



GREETINGS FROM IUPUI

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Does higher education matter? Is it worth the cost?

In the wake of the longest recession since the Great Depression, these questions are swirling in the media, in public discourse, in the halls of government, and in academe.

Obviously, those of us who work in universities and have college degrees believe higher education matters, but how do we give an unbiased answer to students and families when they ask, "Is college worth the cost?"

We do it by going to the data.

The U.S. Department of Labor's Bureau of Labor Statistics last March published its latest "Education Pays" table. Based on 2011 data showing median weekly earnings for full-time wage and salary workers, compared with unemployment rates, and ranked by level of education attained by adults 25 and over, the statistics show that "education pays in higher earnings and lower unemployment rates"—even during the latest recession.

Comparing the median cumulative earnings of high school graduates to those of college graduates, research by the College Board Advocacy and Policy Center finds: "By about age 33 — after 11 years of work — higher earnings compensate not only for four years out of the labor force, but also for average tuition and fee payments at a public four-year university funded fully by student loans. The key point is that for the typical student, the investment pays off very well over the course of a lifetime — even considering the expense."

There will always be individuals who defy the data. People mention Bill Gates having been a Harvard dropout. Consider that both of Gates's parents were graduates of the University of Washington. His father had a law degree, and his mother served on a corporate board in the 1970s. They educated him well at a college preparatory school. Consider that he was talented enough to get into Harvard. He is an anomaly.

There are anecdotes about students who borrow too much and are unable to pay off loans because they can't get a job. In the throes of the recession, the unemployment rate for college graduates rose sharply, from 2.6% to 4.6%, between 2008 and 2009, but the unemployment rate for high school graduates rose from 5.7% to 9.7% at the same time. Further, data also show that those with less education tended to stay unemployed longer.

Favoring data over anecdotes, the odds are that most people who invested their time and financial resources in a college education fared better than those who did not — and will continue to do so throughout their lifetimes.

The benefit of a college education to an individual's quality of life and earning potential is clear when you look at the big picture. Continuing to hold that panoramic view, it's also important that a growing body of evidence points to the impact of higher education not only on workplace readiness, but also on other life skills and behaviors that benefit individuals as well as society. Education prepares people to be more adaptable to change and resourceful when facing obstacles. They are

more likely to take responsibility for their health, the community in which they live, and parenting their children in ways that improve their prospects in life.

In fact, numerous economic studies show that students — like underrepresented minorities, first-generation college goers, young people who have aged out of foster care, and others whose demographic, socioeconomic, and academic challenges make them likely to hesitate to invest in a college education — are well worth the investment in financial aid and academic support services. The more education they have, the more they improve conditions not only for themselves but for their families and communities.

Having a larger population of college graduates reverberates through the generations and society as a whole. College graduates tend to pay more in taxes (owing to higher income), while government tends to spend less on income support and health care for them and their families. Their children also tend to be better prepared for school than those of less educated parents. It's a new way to view the concept of paying it forward.

While different people will find different ways to find success in life, as a society, our goal should be to make sure that the most promising routes are universally available to all so that the choice and the opportunity to pursue higher education is there for everyone.

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