Can attending a diverse university have a positive impact on your career?

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Will your decision to attend a diverse university make you more marketable, better your career advancement opportunities, and increase your earnings potential? Recently, a few colleges have banned race, ethnicity, or gender as appropriate criteria in admissions, noting that affirmative action can be seen as discriminatory and may be of little value in a post-racial world. However, recent studies reveal a positive correlation between attending a diverse college and having greater earnings potential and future household income.

In “Estimating benefits from university-level diversity,” a National Bureau of Economic Research working paper published in February 2013, Barbara Wolf and Jason Fletcher show that diversity is an educational resource with tangible benefits to individuals as well as to society. Using data from the National Longitudinal Study of Adolescent Health, Wolf and Fletcher test a number of individual and family-level variables and find that attending a racially diverse institution positively influences family income and, for Whites and Hispanics, future earnings potential. On the other hand, their studies reveal that attending a racially diverse institution does not affect educational attainment or the likelihood of voting.

Wolf and Fletcher’s findings show only a few variables that uniquely affect educational attainment, higher earnings capacity, and family income. For instance, men appear less likely to graduate than women; students with college-educated mothers are more likely to further their educations after high school than those without college-educated mothers. Blacks tend to be less likely to graduate than Whites and Hispanics. Institution type affects student outcome as well; that is, students at selective 4-year colleges in general tend to earn more but there is still a positive earnings correlation if the school has a diverse student body. The authors’ findings tend to support the belief that people who graduate from colleges with diverse student bodies tend to be attractive candidates for positions at global firms.

In sum, this study shows that diversity can still be a valuable college admissions criterion. Wolf and Fletcher compel critics to use models that are more complex to gain a better understanding of the unique impacts of diversity on post-college quality of life.