Is College Worth It?

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Is College *Worth* It?
I. Questions about the question
   1) The question is problematic.
   2) What is its value? Or What is college for?

II. Some claims
   1) The cost of college blinds us to the ambiguity of the question

III. Some facts
   1) Costs
   2) Benefits

IV. A thought experiment
I. Questions about the question?

Is College **Worth** it?

What is the **value** of College?

What is College **for**?

Self-Development and the liberation from mere opinion and prejudice

Acquisition of negotiable professional or technocratic skills
II. Some Claims

(1) That there is a “natural” first understanding of “is college worth it?”

(2) That the “natural” first understanding is a return-on-investment-in-economic terms understanding

(3) That the material economic conditions of higher education (its cost to students and their parents) force that “natural” first understanding to the exclusion of all others

(4) That as a consequence there is presupposed a particular answer to the prior question – what is college for? – that has serious consequences for the nature and substantive content of undergraduate education
“Costs”
(1) Unpaid debt from student loans exceeds credit card debt and the national total is more than a trillion dollars.

(2) The federal government will make 184 billion dollars in profits from student loans over the next decade.

(3) National average for student debt in 2008 was $23,400 and in 2012, $29,400 (representing a 25% increase)

a. Public colleges average debt in 2008 was $20,450 and in 2012, $25,300 (a 25% increase)

b. Private non-profit average debt in 2008 was $28,2000 and in 2012, $32,300 (a 15% increase)

c. For profit colleges average debt in 2008 was $31,800 and in 2012, $39,980 (a 25% increase)
(4) The percentage, nationally, of students taking out loans in 2008 was 67% and in 2012, 71%

(5) The average student loan debt for students attending Pennsylvania colleges and universities in 2012 was $31,675, the third highest loan debt in the United States.

(6) The average total price of attending, both, public and private non-profit institutions (in inflation adjusted dollars) has increased every year since 2002 – US Dept of Educ figures

(7) In 2004, .9 million graduated with debt and in 2008, 1.1 million, and in 2012, 1.3 million

(8) Approximately 20% of the debt load of those graduating in 2012 was comprised of private loans
<table>
<thead>
<tr>
<th>College</th>
<th>Average Debt</th>
<th>Percentage of Graduates with Debt</th>
<th>Total Cost of Attendance</th>
<th>Net Price of the Degree</th>
<th>Average Income within 5 years of graduation</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Salle</td>
<td>$37,225</td>
<td>77%</td>
<td>$47,710</td>
<td>$157,601</td>
<td>$45,500</td>
</tr>
<tr>
<td>Princeton</td>
<td>$5,096</td>
<td>24%</td>
<td>$53,934</td>
<td>$146,215</td>
<td>$56,100</td>
</tr>
<tr>
<td>Harvard</td>
<td>$13,098</td>
<td>25%</td>
<td>$56,100</td>
<td>$181,221</td>
<td>$55,300</td>
</tr>
<tr>
<td>Davidson</td>
<td>$23,904</td>
<td>22%</td>
<td>$52,498</td>
<td>$165,141</td>
<td>$44,500</td>
</tr>
<tr>
<td>Temple</td>
<td>$33,500</td>
<td>76%</td>
<td>$30,006</td>
<td>$137,399</td>
<td>$44,200</td>
</tr>
<tr>
<td>Penn State</td>
<td>$35,100</td>
<td>66%</td>
<td>$31,000</td>
<td>$142,806</td>
<td>$50,600</td>
</tr>
</tbody>
</table>
“Benefits”
NPV = extra wages for having a degree – cost and time of going to college
Benefits of a College Degree

The number of years it takes to recoup the cost of a bachelor's degree earned in a given year, based on wage difference between those who did and didn't graduate.

Source: Federal Reserve Bank of New York | WSJ.com

http://blogs.wsj.com/economics/2014/09/02/a-college-degree-pays-off-far-faster-than-it-used-to/
Figure 1: Lifetime Earnings by Educational Attainment.

The College Payoff (Center of Education and the Workforce)
“When experts and journalists spend so much time talking about the limitations of education, they almost certainly are discouraging some teenagers from going to college and some adults from going back to earn degrees. (Those same experts and journalists are sending their own children to college and often obsessing over which one.) The decision not to attend college for fear that it’s a bad deal is among the most economically irrational decisions anybody could make in 2014.”
Earnings Overlap

In a surprising number of cases, people with less educational attainment earn more than those with more. This graphic represents just how much earnings overlap there is relative to workers with a Bachelor’s degree.

- 7.3% of those with a Bachelor’s degree earned less than the median earnings of those with a high school degree. This is less than the 14.3% of those with a high school degree who earned less than the median earnings of those with a Bachelor’s degree. Therefore, nearly 27% of all workers had earnings between the two levels.
- 25.2% of those with a Bachelor’s degree earned more than the median earnings of those with a high school degree. This is slightly less than the 28.2% of those with a high school degree who earned more than the median earnings of those with a Bachelor’s degree. Therefore, nearly 27% of all workers had earnings between the two levels.

How to read this chart: The size of the circle represents the number of workers in each group. The color of the circle represents the educational attainment of the workers. The amount of the circle that is colored represents the proportion of the population that the group represents. The size and color of the circles are proportional to the percentage of the population that they represent.
A thought experiment

Imagine a world in which the cost of a college education is not an issue.

That is, more specifically, imagine a world where you could graduate from college with no debt and without impoverishing your parents or yourself.

Would the question – is college worth it? – arise in such a world? And if it did arise, how would we understand the question? And what answer would we give? In such a world how would you be related to your own education? What would you demand of and from it? In such a world what would college be for?
Is College Worth it?

We need to think about this question.

We need to think about how we think about this question; and

think about what the consequences are of how we think about this question.
Deresiewicz, William (Excellent Sheep: The Miseducation of the American Elite)

(1) Return on Investment

“What’s the return on investment of college? What’s the return on investment of having children, spending time with friends, listening to music, reading a book? The things that are most worth doing are worth doing for their own sake. Anyone who tells you that the sole purpose of education is the acquisition of negotiable skills is attempting to reduce you to a productive employee at work, a gullible consumer in the market, and a docile subject of the state.”
Auxiliary Slides
“There are only two branches to this job: No. 1, make sure students are getting the most profound, life-changing, life-enhancing educational experience they can, and, No. 2, make sure that 100 years from now, whoever’s sitting in this chair will have the resources so he or she can do the exact same thing. That’s all. Everything else is noise.”

Edward B. Burger, Southwestern University
“Money, I want to suggest, is from a Psychoanalytic view, a way of thinking that we know what we are getting into, and, of course, a way of knowing what we are getting. We know what money is by what we know it can do for us.”

Quote from *The Analyst and the Bribe* by Adam Phillips -

http://reclaimdemocracy.org/powell_memo_lewis/