

**Critical Race Theory: The fairness of Georgia Student
Financial Aid Allocation**
(Work-in-Progress Reports)

Topic Area: Educational Policy

key words: critical race theory, merit-based scholarships; financial

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Merit-based scholarships were established in the 17th century to promote academic excellence and to assist students with financing the cost of higher education (McPherson & Schapiro, 1998). In fact, Harvard College was the first institution to establish a scholarship fund in 1643 (Brademas, 1983). Through the remainder of the 17th and 18th centuries, scholarship funds were primarily offered to students in financial need. As (Wick, 1993) suggests, the "key criterion [for scholarship eligibility] remained neediness, not academic potential." Through the 19th and 20th centuries, state and federal legislatures provided scholarship opportunities to needy students attending state universities and land grant institutions-particularly in the years following the Civil War (McPherson & Schapiro, 1998). However, by 1954, with the establishment of the College Scholarship Service (CSS), universities began to utilize a different funding methodology that considered both financial need and academic merit (McPherson & Schapiro, 1998). This trend became increasingly popular that by 1975, institutions such as Stanford University indicated they were awarding the majority of scholarships without any reference to financial need (Huff, 1975).

In short, the drastic shift from merit based to need based scholarships is a relatively recent phenomenon. In fact, research suggests that that in "more than a quarter of the states-particularly in the South-broad based merit scholarships have swiftly shoved need-based programs aside" (Selingo, 2001). In addition, the National Association of State Student Grant and Aid Programs reported that, as of 1999, at least three states (Alaska, Georgia, and South Dakota) no longer fund need-based scholarship programs. This shift is a radical departure from the Higher Education Act of 1965, which was specifically implemented to help students in financial need attend institutions of higher learning (Mumper, 1996). Notwithstanding, within the past ten years, state and federal legislators have increased the amount of appropriations for merit-based scholarships. A recent study by the Center for the Study of Higher and Postsecondary Education noted that spending on undergraduate education aid increased from \$974 million dollars in 1982 to \$3.6 billion dollars in 1999. Of this increase, there was an increase from 9 percent to 18.6 percent of undergraduate aid spent on merit-based programs (Heller, 2000).

Unfortunately, this shift in scholarship funding has paralleled an equal shift in the demographic profiles of students receiving such funds. Presently, a vast majority of students receiving non-need based scholarships are those from middle to high SES families. As (Heller, 2002) suggest, "merit award winners will tend to come from affluent families and to have bright future prospects." Overall, the literature FINDS that there has been a shift in the recipients of financial aid and how financial aid is appropriated. In Florida, groups of educators and civil rights leaders petitioned the Governor to change the rigid test score cutoffs for the states merit-based scholarships. The coalition members charged that the merit-based scholarship criteria discriminated against students of color (Selingo, 2001). Floridians also discovered discrepancies in the allocation of merit-based scholarships; 53.4 percent of white students received three-

fourths of the top awards, 14.4 percent of black students received 3 percent of the awards, and 13.7 of Hispanics received 8.7 percent of the top awards (Selingo, 2001).

Indeed, there is a growing concern that merit-based scholarships are aiding students who financially need the least help. Within the state of New Mexico, 64 percent of the merit-based scholarships went to students whose families make \$50,000, while 15 percent of the money went to families who earned \$20,000 or less. Furthermore, an analysis of Nevada's scholarship program found that a majority of merit-based scholarship participants were those from affluent neighborhoods. (Selingo, 2001).

Proposed Presentation Format:

In order to maximize dialogue amongst participants about this seemingly disturbing trend, the authors are suggesting a roundtable session as a way of developing and organizing multiple points of view. A commentary paper will be prepared for the conference and distributed to the audience members for discussion.

Theoretical Framework

Our paper will utilize a relatively new area of legal scholarship known as Critical Race Theory (CRT) to understand the shortcomings of merit-based scholarships. As an outgrowth of the Civil Rights Movement and the Critical Legal Studies Movement, CRT's premise is to critically interrogate how the law reproduces, reifies, and normalizes racism in society ((Crenshaw, Gotanda, Peller & Thomas, 1995; Delgado, 1995a; Delgado & Stefancic, 2001).). Rather than subscribe to the belief that racism is an abnormal or unusual concept, CRT begins with the premise that racism is a normal and endemic component of our social fabric (see also Banks, 1993; Collins, 1991; Gordon, 1990; Ladson-Billings & Tate, 1995; Scheurich & Young, 1997; Tatum, 1997; Tyson, 1998). CRT scholars suggest that the reason why society fails to "see" racism, is because it is such a common/everyday experience that it is often taken for granted. In other words, racism is part of our everyday reality. It is part of our social fabric and embedded in our organizations, practices, and structures (Scheurich & Young, 1997; Tyson, 1998)- or the usual way "society does business" (Delgado & Stefancic, 2001, p. 7).

Because it so ordinary and commonplace, people often fail to see how it functions and shapes our institutions, relationships, and ways of thinking. CRT suggests that such invisibility works in the interest of a White power structure by minimizing the multiple and subtle ways in which racism is deployed on an everyday basis. By unmasking the "hidden" faces of racism, CRT aims to expose and unveil White privilege "in its various permutations" (Ladson-Billings, 1999, p. 12), and reveal a social order that is highly stratified and segmented along racial lines. It is hoped that such an unveiling will reveal the simple fact that racism is a permanent fixture in the American political, legal, social and educational spectrum (Bell, 1995b; Crenshaw, Gotanda, Peller & Thomas, 1995; Delgado, 1995a; Delgado & Stefancic, 2001).

Significance

Within the 1990s, several states have adopted to a strict merit-based policy in providing academic scholarships. Georgia eradicated need-based criterion in providing financial assistance to their citizenry. Given the change in financing higher education, we are proposing that following may have occurred as a result of the new policies in Georgia: 1) students from low social economic status may not be enrolling at the same rate prior to the change in the funding formula; 2) there has been an increase in student loan debt; and 3) students from wealthy families may be receiving a majority of the merit-based scholarships. Through the use of Critical Race Theory, we are evaluating the affect of change in financial support for minority students.

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