teaching-skill levels, experiment equipment, extracurricular activities, and so on. So, a student's choice of school basically depends on his or her parents' income. The result of previous studies is that wealthy family is more likely to send their children to private schools to make their education best. However, the researchers did not stress the backgrounds of the parents and the chain reaction of the wealthy and poor generation. I will dig into the parents' backgrounds information and uncover the students' attainments under different types of school. Do people who go to private schools have a stronger family background than people who go to public schools have? What are some common identities of the groups of people who go to private schools? How do the people's education deepness make a difference in their personal achievements? This is an essential topic because this study can lead my readers to deeper thinking how we as a society can do to improve

the quality of education for all, contributing to the policy that helps to fund the students from low-income families, in terms giving them a better education.

## 2. LITERATURE REVIEW

Family income is a big factor that determines the types of school that their children go to. One previous research [2] I found discusses how expanding income inequality led to an increased concentration of affluent families at private schools. To determine it, the researchers assembled data on families' incomes and elementary-school choices from different departments' census and surveys. They found that private schools are increasingly segregated by income. This research talks about the impacts from several aspects regarding school type, race, and community type. They all reflected that students who attend private schools are mostly from wealthy families. My topic is relatable to this since private school is an important determinant of the family incomes, and private schools usually have much higher fees in enrollment than public schools. However, one weakness of this study is that it only surveyed the children enrolled in private elementary schools. Since I am talking about high education, I will improve this by providing a larger range of data of students from grades 1 to 12 and colleges. Another research [3] I read talks about the phenomenon that parents in high-poverty schools strongly value a teacher's ability to raise student achievements and appear indifferent to student satisfaction. This study combines data on teacher

requests by parents and teacher evaluations by principals from 12 elementary schools in a midsized school district in the western United States. Because academic resources are relatively scarce in higher-poverty schools, parents in these schools seek teachers skilled at improving achievement even if this comes at the cost of student satisfaction. In contrast, wealthy families care more about the children's satisfaction. This research is also relatable to my topic since it stresses the aspects that different-income parents care about while choosing a school for their children. I will improve the research by including the demography of the parents who are surveyed such as race and educational background. These factors can have a big impact on how they consider to be the best for their children's education, and how wide range their income allow them to have the choice for their children's schools.

### 3. METHODOLOGY

In my research, I will use quantitative methods to determine the relationships between family income and people's choices of schools. I will collect secondary online database and integrate them to get a conclusion. The database I will use is Statista.com in which the data is usually collected by the U.S. Census Bureau for all U.S. population. The data I will choose is collected from 2018 to 2020. Family income is the invariant element in this study, while the demographic information about families, the sorts of school the children attend, and the students' achievements are the dependent variables. The emphasis is on how the degrees of education changes by the difference in family income. I will research the relationship between family income and private school enrollment rates, and the link between family income and students' achievements. I will use multiple regression analysis to examine the demography (races, religious beliefs) of different income groups and how these factors relate to their private school enrollment rates from kindergarten to college. In addition, I will also analyze how different-income families affect the achievements (based on their academic skills) of the students from elementary school to university. My hypothesis for this research is that families that have high income are more likely to choose private schools for their children, in terms more likely to educate high-achievement students. I chose quantitative methods to find out the results of the study because these are more of a statistical base that helps to figure out the trend of the relationships between family incomes and other elements over time.

### 4. HYPOTHESIS

1. Higher family income can lead to a larger percentage of their children's private school enrollment.

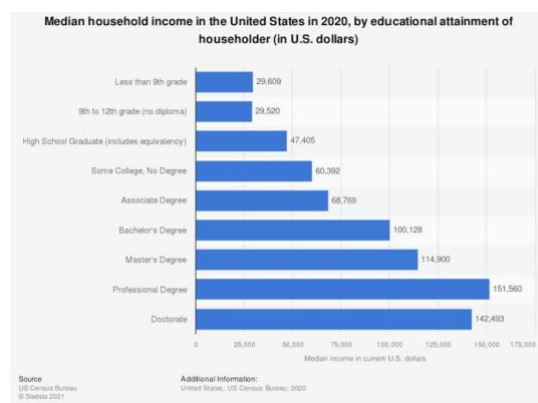
2. Children in higher-income family tend to have more achievements.

3. People with higher diplomas earn more salaries.

4. Higher income promotes people to enroll in more elite schools.

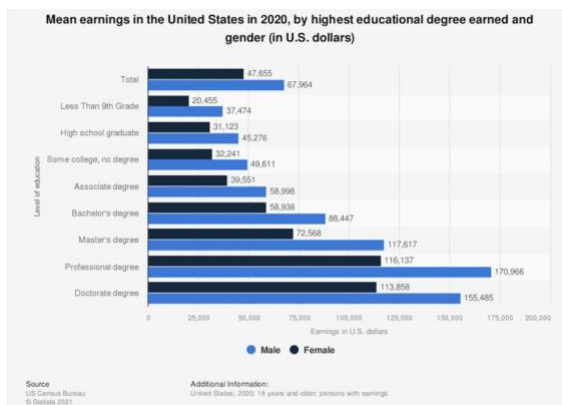
### 5. RESULTS

According to Figure 1, in 2020, most median-income householders were at least graduated from colleges. A large number of those median-income householders have finished bachelor's degree or higher such as master's degree, Professional degree, and doctorate. A few percentages of the median-income householders did not finish high school or just finished high school diploma. This result verifies that people who have median salaries have decent educational background.



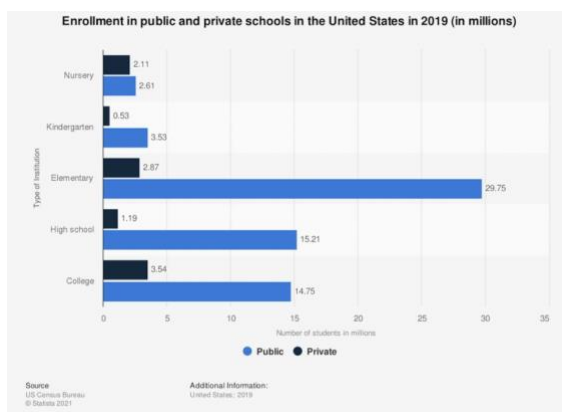
**Figure 1** Median household in the United States in 2020, by educational attainment of householder (in U.S. dollars) [4]

In 2020, Figure 2 demonstrates that people with higher educational degrees obviously earn more salaries. People who earned a master's degree or higher have exceptionally more income than those with only high school diploma or lower; the gap between them is noticeably big for males compared to that of females. This substantiates that people tend to earn more as their degree increases.



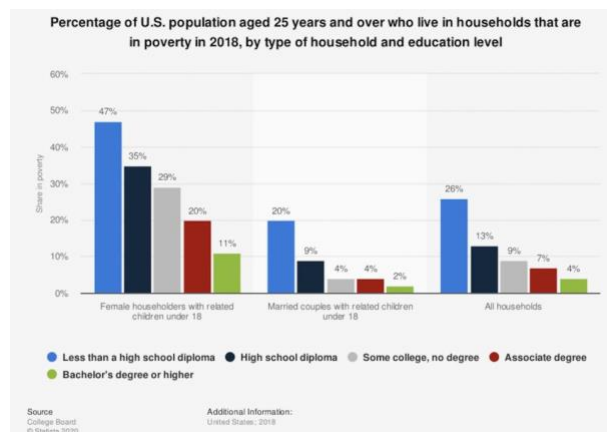
**Figure 2** Mean earnings in the United States in 2020, by highest educational degree earned and gender (in U.S. dollars) [5]

In 2019, according to Figure 3, the number of people who are enrolled in public school is way higher than the number of people who are enrolled in the private schools. The number of people who attend the private nursery is almost the same as the number of people who attend public nursery. Other than that, there is a huge gap between the number of people who go to private school and the number of people who go to public school.



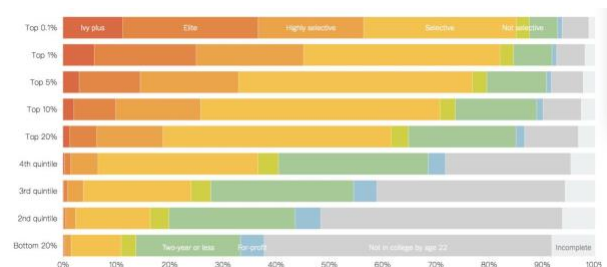
**Figure 3** Enrollment in public and private schools in the United States in 2019 (in millions) [6]

A survey in 2018 explains that the percentage of female householders and married couples with related children under 18 who live in poverty is dominated by the people who only obtain high school diploma or lower. This result highlights that little is known about that there are householders with related children under 18, either female householder only or married couples, who have a bachelor's degree or higher also live in poverty. The fewer percentage of poor people with high education attainment confirms that poverty for well-educated people is a very small chance.



**Figure 4** Percentage of U.S. population aged 25 years and over who live in the households that are in poverty in 2018, by type of household and education level [7]

In figure 5, the top of the row is the group of parents who have the highest income, and past 50% of their children go to highly selective colleges and above. As parents' income decreases down the row, the percent of their children who go to highly selective colleges, elite colleges, and the Ivy plus ones decreases. When gradually more toward the bottom row, which means the parents earn low income, their kids are mostly not graduated from colleges or not in colleges at all. This result corroborates that higher income promotes people to enroll in more elite schools.



**Figure 5** Where today's 25-year-olds went to college, grouped by their parents' income [8]

Table 1 shows that even in private colleges already, students who attend more selective ones are more likely to earn more in the future. Another finding is that the gap of average income between non-selective colleges and Ivy Plus colleges is very big. This result validates that people with higher diplomas earn more salaries than other.

**Table 1.** Type of private college vs. Income [9]

Type of Private College	Average Income	Median Income	% of Bottom 40%	% of Top 20%
Non-selective	\$90,980	\$69,900	24%	23%
Selective	\$112,168	\$84,650	17%	34%
Highly Selective	\$285,297	\$136,600	9%	61%
Elite Liberal Arts	\$446,753	\$171,800	8%	68%
Ivy PLUS	\$723,050	\$177,450	9%	68%

## 6. DISCUSSION

The results indicate that people who have exceptional high income usually graduated from highly selective colleges, elite colleges, or even Ivy Leagues; they are also likely to have a higher diploma such as bachelor's degree or above. In addition, these high-income group of people's children tend to go to highly selective colleges, elite colleges, or Ivy plus ones. In contrast, people who are in poverty mostly hold much lower diplomas.

In line with the hypothesis that higher family income will result in more of their children going to private selective colleges, the parents themselves are a big factor. Those parents who earn a lot mostly went to private selective colleges and above and usually earned high diplomas from colleges understand the importance of education for their children, in terms making them educate their kids in a unique and efficient way.

These results build on the existence theory that parents who have high salaries can afford their kids' elite education. More to that, most of the high-income parents already experienced that their process of studying and learning new things ultimately brought them to success, so they acknowledge those feelings and appreciate the meaning behind education. Through education, the high-income parents maintain the instinct of the significance of sending their kids to better private schools, not just because they have the ability to afford the huge expense of the private schools. Under the influences of families' atmosphere, most of the kids who have good family conditions are diligent to strive for success. As the figure 3 illustrates, the number of kids who attend private schools is way less the number of kids who go to public schools, giving the insight that the gap between the income earned by elites and the income earned by common people is tremendously huge. This is not because the rich go to school for a few more years, but because of the education they received determined by their college degrees and most importantly the level of school they selected. On the contrary, parents who struggle in poverty mostly do not even graduate from high school, resulting in the accumulation of their experience knowledge decreasing exponentially compared to those of the rich parents, which could be the reason for why many of the elites are by generation and generation. Overall, family income

does affect the types of school the children go to; the higher the family income, the more elite schools their kids will go to, the more attainments they will have.

The methodological choices were constrained by the scope of data that are available, leading to contain not so great amount of survey results supporting the hypothesis. Further research could be improved by giving out surveys in small communities since larger scope is harder to reach and integrate those survey results to some other sources.

## 7. CONCLUSION

This research aimed to identify the relationship between family income and people's choices of school. Based on the quantitative analysis of earnings by educational degrees and the rank of colleges, and the types of school their children go to, it can be concluded that higher family income is likely to lead their children to go to private or elite schools. The results indicate that higher educational degrees of the parents lead them to have high incomes, which in terms make their kids go to private schools and achieve higher attainment. This research makes it clear the relationship between parents' diploma and their income, and how this will affect the schools their kids attend. However, there is no sufficient data on the relation between family income and the percentage of grade 1 to grade 12 students who attend private schools. Further research can go deeper into the correlation between those two factors. While this research can have some improvements, it can still lead my readers to deeper thinking about how we as a society can do to improve the quality of education for all, contributing to the policy that helps to fund the students from low-income families, in terms giving them a better education.

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