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In the fall of 1994, just weeks after the first Republican Congress in a generation was elected, President Clinton floated the idea of a "Middle Class Bill of Rights." The initiative proposed tax deductions for college tuition payments and other post-secondary educational training. For Clinton, who had failed in his high-risk bid to enact comprehensive health reform, the emphasis on education and the middle class signaled a retreat to safer ground. His move reflected what every American politician knew: when the battleground is the middle class, education represents the higher ground.

Long distinguished by its tradition of universal public schooling, the United States renewed its commitment to education after World War II with massive investments. Newly-formed suburbs built thousands of new schools to accommodate the baby boom generation and states transformed a desultory array of state colleges and institutes into coherent and well-funded systems of higher education. The federal government pitched in as well. Starting with educational grants for veterans provided by the 1944 GI Bill of Rights, Washington provided financial assistance that both supported and prodded further state and local action. This burst of investment in education offered occupational mobility to millions of Americans and supplied credentials for a range of occupations seeking to upgrade their professional status. In the process, education helped to blur the lines that once separated the working classes from the middle classes. In contrast to European nations where postwar social welfare entitlements and institutions fostered security and solidarity across class lines, the vast expansion of education in the United States promised opportunities that would make the very notion of class obsolete and the need for social welfare minimal. The high levels of support for education that routinely registered in opinion polls indicated broad public approval for this distinctively American approach to smoothing class divisions.

The middle class and education thus appeared intertwined in a virtuous political relationship: expanded education created a broad middle class and that middle class in turn provided political support for education. However, this simple equation, a staple of postwar American politics, falls short in two respects. First, it fails to recognize the inherent tensions in the relationship between education and the broad middle class. Expanded education, even as it opens new avenues for upward mobility, sorts the population into educated and less-educated categories. The significance of these categories for the middle class is not fixed: it can only be understood in a specific historical context. Second, the portrayal of the middle class as the backbone of support for education ignores the ambiguity of the middle class both as an object of political contention and as an actor. The terms on which the middle class participates in politics--the issues it engages, the identities it assumes, indeed, the very boundaries of the group itself--are all profoundly shaped by the institutional context in which politicians confront it and in which its own interests are formed.

This chapter examines the relationship between the American middle class and education from the immediate postwar era to the present. In the decades after World War II, historically contingent economic and political developments fostered a mutually-reinforcing relationship between education and the broad middle class. Distinctive features of the postwar economy dampened the sorting functions of education, permitting its mobility and class-blurring characteristics to predominate. At the same time, developments in state and local political arenasthe main funders and providers of education—were unusually favorable to linking broad middle class interests with educational expansion. These favorable political and economic conditions masked education's role in defining the external boundaries and internal divisions of the postwar middle class. When the economic and political ground

304; and Morris Janowitz, Social Control of the Welfare State (New York: Elsevier, 1976).

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ⁱ On the American propensity to treat education as a central component of welfare, see Arnold J. Heidenheimer, "Education and Social Security Entitlements in Europe and America," *The Development of Welfare States in Europe and America* ed. Peter Flora and Arnold J. Heidenheimer, (New Brunswick, N.J.: Transaction Books, 1987), 269-

shifted in the 1970s and 1980s, the divisive effects of education on a broad middle class appeared in sharp relief. The economy now amplified the sorting functions of education and developments in state and local political institutions intensified the conflicts over education. Since 1980, presidential contenders across the political spectrum have showcased their strong support for education but their consensual rhetoric belies the sharp divisions over the financing and organization of education. Even as education became more critical for achieving middle class status, the political consensus that once supported the postwar expansion broke down.

I. Public Education and the Golden Age of the White Middle Class

Education, the Economy, and the Postwar Middle Class

One of the staples of postwar accounts of the middle class is the central role of education in creating it. On the fiftieth anniversary of the GI Bill in 1994, magazines featured interviews with working class veterans who never would have gone to college and entered white collar occupations without the assistance of the GI Bill. The GI Bill opened the possibility of middle class lives to millions of soldiers with working class backgrounds. An estimated 2.2 of 14 million eligible veterans took advantage of the tuition, stipends, and other assistance that the act provided.ⁱⁱ

The GI Bill was only the beginning of the federal government's effort to expand access to higher education in postwar America. In 1948, the President's Commission on Higher Education (the Truman Commission) declared that higher education should not be "confined to an intellectual elite, much less a small elite drawn largely from families in the higher income brackets." Two decades later, ongoing federal assistance and massive state support had indeed opened the doors of higher education far wider than they had been. The increase in total attendance was dramatic: in 1947, a total of 2.3 million students (14 percent of all 18-24 year olds) was enrolled in higher educational institutions; by 1980, the figure was 12.1 million (40 percent of all 18-24 year olds). Likewise the percent of high school graduates enrolling in college grew from 45 percent in 1960, to 67 percent by 1997.

The expansion of higher education helped to blur class lines in several ways. By promoting occupational mobility, higher education made the life chances of children from different backgrounds more similar. Access to higher education meant that fewer children followed in their parents' occupational footsteps. As one study of American occupational mobility concluded, a college degree cancels the effect of [social] origins on [occupational] destinations... This was because of the particular characteristics of the public education system in the United States. The structure of primary and secondary education facilitated access to higher education because it did not slot American students irrevocably into future educational and vocational tracks, as was common in European countries. The relatively open structure of education created second and even third chances, contributing to the American sense of openness and opportunity. The expansion of higher education also helped to blur the lines of the occupational prestige hierarchy. Many occupations instituted new credentials that required attendance in institutions

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ⁱⁱ Edward Kiester, Jr., "The G.I. Bill May Be the Best Deal Ever Made by Uncle Sam," *Smithsonian* 25 (November 1994): 128-37.

iii Cited in Steven Brint and Jerome Karabel, *The Diverted Dream: Community Colleges and the Promise of Educational Opportunity in America*, 1900-1985 (New York; Oxford University Press, 1989), 69.

iv Enrollment data from National Center for Education Statistics, *Digest of Educational Statistics*, *1998* (Washington D.C: 1999), Table 172, p.196; Enrollment data includes full-time and part-time enrollment. Cohort data from U.S. Census Bureau, *Statistical Abstract of the United States: 1999*. (Washington: GPO), p. 15, table no. 14; U.S. Census Bureau, *Statistical Abstract of the United States: 1985* (Washington: GPO), p. 26, no. 27; U.S. Census Bureau. *Historical Statistics of the United States: Colonial Times to 1970* (Washington: GPO, 1975), 10, series A 29-42. The higher education cohort is based on the population between 18 and 24.

V National Center for Education Statistics, Digest of Educational Statistics, 1998, table 183, p.208.

vi Michael Hout, "More Universalism, Less Structural Mobility: The American Occupational Structure in the 1980s," *American Journal of Sociology* 93 (May 1988): 1358-1400.

vii Ibid, 1391

of higher education. As Heidenheimer notes, although the German and American occupational prestige hierarchies were similar, in the United States occupations used higher education credentialing "to improve themselves." The range of semi-professional occupational categories thus created softened the lines of occupational stratification and contributed to the notion of one big middle class.

Not surprisingly, education was central to the beliefs that the middle class held about itself and about American society as a whole. Yet, the notion that education created the broad postwar middle class in the United States by promoting upward mobility is misleading. In the first place, the number of students who completed four years of college was much smaller than the number who enrolled in some form of higher education. In the key years in which the expanded middle class took shape, only a small percentage of Americans completed college. In 1940, 4.6 percent of the population age 25 and over completed four years of college; by 1970 the number had risen to 11 percent, by 1996, to 24 percent. Second, and most important, higher education was not necessary to join the postwar middle class. Distinctive demographic patterns and economic forces in the decades after the war created a wage structure in which the income differences between workers with college education were not so different from those without a college education.

Studies of postwar wage structures have identified a "great wage compression" between the 1940s and the late 1970s. During the 1940s, the spread of wages narrowed as education and skill premiums and regional differences in earnings declined. The sharply increased demand for unskilled labor during the war and the wage control policies of the National War Labor Board helped set off the change. But after the war this wage profile persisted. Ironically, the great expansion of postwar higher education contributed to holding down the wages of college graduates as the supply of college-educated workers grew sharply. At the same time, the relatively small cohort of unskilled workers was in high demand and able to command high wages. In addition to these factors of supply and demand, this compressed wage structure was reinforced by the political power of organized workers after the war. At the height of its membership and influence, organized labor was able to keep the minimum wage high and to press for wage increases well above the minimum for its own membership.

The enhanced availability of higher education after World War II, then, helped create a broad middle class primarily by enhancing occupational mobility. Occupation became a matter of individual choice and effort more than it had ever been. Nonetheless, access to middle class lifestyles in the 1950s and 1960s did not depend on workers' educational achievements. Although manufacturers calibrated consumption goods according to the tastes and incomes of different class segments, the relatively narrow differentials in wages meant that the gulf separating these groups was not substantial. Suburban lifestyles and enjoyment of the consumer goods that became the markers of a middle class lifestyle were not restricted to those with higher education.

The Politics of Educational Expansion

One of the most striking postwar developments was the broad consensus supporting the expansion of education. As America became a middle class society, spending on education at all levels exploded and new channels of access opened up. Between 1950 and 1970, total spending on public education grew by 370 percent; spending on primary and secondary grew by 318 percent and spending on higher education by 580 percent. Spending far outstripped the growth in the school-age population: in the same decades, the primary and secondary school age population increased by 71 percent and the college age population by 54 percent. Xii Much as the middle

^x Claudia Goldin and Robert A. Margo, "The Great Compression: The Wage Structure in the United States at Mid-Century," *The Quarterly Journal of Economics* 107 (February 1992): 1-34; see also the discussion in Claude S. Fischer, Michael Hout, Martin Sanchez Jankowski, et al., *Inequality By Design: Cracking the Bell Curve Myth* (Princeton: Princeton University Press, 1996), 152-55.

viii Heidenheimer, "Education and Social Security Entitlements in Europe and America," 289.

ix Digest of Education Statistics, 1997, p.105 Table 8.

xi On postwar consumption and the middle class see Olivier Zunz, *Why the American Century?* (Chicago: University of Chicago Press, 1998), chapters 4-5.

xii Education spending data are from U.S. Department of Education, National Center for Education Statistics, Digest

supported this expansion, the growth of education was not simply a product of middle class demands. It rested on distinctive features of federalism and localism that shaped the middle class as an object of political competition and as an actor. Chief among these were the reemergence of states after their two-decade eclipse by the federal government and the flourishing of education in socially and economically homogenous postwar suburbs.

Armed with federal guarantees to pay for their college expenses, veterans placed extraordinary new demands on institutions of higher education: in 1946, the year after the war ended, veterans accounted for 48 percent of college students in the country. Yet, the success of federal initiatives in higher education depended on whether state governments could meet veterans' demands for higher education. Public higher education remained overwhelmingly a state responsibility. State systems of higher education varied widely. In the West, many states established university systems soon after statehood. In the East and Midwest political opposition from private colleges had limited the public role in higher education primarily to teachers' colleges and technical institutes.

The surge in postwar demand for higher education sparked the creation and expansion of state systems of education across the country. Nationwide, just under half (46 percent) of the students who enrolled in higher education in 1940 attended public institutions; by 1970, after the expansion of higher education, that figure had jumped to 75 percent. The increase reflects the priority that many states placed on creating new institutions of higher education in the postwar decades by pouring resources into their systems of higher education. California, already boasting a strong public university system, was in the forefront. The state's 1960 Master Plan for coping with the coming surge in enrollments announced a social contract with the state's residents: California would guarantee access to higher education to all state residents who could benefit from it. Although the states varied in their effort to build systems of higher education, differences did not run along partisan lines. The greatest expansion in public higher education took place in New York State under the aegis of Republican Governor Nelson Rockefeller. In little more than a decade, Rockefeller transformed a small underfunded state university system (the last to be established in the country) to the largest in the country. xiv

But not only ambitious governors supported higher education, state legislatures, tightfisted on most social policy issues, also backed higher education. In many states, higher education became a form of pork barrel politics, with some sort of institution established in every state senate district. State legislatures acted in a context of strong but diffuse public support for higher education. In one study of higher education conducted in the late 1960s, state legislators noted that they felt little public pressure on issues of higher education, with the exception of campus unrest. The most active political forces were university presidents and members of boards of regents. This supportive but relatively insulated policy environment greatly facilitated expansion.

of Education Statistics, 1999, (GPO: Washington, DC, 2000), p. 35, table no.32. The population data is from U.S. Census Bureau, Statistical Abstract of the United States: 1999, (GPO: Washington), 15, table no. 14; U.S. Census Bureau, Statistical Abstract of the United States: 1985 (Washington: GPO), p. 26, no. 27; U.S. Census Bureau, Historical Statistics of the United States: Colonial Times to 1970 (Washington: GPO, 1975), p 10, series A 29-42. The K-12 population is based on the number of 5-17 year olds; the higher education cohort is based on the population between 18 and 24.

xiii Keith Olson, The G.I. Bill, the Veterans and the Colleges (Lexington, KY, 1974), 35.

xiv Donald Axelrod, "Higher Education," in *Governing New York State: The Rockefeller Years*, ed. Robert H. Connery and Gerald Benjamin (New York: Academy of Political Science, 1974), 131-45; Henry J. Steck, "How Good and How Large a State University? Dilemmas of Higher Education Policy in New York State" in *Governing New York State*, ed. Jeffrey M. Stonecash, John Kenneth White, and Peter W. Colby (Albany: State University of New York Press, 1994), 277.

xv This is what Kerr's Master Plan sought to head off. See Nicholas Lemann, *The Big Test: The Secret History of the Meritocracy* (New York: Farrar, Straus Giroux, 1999), 130-36.

xvi Heinz Eulau, State Officials and Higher Education; A Survey of the Opinions and Expectations of Policymakers in Nine States (New York: McGraw Hill, 1970), 49-50.

Distinctive political circumstances lay behind this favorable context for state activism. Since the 1930s, the states had been eclipsed by the federal government. As the federal government expanded its social role during the decade and a half of depression and war, states became backwaters of American political life. Reformers who had concentrated their energies at the state level during the Progressive era turned their focus to the much more promising arena of federal politics after the 1930s. Malapportioned state legislatures remained dominated by rural interests into the 1960s; governors were weak, state constitutions restrictive, and state revenue systems sharply limited. All of this began to change in the 1960s. Legislatures were reapportioned and began to meet annually in most states, rather than the previous norm of once every two years. States instituted new taxes and ambitious governors sought new programs with which to build their reputations. Education, formally a state responsibility, provided a natural focus for these efforts.

Higher education was especially well-situated to benefit from state efforts to reassert their place in the federal system. In the 1960s, higher education had few competitors in other policy domains. Although state spending on social welfare had increased under the pressure of federal social programs that required state contributions, such as Aid to Families with Dependent Children (enacted in 1935) and medical assistance for the indigent (enacted in 1965), states were well able to control such expenditures. Legal rulings and expanded federal requirements that would require state social spending and reduce state discretion lay in the future. The growth of an educational lobby with few competitors allowed higher education to expand relatively unimpeded by divisive conflict or competition from other policy domains. By the 1960s, the pattern of state resources, institutional development, and organized constituencies all placed higher education in an unusually favorable political light.

Primary and secondary education, too, faced favorable political circumstances during the postwar decades. Central among them was the new social and political geography that organized the educational demands of the expanding middle class. The growth of postwar suburbs, whose identities were uniquely bound up with their schools, fragmented the metropolitan public sphere into relatively homogeneous slices. Although suburbanization drew the white urban working class into a lifestyle that had only recently been the preserve of the middle class, it did not promote much mixing among income levels. The narrow price range of housing in postwar suburban developments ensured that there would not be much income diversity among the residents. For example, of the three Levittowns--the quintessential postwar suburb--built in these decades, the New Jersey development offered the greatest choice in housing: the three types of houses available for sale ranged in price from \$11,500 to 14,500. xvii Moreover, in many of these new suburbs, young families, who prized education above all other public services, predominated. The remarkably homogenous age structure of postwar suburbs reflected the pent-up demand for housing and the effects of decades of depression and war on age and family structure. The growing opportunities and incentives for parents to exit undesirable school districts by buying houses in better districts propelled public education from the realm of politics into the realm of markets. xviii Families in search of good schools bought into communities that provided them and willingly paid the price.

Because primary and secondary schooling was traditionally funded by local governments through the property tax, the homogeneous social and political geography of the new suburbs carried important implications for public education. One of them was that there were few fundamental disagreements over the provision of public schooling as it expanded to educate the postwar baby boom. Ethnographic accounts of suburban life in the first decades after the war indicate that class-based conflicts occasionally erupted over curricula or spending issues. The fast-growing suburbs inundated many school districts with a huge influx of children and confronted their parents with proposals for higher taxes. It was not uncommon for new homeowners, already financially stretched to the limits, to oppose such tax increases. But most striking in these accounts of postwar school politics in the suburbs

xvii See Herbert J. Gans, *The Levittowners: Ways of Life and Politics in a New Suburban Community* (New York: Pantheon Books, 1967), 6-7.

xviii Ira Katznelson and Margaret Weir, *Schooling for All: Class, Race and the Decline of the Democratic Ideal*, (New York: Basic Books, 1985), chapter 8.

xix See Gans, *The Levittowners*, chapter 5; Katherine S. Newman, *Declining Fortunes: the Withering of the American Dream* (New York: Basic Books, 1993), chapter 3; Louis H. Masotti, *Education and Politics in Suburbia: The New Trier Experience* (Cleveland: The Press of Western Reserve University, 1967).

is how swiftly such controversies were resolved. Schools remained insulated from deep and ongoing political conflict and, in most suburbs, the nonpartisan conduct of school affairs allowed professional educators to maintain firm control over the schools. The dominance of families with children in these suburbs and the fencing out of controversies likely to arise with more diverse student bodies ensured broad general support for education.

Primary and secondary education also benefitted from favorable political developments at the state level. The same activism that spurred the expansion of higher education prompted many state governments to take on greater financial responsibility for primary and secondary schools as well. States stepped in to supplement the expenditures of localities so that by 1980, states shouldered at least half the cost of local schools. Some states greatly increased their contribution to education: in New York, one of the leaders, state expenditures on elementary and secondary education rose nearly 400 percent between 1960 and 1972. **x

During the 1950s and well into the 1960s, the politics of primary and secondary education in the states remained a relatively closed arena. The central actors were professional associations of educators and politicians. The growth of teachers unions added force to the expansion of state spending. In 1961, teachers launched their first major strike for collective bargaining rights. As state after state began to recognize teachers' unions, these unions pressed for better pay and working conditions, which translated into higher spending on education. Between 1960 and 1970 the annual salary of instructional staff grew by 36 percent; spending per pupil in primary and secondary schools grew by 17 percent over the same period. In state politics, where only a limited number of organized interests lobbied before the 1980s, teachers' unions rapidly became a powerful political force. Even as the state political field grew more crowded in the 1980s and state politicians became more reliant on campaign contributions, teachers' unions held their own. Today, they are one of the most powerful lobbies in state politics. **xxii**

The largely consensual expansion of spending on education at all levels and the increased access to higher education that characterized the postwar decades thus rested on distinctive characteristics of federalism and localism. State officials and organized actors, such as administrators and teachers, took the lead in pressing for expansion and educational politics remained a remarkably insulated arena of policy making in these decades. The middle class was a supportive but passive proponent of the great postwar expansion in American education.

Managing Expansion: Middle Class Exclusion and Sorting

Even as educational expansion helped shape the self-understanding and aspirations of the blended middle class, it created exclusions that set class boundaries and it generated new internal class divisions. The most strikingly dissonant chord in the postwar story of middle class growth was the exclusion of most black Americans. Finding the terms on which black Americans would be included constituted a central drama of educational politics after civil rights reached the national agenda in the 1960s. Less visible were the sorting arrangements built into the institutions that undergirded educational expansion. In both higher education and primary and secondary schools, expansion was accompanied by new divisions that marked lines of differentiation within the middle class. These exclusions and sorting mechanisms were integral to the middle class and to postwar educational arrangements; challenges to them faced stiff resistance.

Although the Supreme Court struck down "separate but equal" educational systems in 1954, its ruling in *Brown vs. Board of Education* had little impact for the next ten years and even then its impact in opening the doors of the middle class to African Americans remained limited. Deep disadvantage meant that black Americans did not immediately benefit much from the opening of higher education either. Black veterans were eligible for the benefits of the GI Bill but low levels of high school completion prior to the war limited college enrollment in the North and especially in the South where Blacks on average had completed only five years of schooling. xxiii In his chapter, Ira

xx See Kenneth K. Wong, *Funding Public Schools: Politics and Policies* (Lawrence, Kansas: University Press of Kansas, 1999), p.52; Michael D. Usdan, "Elementary and Secondary Education," in *Governing New York State*, 225.

xxi Digest of Educational Statistics, 1999, table 39, p.50

xxii See, for example, Dante Chinni, "Teacher's Pets," The Washington Monthly 29 (Jan/Feb 1997): 22-25.

xxiii David H. Onkst, "First a Negro ... Incidentally a Veteran": Black World War Two Veterans and the G.I. Bill of

Katznelson emphasizes the South's role in shaping federal legislation that excluded blacks. Yet the South was not the only bar to black inclusion into middle class and to its educational institutions. In addition to the South's role in national politics, the pattern of postwar metropolitan development created new divisions that excluded blacks in the North as well as the South. Impoverished black migrants who came to the North in search of better jobs during World War II continued arriving in large numbers throughout the 1950s as southern agriculture mechanized. They left the Jim Crow South only to find new forms of exclusion that would effectively bar them from the new middle class.

The central social feature of postwar suburbs was their exclusion of racial minorities. In recent years, historians have documented the many mechanisms that prevented African-Americans from joining the exodus to the suburbs. They have underscored the role that federal policies played, ranging from overtly discriminatory appraisal criteria for federally-insured mortgages to poorly enforced anti-discrimination laws. States reinforced the pattern of exclusion by failing to use their authority over land use policy to check the proliferation of separate political jurisdictions in the growing suburbs. At times, states actively promoted measures that facilitated suburban separatism by race and class. The courts emerged as the greatest defender of the localism that underlay the segmented social geography of postwar America. Addressing a barrage of legal challenges from the 1960s on, the courts resolutely upheld the rights of localities to use zoning and other regulations that stopped short of outright racial discrimination to shape the character of local communities. The Supreme Court issued the death knell of efforts to bridge the urban-suburban racial divide in education in 1974 when in *Milliken v. Bradley* it ruled that racial desegregation could not be mandated across local political boundaries.

The fragmented character of postwar suburban development made public education for the white middle class a politically insulated arena in which social and economic homogeneity generally translated into support for public schools. Although states and the courts entered educational politics in unprecedented ways in the 1960s, they did little to undermine the fragmented pattern that defined the public arena in education. The states' growing activism in school politics remained circumscribed by the character of local political divisions: by the 1960s those divisions in many states were geographic and racial: the urban/suburban division had become a racial divide. For example in New York during the 1960s, more than 90 percent of black and Latino students in the state attended school in the state's six large urban school systems. **xxvi** For the most part, the suburban white middle class remained untouched by the social costs and the tumult over racial integration that shook urban school districts in the 1960s and 1970s. In primary and secondary education, the exclusions that helped define the middle class as white thus withstood decades of challenge.

However, the white middle class that emerged from this system of education was far from homogenous. Even as postwar suburbanization created a new middle class, it laid down lines of differentiation within it. Income differences among suburban jurisdictions translated into different levels of support for public schools. These differences did not attenuate over time. In fact, quantitative studies of suburbanization in the first decades after World War II indicate that, in most metropolitan areas, suburban communities tended to become more, not less, differentiated by income. This tendency was especially pronounced in regions (the Northeast and Midwest) where political fragmentation allowed communities to use zoning laws to shape the course of local development. xxvii

The expansion of state assistance to local districts did little to temper such divisions. Even the most

Rights in the Deep South, 1944-1948," Journal of Social History 31 (Spring, 1998): 517-544.

xxiv See, for example, Kenneth T. Jackson, *Crabgrass Frontier* (New York: Oxford University Press, 1985), chapters 11-12.

xxv See Richard Briffault, "Our Localism: Part I -- The Structure of Local Government Law," *Columbia Law Review* 90 (January 1990): 72-85.

xxvi Usdan, "Elementary and Secondary Education," 228.

xxvii John R. Logan and Mark Schneider, "The Stratification of Metropolitan Suburbs, 1960-1970," *American Sociological Review* 46 (April 1981): 175-86.

generous states did not alter the distribution of students into districts of varying fiscal capacity and need nor did they gear their financial support to equalizing spending across these districts. If anything, state aid formulas tended to discriminate against cities. **xviii** The domination of state governments by rural interests was a longstanding problem for urban areas but when suburban power in state legislatures grew in the 1960s, the position of the cities did not improve. Despite persistent efforts, these school districts were unable to persuade rural and suburban legislators to increase aid to their needy students. Legal challenges to these arrangements in the Supreme Court failed. In 1973, the Court refused to make differences in spending across school districts a constitutional issue, declaring that education was not a fundamental right. As desirable as more equal spending across districts might be, it could not trump the value of local control inherent in the use of property taxes to fund the schools. **xxix**

Thus, key features of primary and secondary education continued to rest heavily on local prerogatives despite decades of unprecedented legal action and increased state involvement with education. Local control, which made the politics of education relatively uncontentious, also meant racial exclusion and sorting along income lines. When local control faced challenges, white Americans across the class spectrum fought to maintain the arrangements that created an exclusive and internally stratified middle class.

In higher education, the politics of sorting and exclusion was conducted in more insulated arenas, guided by professional recommendations rather than public demands. This insulation allowed for the creation of extensive sorting mechanisms that initially attracted little public disapproval. It also facilitated the creation of mechanisms-notably affirmative action--that promoted a limited degree of racial inclusion.

In fact, even in the most generous and activist states, the postwar social contract to provide higher education remained conditional. The equalizing impact of the tremendous expansion of higher education was tempered by the diffusion of mechanisms for differentiating and sorting this newly enlarged group of students. Community colleges, two-year institutions formerly known as junior colleges, played a central role in this sorting process. California's 1960 Master Plan provided an influential model for other state systems of higher education. Seeking to preserve the high ranking of the state university system, the plan looked to the expansion of community colleges as "the first line of defense for the University of California as an institution of international academic renown." California's three-tiered system of higher education further buffered the university with a middle layer of state colleges offering four-year degrees. No other state followed such a strict hierarchy in its public system but state politicians everywhere saw community colleges as a way to meet the new demands for higher education and at the same time to limit spending. XXXXI

Originally middle-class institutions, community colleges became disproportionately populated by students from lower-middle-class and working-class backgrounds in the 1950s and 1960s. The majority of those entering community colleges planned to use them as gateways to gain a bachelor's degree rather than as terminal vocational programs. But the impact of attending community colleges for these students was double-edged: studies showed that community colleges drew more lower income students into higher education but also channeled these students away from four-year colleges. **xxxii**

By 1970, the growth of public four-year colleges and public universities had made enrollment in some form of higher education a reliable expectation for a growing middle class. The differentiation within the system of higher

xxviii See Philip Meranto, *School Politics in the Metropolis* (Columbus Ohio: Charles E. Merrill Publishing Company, 1970), chapter 5.

xxix San Antonio v. Rodriguez 411 U.S. 980.

xxx Cited in Brint and Karabel, *The Diverted Dream*, 87.

xxxi Kevin J. Dougherty, *The Contradictory College: The Conflicting Origins, Impacts, and Futures of the Community College* (Albany: State University of New York Press, 1994), 167-68.

xxxii See the evaluation of the evidence about the impact of community college attendance in Dougherty, *The Contradictory College*, 49-61; Brint and Karabel, *The Diverted Dream*, 90-92.

education, the continuing low levels of enrollment among the poor and especially minorities, and the lopsided federal and state spending on more elite schools underscored the limits of the egalitarian impulse behind the expansion of higher education. Yet, there was little public challenge to these new arrangements. Expansion meant that the availability of new educational opportunities deflected much of the concern about this differentiation. Moreover, sorting was hard to challenge because it was justified by the extensive use of testing, whose postwar history Nicholas Lemann chronicles so well in The Big Test. Lemann notes growing public misgivings about testing as the central sorting device as early as the 1970s. However, little came of such doubts: testing experts and their allies in higher education bureaucracies had constructed an insulated domain clothed in elaborate scientific justification. Politicians, who may have preferred more open systems, did little to challenge sorting arrangements, which educators defended as essential to the health of the state systems of higher education.

The political insulation of the admissions process allowed universities to develop affirmative action as a mechanism for racial inclusion. In both private colleges and public systems of higher education, affirmative action became the means to facilitate enrollment of underrepresented minority students whose test scores alone would not qualify them for admission. The widespread practice of affirmative action in university admissions was a critical element in the creation of the black middle class. Long barred by racial discrimination from many high wage blue collar trade unions and often relegated to inferior jobs when they were admitted into unions, black workers without a college education were far less likely to enjoy the high incomes that helped to blur the class lines between blue and white collar whites. Together with the public sector jobs that opened up after the civil rights movement, access to higher education became the main route for black Americans seeking entry to the middle class. Yet affirmative action fit uneasily within the sorting mechanisms that had been developed since the war. As Lemann puts it, the inherent contradiction between the meritocratic system of testing and affirmative action was a "national conflict waiting to happen." XXXXVII

The institutional contexts in which educational decisions were made, thus, crucially shaped the way education intersected with the broad middle class. The localism of primary and secondary education ensured racial exclusion and income stratification in middle class education. But the homogeneity within suburban school districts also limited conflict over school spending. Mobilization of educational lobbies, especially teachers' unions, meant that states would supplement local spending, although not correct fiscal inequities. The combination of expansion and insulation in higher education created enhanced opportunity that was combined with sorting and a measure of racial inclusion. Played out against an economic backdrop in which the advantages conferred by education were limited, these arrangements provided a formula for producing a distinctively American middle class. This was a mostly white expansive but internally- stratified middle class, whose reproduction depended on the limited wage differentials between college and noncollege-educated workers.

II. The Erosion of Middle Class and the Politics of Education in the Post Civil Rights Era

The economic and political conditions that produced the postwar middle class shifted in the 1980s. New economic conditions highlighted the sorting functions of education as a college diploma came to define the line between a prosperous upper middle class and an array of much less secure groups below. The political context

xxxiii William H. Sewell, Inequality of Opportunity for Higher Education," *American Sociological Review* 36 (Oct. 1971): 793-809; W. Lee Hansen and Burton Weisbrod, "The Distribution of Costs and Direct Benefits of Public Higher Education: The Case of California," *Journal of Human Resources* 4 (Spring 1969): 176-191; Christopher Jencks et al., *Inequality* (New York: Harper Colophon Books, 1972).

xxxiv Lemann, The Big Test.

xxxv On exclusion and the job markets that black workers faced see Jill Quadagno, *The Color of Welfare: How Racism Undermined the War on Poverty* (New York: Oxford University Press, 1994), chapter X and Thomas J. Sugrue, *The Origins of the Urban Crisis* (Princeton, N.J.:Princeton University Press, 1996), chapter 4.

xxxvi Michael K. Brown and Steven P. Erie, "Blacks and the Legacy of the Great Society: The Economic and Political Impact of Federal Social Policy," *Public Policy* 29 (Summer 1981), 299-330.

xxxvii Lemann, The Big Test, 164.

favorable to the education boom in the postwar era likewise eroded: developments in federalism dislodged education from its preeminent position in state politics and a more diverse age profile weakened support for schooling in the suburbs. At the same time, ongoing challenges to racial exclusion and income sorting created a more contentious politics of education.

The Growing Educational Divide

In his famous 1949 lecture on "Citizenship and Social Class," British sociologist T. H. Marshall described the expansion of education in postwar Britain as part of a project to create social rights that would shrink the entire edifice of social inequality. Yet Marshall recognized that education was double-edged: although it might sweep away older patterns of class privilege, education would create new inequalities as it sorted students according to ability. Marshall hoped that these inequalities too could be tamed by an array of new social rights that were now the badge of common citizenship in the British welfare state. In the postwar United States, the inequalities caused by education were tamed, not by the common benefits of the welfare state, but by a market economy that put middle class lifestyles within reach of less skilled as well as college educated workers. As these market conditions collapsed in the 1980s, the broad middle class began to pull apart and education's relationship to the middle class became much more complex.

The economic conditions that created the broad middle class began to unravel in the 1970s when average wage growth first slowed; it remained stagnant for the next three decades. During the 1970s, when the difference between white and blue-collar wages were smaller, a college degree education offered no guaranteed escape from the economic doldrums. Harvard economist Richard Freeman's 1976 book The Overeducated American provided statistical evidence to complement widespread anecdotes about college graduates driving taxis. **xxix** But in the 1980s, the wage structure widened, and education began to play a much greater role in determining earnings than it had in the immediate postwar decades. For male workers, the income differential between a high school and a college education was now substantial. The 45 percent of the workforce that had no education beyond high school no longer shared the same future prospects as those who had attended college. **In the place of the broad postwar middle class that combined high school and college graduates, a class structure fractured along educational lines began to emerge.

The "college premium," the average amount a college graduate earns over a noncollege educated worker, was 31 percent in 1979 before rapid wage dispersal began. By 1993, the college premium had grown to 53 percent. This difference was driven primarily by the decline in wages of less educated workers. Technological change, increased international trade, and the decline of unions all played a role in reducing the wages of less-educated workers. Between 1979 and 1994, college graduates saw their real weekly earnings rise by 5 percent; by contrast the real weekly earnings of high school graduates declined by 20 percent. Moreover, this divide grew even as the percent of the labor force with a college degree increased from 22 percent in 1979 to 29 percent in 1994. Economist Frank Levy aptly describes the contemporary United States as "a country where an opportunity society and a class society coexist within the same borders." Whiii

xxxviii T.H. Marshall, "Social Class and Citizenship," *Class, Citizenship, and Social Development* (New York: Doubleday and Co., 1964), 96-97.

xl See Frank Levy, *The New Dollars and Dreams: American Incomes and Economic Change* (New York: Russell Sage Foundation, 1998), esp. 190-191.

xxxix Richard B. Freeman, *The Overeducated American* (New York: Academic Press, 1976).

xli For a review of arguments about the causes of growing inequality see Peter Gottschalk and Timothy M. Smeeding "Cross-National Comparisons of Earnings and Income Inequality," *Journal of Economic Literature* 35 (June 1997): 646-51.

xlii Peter Gottschalk, "Inequality, Income Growth, and Mobility: The Basic Facts," *Journal of Economic Perspectives* 11 (Spring 1997): 30.

Levy, *The New Dollars and Dreams*, 190-91; the picture is complicated further by the fact that within group inequality also increased: among groups with similar levels of education, inequality rose between 1979 and 1994.

The Contentious Politics of Education

As the economic stakes getting of a college degree rose, education became even more important for reaching middle class status. Yet, the political conditions that had fostered the postwar expansion of education were substantially altered by the 1980s. Developments in both federalism and localism attenuated support for spending on education at all levels. The combination of weaker political backing and increased salience of education threatened the tenuous postwar recipe of access, sorting, and affirmative action in higher education. In primary and secondary schooling, political weakness and ongoing efforts to reduce exclusion and sorting threatened to bring down the entire structure of postwar schooling.

The growing social and economic divergence among educated and less educated workers could be tempered by the assurance that higher education was widely available. Yet, throughout the 1980s and 1990s, increases in college costs and restrictions on financial assistance made college less, not more, accessible to lower income Americans. In the 1980s, President Ronald Reagan's administration tightened the terms of federal loan and grant assistance and reduced federal lending. Nor did states pick up the slack: in the 1980s and 90s states were reluctant to pour resources into education as they had done thirty years earlier. Total public spending on higher education since 1976 has just kept pace with inflation but the cost per student has risen by 40 percent. **Iiv** The result has been higher tuition and fees. On average, states increased tuition and fees doubled between 1976 and 1995. In some states, increases were steeper. By the late 1990s, tuition in California's public colleges and universities was four times higher than it had been twenty years earlier. **Iv** Although private giving to higher education has doubled in the same time period, it has not made up the difference. Private giving still accounts for the same proportion (8 percent) of overall spending on higher education as it did twenty years ago. Private charitable giving, moreover, disproportionately goes to private, relatively elite institutions. **Ivi**

To understand why education, a broadly popular public program from which state leaders once reaped substantial political benefits, languished requires examining the development of federalism and particularly the political consequences of the decentralization that began in the 1970s. As states took on more responsibilities and faced new claims on their resources, education lost its preeminent position in state capitals. In contrast to the 1960s when advocates of education spending faced little competition, in the 1980s, demands on state budgets multiplied. In Washington, the stand-off between a Republican President and a Democratic Congress throughout the decade meant an increase in mandated state responsibility. Unable to boost federal social spending to their satisfaction, congressional Democrats enacted regulations that required states to expand their own spending on federal-state social programs, such as Medicaid, medical assistance for the indigent. State budgets reflected the new pressure: Average state spending on education peaked at 40 percent of general expenditures in 1970; the nearest competitor, public welfare, comprised 16 percent of state spending in that year. By 1996, education had fallen to 33 percent of state spending and public welfare had risen to 23 percent. xivii

In addition to the expansion of claims on state resources, state spending on education suffered from the tax revolt that began with California's Proposition 13 in 1978. State political leaders across the country took the anti-tax message to heart. The political success of the anti-tax movement underscored changes in the economic conditions that confronted the middle class in the 1970s. Since the 1950s, to be middle class in the United States meant to be a

xlivRoger Benjamin and Stephen J. Carroll, *Breaking the Social Contract: The Fiscal Crisis in Higher Education* (Council for Aid to Education, 1998), http://www.rand.org/publications/CAE/CAE100/index.html, accessed July 3, 2000.

xlv Roger Benjamin and Stephen J. Carroll, *Breaking the Social Contract: The Fiscal Crisis in California Higher Education* (Santa Monica, CA: Council for Aid to Education, an independent subsidiary of RAND, 1998), 17.

xlvi Benjamin and Carroll, *Breaking the Social Contract: The Fiscal Crisis in Higher Education*, http://www.rand.org/publications/CAE/CAE100/index.html, accessed July 3, 2000

xlvii On state spending see Richard F. Winters, "The Politics of Taxing and Spending," *Politics in the American States*, 7th edition, ed. Virginia Gray, Russell L.Hanson, and Herbert Jacob (Washington D.C.: Congressional Quarterly Press, 1999), 323.

homeowner. Yet homeowners faced acute economic strains in the 1970s; escalating property taxes in a context of inflation and slow growth provided the immediate impetus to the passage of Proposition 13. xlviii Since then education has vied with tax cuts--and has often lost--as the policy most likely to win middle class votes. Throughout the economic boom of the late 1990s, state politicians continued to cut taxes even in the absence of vocal anti-tax movements.

The appearance of new claimants for state funds exacerbated these trends. Policies that promised to appeal to those already in the middle class were the strongest contenders: most prominent among these was spending related to crime and prisons. Rising crime rates coupled with increasingly strict sentencing practices made corrections the fastest rising component of state spending in many states during the 1990s. In some states, including California, once the leader in access to higher education, expenditures for prisons began to rival those for higher education. xlix

The new pressures on spending have forced even the most generous states to reconsider their promise to provide access to all state residents who can benefit from higher education. Tuition and fee increases created new barriers to students from low-income families. As resources have become more constrained, state university systems increasingly confront the tension between providing high quality education and promoting broad access. Many states have continued to support their most prestigious flagship universities at the expense of other parts of the state university system. Less hierarchical public systems, such as the State University of New York, now faced a choice between "access and quality education." Although New York state legislators resisted efforts to move to an explicitly more stratified system, tuition and fee hikes effectively limited access.

The interaction between reduced access to higher education and a sharper income divide based on education presents a potent threat to mobility, one of the central underpinnings of the postwar middle class. It also intensifies the competition for access to higher education. One of the causalities of intensified competition is affirmative action in college admissions: once insulated from public scrutiny, admissions criteria in public universities across the country have faced challenge. Eliminated by public referendum in California in 1996 and restricted by judicial decisions in several other states, the ability of affirmative action to open the doors of the upper middle class to under represented minorities has been reduced, although not completely abandoned. If The reduction of affirmative action raises questions for the continued vitality of the black middle class, as significant sector of which has only a precarious hold on middle class status. lii Middle Class (Chicago: University of Chicago Press, 1999). The challenge of preserving access to higher education and the mobility it creates is made all the more acute by the large wave of new enrollments that confront systems of public higher education in the next decade. In many states, including the largest state systems in California, Texas, and New York, a significant portion of the new students seeking enrollment are the children of immigrants from Latin America and Asia who came to the United States in large numbers during the 1980s. The intersection of low income, ethnic distinctions, and reduced access to higher education presents policy makers with a challenge, that if left unaddressed, threatens to recreate enduring economic and social divisions that postwar America had prided itself on subduing.

In primary and secondary education, challenges to the features of localism that predominated during the postwar decades promise to alter the relationship between education and the middle class but the direction of change

xlviii Peter Schrag, Paradise Lost: California's Experience, America's Future (The New Press, 1998), 133-39.

xlix In 1998, California spent 8.5 percent of its general fund on corrections and 12.9 on higher education; in 1970, corrections had 4 percent of the general fund and 14 percent on higher education, see Schrag, *Paradise Lost*, 95.

¹ Stephens Report, quoted in Steck, "How Good and How Large a State University?," 287.

^{li} On affirmative action see Lemann, *The Big Test*, Lydia Chavez, *The Color Bind : California's Battle to End Affirmative Action* (Berkeley:University of California Press, 1998) William G. Bowen and Derek C. Bok, *The Shape of the River: Long-term Consequences of Considering Race in College and University Admissions* (Princeton, N.J. Princeton University Press, 1998).

iii See Mary Pattillo-McCoy, Black Picket Fences: Privilege and Peril among the Black

and ultimate impact on the middle class are far from clear. The fiscal inequities created by local school finance have been an ongoing target of reform. Although the federal Supreme Court declined to address this issue in 1973, law suits in thirty states sought to obtain more equal spending across districts. In the sixteen states where these suits were successful, the stratification of spending characteristic of American education has been tempered, although not eliminated. The long battles over such measures, their limited implementation, and their modest success testifies to the endurance of the local system of primary and secondary education finance. The imperviousness of most white suburban political jurisdictions to racial integration further underscores the political strength of the exclusionary and stratifying arrangements that govern primary and secondary education. Support for these arrangements is reflected in the stable rates of public school attendance -- hovering around 89 percent for the past four decades. The continuing division of suburban jurisdictions along income and racial lines will facilitate the emerging pattern of stratification in which an upper middle class with superior education pulls apart the broad middle class.

Changes in the social geography of suburbs, however, suggests that localism may no longer provide the same support for educational spending that it once did. Most significant is the changing age profile of the suburbs-and of the voting population more broadly. Analysis of state spending on education over time demonstrates that the percent of the population over 65 exercises a significant negative effect on state and local spending. Vi Such effects are strongest when the racial composition of the school age population differs from that of the elderly voters. This is a particularly ominous trend for the large economically vibrant states where the proportion of immigrants in the school age population has grown in recent decades. In California, for example, non-Latino whites are a declining percent of the school population, dropping from 53.7 percent in 1986 to 39.5 percent in 1996. Viii Analyses of support for school bonds reveal similarly negative effects of an aging population for local spending on education. Support for school bonds was at its highest in the early 1960s, when 72 percent of school bonds passed; since the early 1970s, support has hovered at around 50 percent.

The greatest threat to the existing system of public education comes from those who experienced its worst features. African-Americans, who had been largely relegated to inferior urban schools, have lent limited but strategically essential support for dismantling the entire system of public education. The abysmal minority experience with the segmented system of public education has made some inner-city African Americans receptive to replacing the current district-based system of educational provision with school vouchers. Such a system would provide each child with a voucher to attend the school of their choice, rather than being assigned to a particular

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hiii For an overview of contemporary state school finance and equity issues see Wong, Funding Public Schools, 57-58 and 71-90. For descriptions and analyses of these state activities see William N. Evans, Sheila E. Murray, and Robert Schwab, "Schoolhouses, Courthouses, and Statehouses After Serrano," Journal of Policy Analysis and Management 16 (1997): 10-31; Douglas S. Reed, "Twenty-five Years After Rodriguez: School Finance Litigation and the Impact of the New Judicial Federalism," Law and Society Review 32 (1998): 175-220. There is evidence that where the courts have ordered radical equalization that infringes on local spending prerogatives, lower spending and flight to private education is the result. See Caroline M. Hoxby, "All School Finance Equalizations are Not Created Equal," (mss. Harvard University Department of Economics)

http://www.economics.harvard.edu/faculty/hoxby/papers.html, accessed June 1, 2000.

liv There are exceptions: a handful of racially changing suburbs experienced sharp conflicts over school desegregation in the 1980s and 1990s. See Jennifer Hochschild and Michael N. Daniels, "Can We Desegregate Public Schools and Subsidized Housing? Lessons from the Sorry History of Yonkers, New York," *Changing Urban Education* ed. Clarence N. Stone (Lawrence, Kansas: University Press of Kansas, 1998), 23-44.

^{lv} Digest of Education Statistics, 1999, table 3 http://nces.ed.gov/pubs2000/digest99, accessed June 1, 2000.

^{lvi} James Poterba, "Demographic Structure and the Political Economy of Public Education," *Journal of Policy Analysis and Management* 16 (1997): 49-57.

lvii National Center for Education Statistics, Digest of Educational Statistics, 1998 table 45. 60.

lviii Maris A. Vinovskis, *Education, Society, and Economic Opportunity* (New Haven, Conn.: Yale University Press, 1995), 198-99.

school. Moreover, voucher plans allow students to use public money to attend privately-run schools, thus ending the state monopoly on the provision of public education. Alliances of conservative Republicans and liberal African-Americans have been critical in enacting the only three publicly-funded voucher programs existing in 2000, in Milwaukee, Cleveland, and Florida. African American political support was critical to the political success of these initiatives: states and cities that attempted to enact vouchers without such support have failed. African American proponents of vouchers maintain that such radical change is the only way to challenge the poor education that has kept a third of the black population in poverty.

One of the key barriers to the spread of vouchers is teachers' unions. Still among the strongest lobbies in state politics, teachers' unions have blocked voucher proposals across the country. But their political position is not as strong as it once was. When the national educational agenda shifted to emphasize the quality of schools in 1983, teachers' unions became a favorite target of reformers. The voucher movement threatens to divide African Americans and teachers' unions, two constituencies that have traditionally joined to provide strong support for public education. On their own, teachers' unions are much more politically vulnerable to being portrayed as special interests working against the broad interest of American children, much as Meg Jacobs describes the attack on unions over inflation in the 1950s. Ixi

The impact of vouchers on the exclusions and stratifications of the postwar era depend entirely on how such programs are structured. At their best, they have the potential to offer new ladders into the middle class for excluded minorities, who under the present system are relegated to schools that present few such opportunities. At their worst, they will reduce political support for spending on schools as the main constituencies--in particular teachers unions--that have supported such spending are weakened. Depending on their design, educational voucher programs may also exacerbate the emerging divisions within the middle class by allowing an upper middle class to use public funds to subsidize its further retreat from institutions that promote some income mixing. Voucher programs remain extremely limited and their legal future is still in doubt. Yet their growing political popularity reflects a major challenge to the political alliances and institutional arrangements that shaped primary and secondary education for the last half century.

Conclusion

With its links to culturally-approved ideals of reward for individual effort, public education in the United States expanded much earlier and at higher levels than in European countries, where social welfare provision played a much greater role in the lives of most citizens. In the decades after World War II, federal, state, and local governments all reaffirmed the national emphasis on education and extended it to higher education. As prosperity expanded the middle class, broader access to higher education affirmed its openness. The legacy of the racial caste system in the South and the racially-exclusionary pattern of postwar suburbanization in the North made entry into this expanded middle class via education much more accessible to whites than to blacks. After decades of failing to pry open the doors to the middle class life using anti-discrimination measures alone, African Americans achieved a measure of entry by the 1970s through affirmative action. A significant segment of black America, now trapped in northern cities as well as the rural South, found no toeholds onto the ladders leading to the middle class. Neither the market nor the educational system provided them with the rudiments of middle class life.

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lix Felicia Wong, "The Good Fight: Race, Politics, and Contemporary Urban School Reform," (Unpublished Ph.D. Dissertation, Department of Political Science, University of California, Berkeley, March, 2000); A 1998 poll found that 54 percent of African American parents thought vouchers were a good or excellent idea compared to 36 percent of white parents. See the data reported by Public Agenda at http://www.publicagenda.org/issues/nation_divided.cfm?issue_type=education; accessed June 1, 2000.

http://www.publicagenda.org/issues/nation_divided.chii:issue_type=education, accessed June 1, 2000.

^{lx} United States, National Commission on Excellence in Education, *A Nation At Risk: The Imperative for Educational Reform* (Washington D.C.: GPO, 1983).

^{lxi} See Kate Rousmaniere, "Teacher Unions in Popular Culture: Individualism and the Absence of Collectivity," *WorkingUSA* 3 (September-October 1999): 38-47.

Reaffirming the social contract with middle class Americans is much more complex today than in the postwar decades. The impact of the market and education on the middle class has been transformed. Because the market widens the gulf between educated and less-educated workers, education now plays a much more double-edged role than it once did. Education sorts even as it promotes mobility; today such sorting jeopardizes the expanded middle class as lines of internal class stratification threaten to become markers of new class boundaries.

What vision of education could stem the erosion of the middle class and address both enduring and emerging exclusions? Any effort to forge a new social contract with a large and open middle class must contain at least three core features. First, the American promise of providing second and third chances through education must be reinforced by making life-long learning a realistic possibility. This means not only supporting credible training systems but also offering living stipends for workers who engage in retraining. Second, public policy must acknowledge the connection between the quality of local school districts and access to higher education. The potent combination of racism and localism made this issue taboo throughout the postwar era. Some states, notably Texas, have begun to experiment with new university admissions criteria that guarantee access to students from all districts. Such new approaches, supplemented with infusions of resources to low-income school districts, provide only first steps toward tackling this most intractable problem of American education. Finally, education needs to be seen as only one among several key elements of a new social contract. Americans are easily tempted to believe that education can solve all social and economic problems. But, as we have seen, education played an important but limited role in creating the postwar middle class, distinctive labor market conditions reduced the economic significance of education. Today, as the market pulls educated and less educated workers apart, government has a much more important role to play in ensuring the basic security to all workers, including health care, income security, and access to opportunity.

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