

Fall 9-10-2014

## Is College Worth It?

David J. Falcone PhD  
*La Salle University, falcone@lasalle.edu*

Joseph A. Volpe PhD  
*La Salle University, volpe@lasalle.edu*

Follow this and additional works at: <http://digitalcommons.lasalle.edu/explorercafe>



Part of the [Educational Sociology Commons](#), [Higher Education Commons](#), and the [Philosophy Commons](#)

---

### Recommended Citation

Falcone, David J. PhD and Volpe, Joseph A. PhD, "Is College Worth It?" (2014). *Explorer Café*. 21.  
<http://digitalcommons.lasalle.edu/explorercafe/21>

This Article is brought to you for free and open access by the Explorer Connection at La Salle University Digital Commons. It has been accepted for inclusion in Explorer Café by an authorized administrator of La Salle University Digital Commons. For more information, please contact [careyc@lasalle.edu](mailto:careyc@lasalle.edu).

Is College *Worth* It?

# Organization

## 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 \$28,200 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

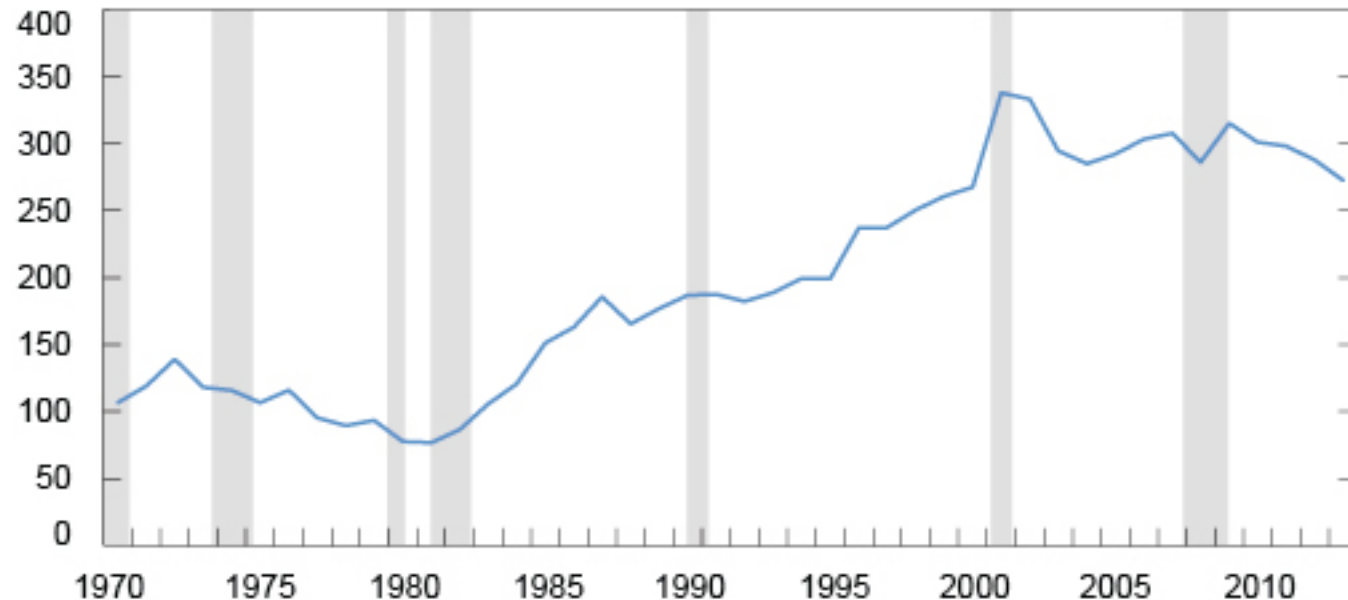


	Average Debt	Percentage of Graduates with Debt	Total Cost of Attendance	Net Price of the Degree	Average Income within 5 years of graduation
La Salle	\$37,225	77%	\$47,710	\$157,601	\$45,500
Princeton	\$5,096	24%	\$53,934	\$146,215	\$56,100
Harvard	\$13,098	25%	\$56,100	\$181,221	\$55,300
Davidson	\$23,904	22%	\$52,498	\$165,141	\$44,500
Temple	\$33,500	76%	\$30,006	\$137,399	\$44,200
Penn State	\$35,100	66%	\$31,000	\$142,806	\$50,600

“Benefits”

## Net Present Value of a Bachelor's Degree, 1970-2013

Thousands of dollars



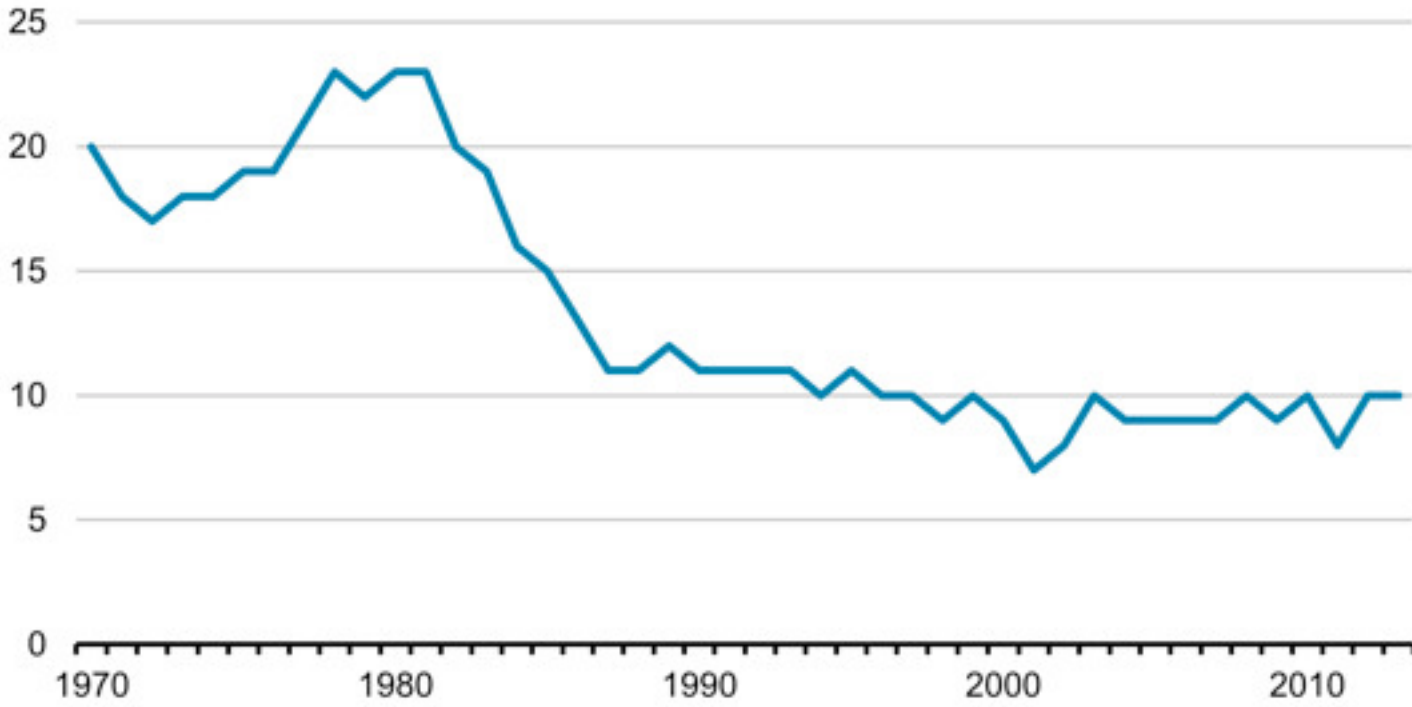
Sources: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey, March Supplement; U.S. Department of Education, Digest of Education Statistics 2012; The College Board, Trends in College Pricing 2013 and Trends in Student Aid 2013; U.S. Bureau of Labor Statistics, consumer price index.

Notes: Dollar figures are expressed in constant 2013 dollars. Shaded areas indicate periods designated recessions by the National Bureau of Economic Research.

NPV = extra wages for having a degree – cost and time of going to college

# Benefits of a College Degree

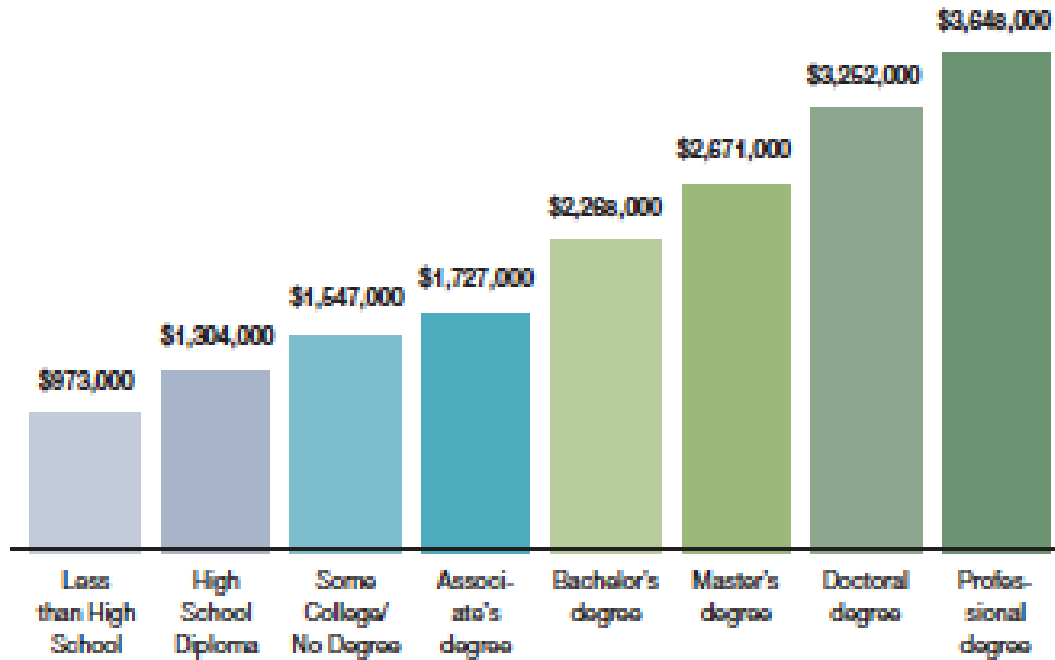
The number of years it takes to recoup the cost of a bachelor's degree earned in a given year, based on wage difference between those who did and didn't graduate



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

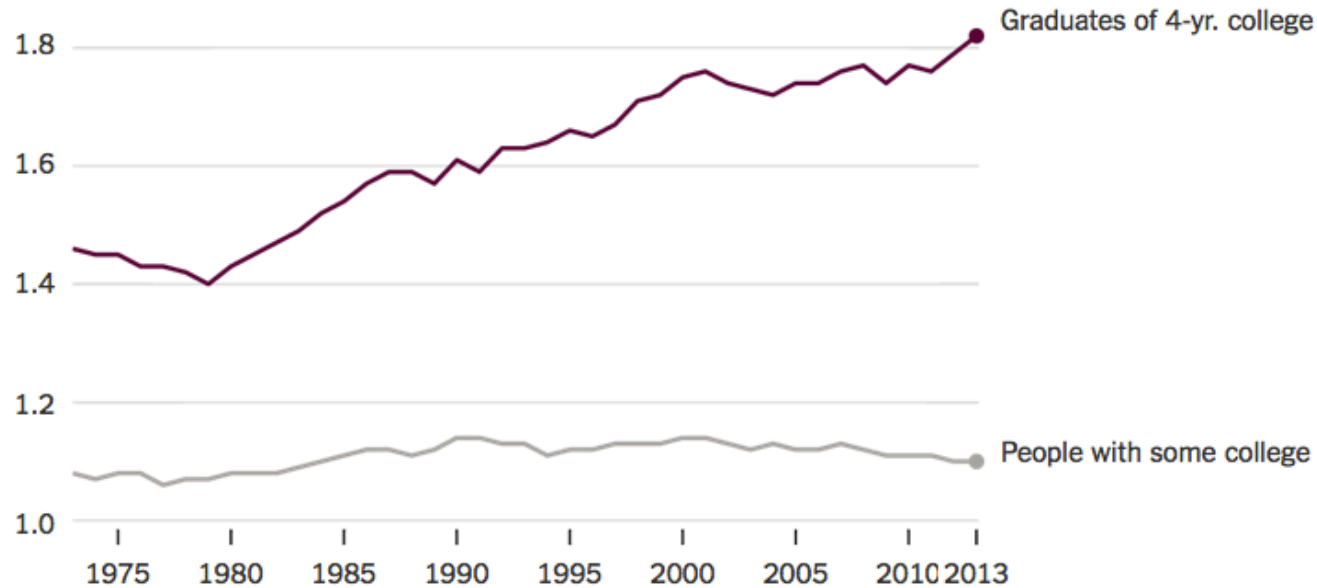
<http://blogs.wsj.com/economics/2014/09/02/a-college-degree-pays-off-far-faster-than-it-used-to/>

Figure 1: Lifetime Earnings by Educational Attainment.



*The College Payoff* (Center of Education and the Workforce)

### Ratio of average hourly pay, compared with pay of people with a high school degree



Labels reflect group's highest level of education. "Graduates of 4-year college," for instance, excludes people with graduate degrees.

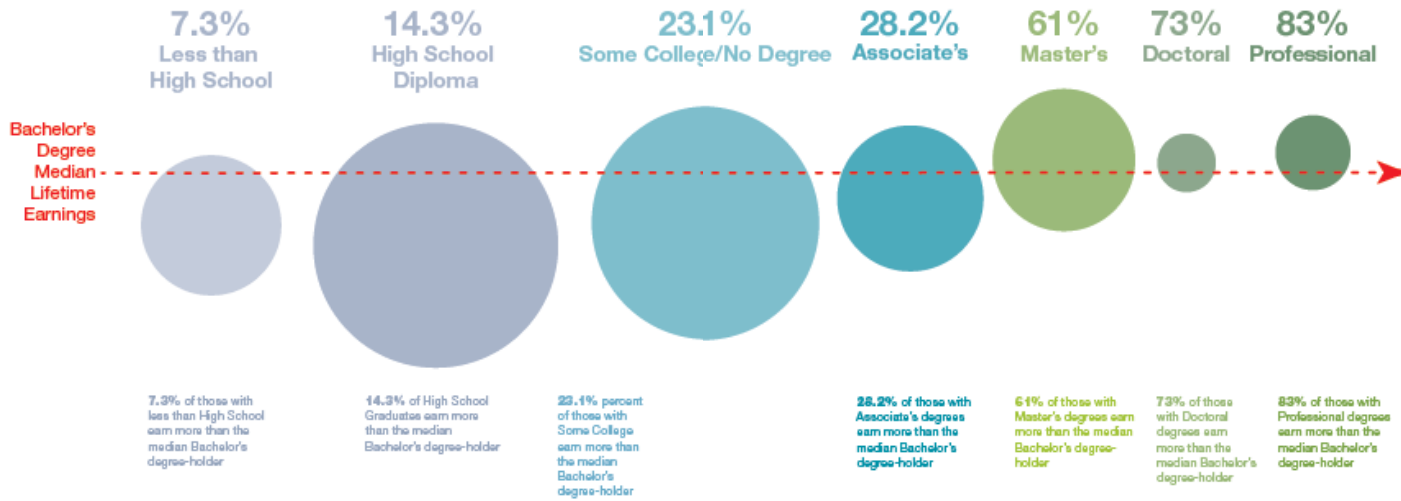
Source: New York Times analysis of Economic Policy Institute data

[David Leonhardt](#), NY Times

“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.



**How to read this chart:** This graphic shows the amount of earnings overlap based on educational attainment. The red dotted line represents the median earnings of Bachelor's degree-holders. The size of the each circle represents the number of people with each credential, and the amount that the circle is crossing the line represents the percentage of people with each credential that earn more than the median earnings for Bachelor's degree-holders. Therefore, about 7 percent of the less than high school diploma earn more than the median for Bachelor's degree-holders.

## 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 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/](http://reclaimdemocracy.org/powell_memo_lewis/)

<http://www.motherjones.com/mixed-media/2014/09/john-oliver-student-debt-crisis>