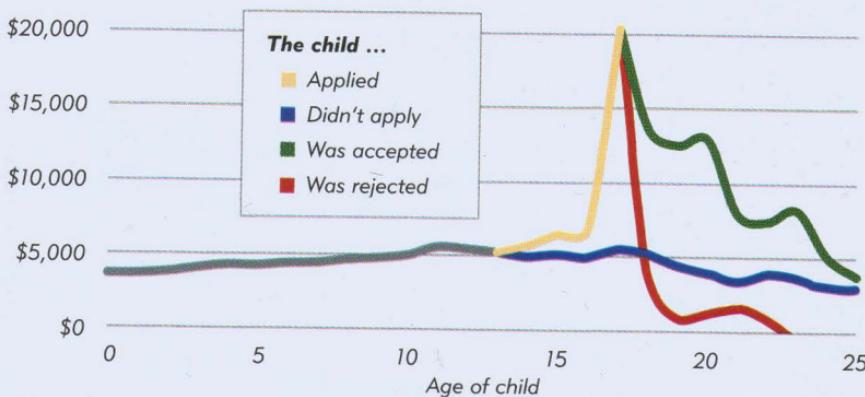


A Leg Up?

How a child's application status affects parents' giving to an alma mater



EDUCATION

The Old College Buy

What moves alumni when they write checks to their alma maters? Altruism? School spirit? Getting the kids accepted? Largely the last, suggests a new study from the National Bureau of Economic Research: Based on the (perhaps mistaken) perception that cash will grease the wheels at the admissions office, alumni are more likely to be generous to their former school when their kids are applying. The authors studied the donation patterns of 32,488 alumni of a selective university they dub Anon U, using mountains of data provided by the school's development office. They reasoned that if alumni hoped for a quid pro quo, their donations would fluctuate according to three variables: the age of their children, whether or not their children apply to

the school, and the results of the application process. The researchers note that this is a high-stakes game: Alumni contributed \$7.1 billion to higher education in 2004–05. The study reveals that graduates with children are about 13 percent more likely to give back to their schools and that they tend to give more as their children approach college age. But donations among this group decline after an admissions decision has been made—and plummet if their kids aren't accepted. Though the authors note that alums without a stake in the cycle still often give generously, many alums who are parents "believe that donations buy them entrance into a lottery whose prize is admissions for their children."

—*"Altruism and the Child-Cycle of Alumni Giving," Jonathan Meer and Harvey S. Rosen, National Bureau of Economic Research*