Background. In the years after World War II, the number of students attending colleges and universities rose dramatically, and with that rise came an increase in the cost of higher education. By the mid-1950s, the rising cost of tuition was believed by many to be preventing many gifted students from pursuing a college degree and causing a great waste of the nation’s intellectual talent. During that time, a study by Dael Wolffe revealed that 38 percent of students in the top 2 percent of intelligence quotients were not pursuing a college education. In the midst of the Cold War, concerns mounted that the United States was being surpassed by the U.S.S.R. in education efforts, particularly in science and engineering disciplines. In 1955, the Carnegie Corporation funded M.I.T. studies of science and engineering education in the U.S.S.R. Many in America perceived a need to promote college education among the nation’s brightest students to match the Cold War adversary.

Strategy. After studying the college admissions and funding environment for more than a year, the Ford Foundation, with the cooperation of the Carnegie Corporation, established the National Merit Scholarship Corporation (NMSC). In 1955, the Ford Foundation gave an initial grant of $20 million to NMSC. Of the $20 million, $8 million was a match to draw business and corporate contributions to a general scholarship fund, $1 million a year for ten years was for scholarship funding, and $2 million supported administrative expenses. The Carnegie Corporation supplemented Ford’s gift with a $500,000 grant to fund administrative costs for the first five years of NMSC’s operation. To ensure a smooth beginning, the NMSC tapped John Stalnaker as its founding president. In the late 1940s, Stalnaker had been responsible for establishing and administering the Pepsi-Cola Scholarship Board at Stanford University, and he drew from his experience at Stanford as he coordinated the larger NMSC program.

Since its inception, the objectives of the NMSC have remained the same: identify and honor high school students with great promise for collegiate success, stimulate increased financial support to help fund those students’ educations, and provide administrative support to other scholarship organizations.

Impact. The NMSC has enjoyed broad success in achieving its objectives. Its talent search began with a nation-wide scope, involving 25,000 high schools in the first year of the program. Out of the 60,000 students that participated, 525 students were named to the first class of National Merit Scholars and received a scholarship based on demonstrated need. Four years later, 80 percent of the first class of National Merit Scholars had graduated college, and three out of four were pursuing graduate or professional studies in their fifth year. By the tenth year of the program, more than 11,000 scholarships had been awarded. Since 1955, NMSC has provided scholarships to 300,000 students worth over $1.1 billion. Furthermore, the National Merit Scholarship awards have developed a brand for academic excellence widely acknowledged throughout the country’s higher education institutions. Many institutions compete for National Merit Scholars and pride themselves on the number of such students they enroll each year.

One of the NMSC’s great successes was its ability to attract corporate, institutional, and individual donations and sponsorships of the scholarships it offered. Corporations or other entities interested in offering scholarships but unwilling to conduct and administer a full-scale scholarship search could sponsor NMSC scholarships without the hassle or added cost of marketing a separate scholarship program and judging applications. The Sears-Roebuck Foundation and Time, Inc. both
acknowledged the benefits of sponsoring scholarships through NMSC and were charter contributors. “In 1957, Standard Oil and I.B.M. joined the NMSC as corporate sponsors.” The A.F.L. C.I.O. sponsored six scholarships in 1959. “In 1965, the tenth year of the scholarship program, the NMSC attracted 270 sponsors. “By 2004, 273 business organizations sponsored almost 10 percent of the National Merit Scholarships in addition to more than 2,000 targeted scholarships provided through the NMSC to children of donor employees, students in the geographic area of the donor, or students whose particular course of study the donor wished to encourage.”

Notes

423. Ibid., 153.