



## OUTSOURCING

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OPINION

### The State University of Outsourcing



By Andrea Belz  
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The possibility of students abandoning plans for graduate school is discouraging -- particularly if they're leaving the science and engineering fields. However, that's just what a new wrinkle in outsourcing may lead to. Universities increasingly are turning to well-credentialed stay-at-home moms in India to grade undergraduate work -- a job teaching assistants used to depend on to help pay their way through grad school.

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Modern "American dream" stories often start with a romantic phase: A young couple struggles through graduate school, starving on measly stipends covering ramen noodles and cheap wine. Unfortunately, that story is about to disappear, following American manufacturing jobs. College professors are now outsourcing grading, *The Chronicle of Higher Education* [reported](#) in April.

Teaching assistants (TAs) have provided that service for generations, but now it is going overseas. Recession-hit universities get even better deals outsourcing than they did with notoriously underpaid graduate students. Now, this work often ends up in the hands of credentialed Indian stay-at-home moms eager to work part-time.

What does this mean for the future of education? The ecosystem in many large research universities was based on the institutional need for cheap ways to supplement undergraduate teaching; thus department budgets rested on graduate students who had already received training in the lower-level courses. More advanced graduate students could grade for higher-level classes.

In the sciences, department operating funds paid graduate students while they completed years

of coursework; usually, doctoral students then eventually transitioned to receiving stipends from a professor's research grants. In the humanities, the TA phase could extend even longer as students toiled away on their theses.

### **Nasty Side Effect to Student Loans**

If the wave of outsourcing grading continues -- and there is no reason to suppose that it won't - college graduates considering further education will face four options: 1) compete for research funding earlier; 2) work outside the university; 3) obtain loans to complete their educations; 4) abandon graduate school.

The first item is clearly attractive from the student's perspective, although the principal researcher benefits only slightly from sponsoring a student who contributes minimally to the research progress. Working outside the university is often difficult for students carrying a full course load. The options only get worse: Obtaining a loan is not ideal for a student pursuing five to seven years of higher education, and abandoning the degree is clearly the least palatable option.

It is interesting to consider graduate students being forced to obtain student loans because many American students may already be carrying debt from undergraduate education. Here's a nasty side effect: Student aid, particularly in the form of Pell Grants, [fuels tuition inflation](#), according to Neal McCluskey, associate director of the [Cato Institute's](#) Center for Educational Freedom, who has written extensively on the subject. Basically, free money always costs more in the end; didn't we recently call this "the housing crash"?

### **Losses to Science, Engineering**

The possibility of students abandoning plans for graduate school is even more discouraging to the U.S. as a nation -- particularly if they're leaving the science and engineering fields. There's a [staffing disaster in store for the aerospace industry](#) due to the shortage of trained young engineers, according to [Deloitte](#) Vice Chairman Tom Captain.

Will American and foreign-born students make the same decisions in funding graduate school? American students could conceivably opt for professional school if they are forced to take out loans anyway; on the other hand, perhaps foreign-born students would come to graduate school after all -- assuming they're not staying home at increasingly competitive foreign institutions.

In 2002, international students received nearly 20 percent of American doctorates in social sciences, 35 percent in physical sciences, and nearly 60 percent in engineering, [according to a Congressional study](#). Will Americans go to graduate school if they can't make ends meet as teaching assistants?

So let's recap the mess: Universities offer fewer TA positions because Indian stay-at-home moms are grading papers. Some students elect to apply for student aid instead, causing further

tuition inflation, while others pass on graduate school. Maybe American and foreign-born students make different choices, accelerating the shortage of American students entering the sciences. The hand that rocks the cradle in India may not rule the world -- but it certainly impacts it. [ECT](#)

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Outsourcing, of course, has made a big impact on the IT job market over the last few years, only it's sometimes called "managed services." Companies are still very nervous about hiring full-time talent. Security, however, is a tremendous place to be in IT right now. Companies want skills in forensics, biometrics, data leakage prevention, intrusion detection and compliance.

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