

Paying for College

Student debt, which until about a decade ago seldom got into the papers, seems to have become a public obsession. There is good reason for this. According to the U.S. Department of Education, tuition, fees and room and board for a public university have more than doubled since the mid-1980s. The figure for the 1985-86 school year was a modest \$8,600; in 2016, the figure was almost \$20,000. A bachelor's degree from a private school cost about \$20,000 back then, and now it is just over \$41,000. And numbers like that don't even consider the cost of professional training in law and medicine. The Institute for College Access and Success reports that average college debt for students graduating in 2018 was \$29,650; the same figure in 1996 was \$12,750. And the figure doesn't include the spending parents contribute to their children's education.

Apologies for another set of blinding statistics. Total student debt, incurred by about forty-five million Americans, is now estimated at \$1.5 trillion, most of it owed to the federal government. By 2018, according to Professor Caitlin Zaloom of Columbia University, the author of a newly published book on the subject, the U.S. government "had become the largest consumer lender in the United States." This is attributable to college loans. Banks, skittish about consumer lending and credit card debt, especially after the onset of the Great Recession, cut back student lending in 2010, though states and private lenders still participate in the student loan market. About 7.5 million students have defaulted on their loans, and another 2 million are seriously behind on their payments. (See the October 13 story by Tara Siegel Bernard in *The New York Times*.)

How to explain rising costs? There seem to be any number of reasons. The most obvious one is declining public support for education. State legislatures cut back funding in the years preceding the Great Recession, and in the period 2008-2012, public spending fell by a notable 24 percent. (State support has improved a bit in recent years, perhaps owing to the prosperity of the last decade, which may be the reason why student debt is rising more slowly than it had been.) The eagerness of schools to attract what they consider the best students is driving tuition higher as well. This has led to the equivalent of an arms race among colleges that includes remodeling dormitories and building athletic facilities that offer advanced and costly amenities. Lusting for star faculty, universities have poached big names from other schools by offering fat salaries. This may be affecting the cost of education as well. (In the past, universities were more willing to develop talent from within their departments.) High-salaried administrators that have been hired in recent years, especially in marketing, are also involved in the cost of education.

Education itself has become a business. Whether these institutions are public or private, for-profit or nonprofit, makes little difference. They have expanded their use of inexpensive, part-time instructors, raised fees, and pursued high rankings on the *U.S. News & World Report* survey of "best schools." This has often involved gaming the system. Hua Hsu of *The New Yorker*, reviewing Professor Zaloom's book, suggests that education has become costly simply because it can be: Universities have figured out that parents are willing to spend heavily on their

children, especially if the target is a prestigious school. Like any business, in other words, the schools charge what the market will bear. Asian students have complained recently of discrimination in admissions, but for years American schools recruited heavily in China and South Korea, precisely because international students pay higher tuition.

Published a few months ago, Caitlin Zaloom's book is *Indebted: How Families Make College Work at Any Cost*. She summarized her arguments in an essay in *The New York Times*. Her central concern is what she identifies as the "moral traps" that families fall into by funding, in part or in full, the cost of a college degree. By "moral traps," she means decisions that involve seemingly irreconcilable moral choices. "When their children are young," she writes, "the parents face an impossible trade-off between spending on their present family needs and saving for college." Music, theater, sports teams, tutoring, the ancillary expenses of high school education, may have to be abandoned to support children's years in college, but these can often add to young people's lives.

On beginning their junior year, if not sooner, high school students begin planning the university application process. When I attended high schools in the 1970s, few families agonized over the "right" place for their kids to receive an education. The major state schools were pretty much interchangeable, at least for the undergraduate years, and tuition seemed modest and reasonable nearly everywhere. Nowadays, many parents agonize over "finding the environment that best promises to help build a social network, generate life and career opportunities and allow young adults to discover who they are." In a hyper-competitive society obsessed with credentials, these aren't casual decisions anymore. The dilemma? "Parents must wager money today," writes Zaloom, "that their children's education will secure them a place in the middle class tomorrow." But in the process, parents making "huge investments in education. . . increase the risk of falling out of the middle class themselves."

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