



Postcard from New York: The \$68,000 question (per year): Is college worth it?

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NEW YORK — “Is college worth it?” ask TIME magazine, Slate.com, the Gallup Business Journal, the PayScale Salary Report, Forbes Magazine, Johns Hopkins Medicine, the Pew Research Center, The Los Angeles Times, U.S. News & World Report, and the Huffington Post, among many others in recent weeks, as the cost of a four-year degree in this country bubbles out of sight. Now I pose the same question, brunching with my ex-wife’s 19-year-old daughter and her dad and step-mom at a diner on Broadway.

It is a gorgeous Manhattan morning. Across the street is the Union Square Greenmarket, brimming with overpriced provender. Five blocks south is the threadbare old hotel, repurposed as a student residence, where this Idaho girl has spent her freshman winter in a lower bunk, sharing with two other first-year students a sink, a closet, a cluster of desks, and the electrifying, terrifying experience of being alone in the dark, bright city.

For this, our Hannah and her classmates at New York University’s Tisch School of the Arts – alma mater of Lady Gaga, Philip Seymour Hoffman, Spike Lee and Adam Sandler, plus hundreds of other luminaries of screen and stage – are paying \$68,000 US per year, which may be the highest price of any undergraduate institution in the Western Hemisphere.

Sixty-eight thousand dollars, much of it borrowed, is no small sum for a dreamer not yet 20, especially when multiplied by four to equal the bachelor’s degree that Hannah seeks. She’ll come away with a mortgage-worth of debt if she sticks this out until 2017 and doesn’t land a starring role in *Wicked* or *If/Then* the day after graduation.

“Is college worth it?” I ask her now, with Year One’s end in sight.

“I think it depends on the degree and the price you’re paying and how much money you had to begin with,” she answers. “It’s such a societal thing to have a degree that I feel that I have to, but I’ve learned a lot.”

“Have they taught you how to act?” I wonder.

“The first year, you mostly learn how to get in touch with your inner self,” the ingénue answers. “Acting comes after.”

In the United States, it is estimated that a person who holds a four-year degree will earn about \$1 million more over the course of his or her career than someone with only a high school diploma. Seventy per cent of that differential is attributable to the fourth and final college year. This is the much-debated Sheepskin Effect, a U.S. college's weapon of mass instruction in the war for the brightest young minds from the wealthiest families.

Or, as my neighbour's cousin — a recent graduate in therapeutic dietetics of Tufts University in Massachusetts — explains it when I ask her if college is “worth it”: “Without that piece of paper, nobody will take me seriously.”

But some experts argue that the Sheepskin Effect is a national delusion.

“In real life, when do college grads use history, literature, foreign languages, or even higher mathematics?” muses Prof. Brian Caplan of George Mason University in Virginia at a seminar at the libertarian Cato Institute in Washington. “Students seek out easy A's. And the fact that you've forgotten stuff you're never going to use again — you don't care, and employers don't care.”

“The labour market rewards college degrees because graduation signals PRE-EXISTING intelligence, conscientiousness, and conformity,” he says. “College graduates typically ARRIVE on campus with big labour-market advantages. They were generally smarter BEFORE they arrived. It's a wasteful 'arms race.' The more education other people get, the more YOU need to avoid looking like a loser.”

Hence the frenetic competition to get into Harvard, whose most recent grads earned an average starting salary of \$55,000.

This sounds splendid, until you discover that graduates of the South Dakota School of Mines and Technology started at \$62,400. Or study a Gallup poll that reveals that, “for the most part, there's no significant difference in levels of life satisfaction between graduates of garden-variety colleges and graduates of prestigious colleges.”

Meanwhile, reports The Los Angeles Times, U.S. college graduates under 40 owe a median debt of \$137,010. Their net worth, says the Pew Center, is a measly \$8,700, or just enough to buy a 2003 Toyota Avalon with 149,669 kilometres on it.

On the other hand, Johns Hopkins Medicine has discovered that college graduates are seven times more likely than people with only a high-school education to recover from a traumatic brain injury with no measurable symptoms a year later.

Then comes an email from Hannah's father, Jim, back in Boise, a few days after our brunch on Union Square.

“I can't help wonder if it is driven by an honest search for talent and long term potential,” he writes, “or by a fiscal analysis of a student who is paying the bills, because they don't want to lose a good revenue source.”

“College is worth many things — contacts, employment, growth, etc. It is NOT worth loading up on so much debt that you can't live afterwards. But how do you explain that to someone who as yet has no concept of debt and living?”

