

Heaven's Gate

Will gaining admission to one of the nation's elite colleges guarantee a prosperous future -- or just a mountain of debt?

By Dante Chinni
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Every striver mother and father knows the rules when it comes time to shop for a college. These are so deeply embedded in the subconscious of affluent, highly educated parents that their wisdom is rarely questioned.

If your kid is bright enough, you shoot for the Ivies, Stanford or MIT. If those are out of reach, you aim your child at other prestigious private institutions -- Duke, the University of Chicago, Georgetown or some other brand-name, liberal arts college that doesn't let just anybody in the door. If all else fails, you might consider a top-ranked state university, but only as a last resort.

Money should be no object, not when it comes to something as important as your child's education. Paying those tuition bills may sabotage your ability to save for retirement or necessitate a second mortgage on your house. But, in the end, your goal should be to send your kid to the most exclusive, impressive option available. The payoff is obvious: In a society that likes to think of itself as a meritocracy, the Ivies and other selective private schools offer a shortcut to the top. They promise an instant pedigree, future wealth and an opportunity to mix with the country's next generation of movers and shakers.

But what if all those calculations and assumptions are wrong? What if all those Ivy graduates whose parents shelled out \$150,000 or even \$200,000 for their undergraduate degrees could have done just as well if they'd gone somewhere else? Somewhere much cheaper?

Research implies that is actually the case. According to these recent studies, when you do a cold, hard analysis -- removing family dreams and visions of class rings -- the Ivies and other elite private schools simply aren't worth the money. The answer isn't conclusive, and there are skeptics -- at the Ivies and elsewhere. But at the least, the research should give parents pause and prompt them to conduct a cost-benefit analysis before steering their child to an elite private college.

The Benefits

THE DEBATE ABOUT THE VALUE of an exclusive education is not new. For years, many people, particularly those at the high-end public universities (the public Ivies), have argued that the value of four years at an elite private school is overstated. The conventional wisdom on those schools is more the result of long-held impressions than actual results, they say.

In the late 1990s, two academics decided to measure whether those elite private schools really delivered on what they promised. Alan Krueger, an economist at Princeton, and Stacy Dale, a researcher with the Andrew Mellon Foundation, compared 1976 freshmen at 34 colleges -- from Yale, Stanford and Wellesley to Penn State and Miami University of Ohio. They separated out a subgroup of those freshmen who had applied to the same pool of elite colleges. They then took that subgroup, now full of elite and public school grads, and compared their wages in 1995.

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The findings? The income levels of these graduates were essentially the same, though very poor students seemed to get a slight benefit from an elite private education. For most students, there was no real post-college earning benefit gained from an elite undergraduate degree. The better predictor was where the students had applied.

"Essentially, what we found was the fact that you apply to those kinds of elite places means that you are ambitious, and you'll do well in life wherever you go to school," Dale says.

There is more to college than future earnings, Dale acknowledges, but measuring such things as life or job satisfaction would include factors far beyond college selection. In terms of cold measurement, the only statistic with true unbiased weight is earnings.

Other research has largely concurred with the findings of Krueger and Dale.

In their 2005 update of their book *How College Affects Students*, two professors who study higher education, Ernest Pascarella of the University of Iowa and Patrick Terenzini of Penn State, raise similar points. The book, a synthesis of three decades of research, finds that "little consistent evidence suggested that college selectivity, prestige or educational resources had any net impact in such areas as learning, cognitive and intellectual development, the majority of psychosocial changes, the development of principled moral reasoning, or shifts in attitudes and values." In other words, you might be a different person when you leave college, but not because of how hard it was to get into the school you chose.

Dale, a graduate of the University of Michigan, goes further. While there is something to be said for the intellectually stimulating environment of, say, Harvard, she says that such an environment can cut both ways for some students. "A student who goes to Princeton and finds himself in the middle of the pack might get discouraged. After all, everything up to this point in his life has probably been about how special he is. At a different school, that same student might be something more exceptional and catch the eye of a professor who takes an interest in him."

And while there is, without question, some advantage to meeting future CEOs, law firm partners and members of Congress on those storied campuses, the effects can be overstated, Dale says. After all, the alumni networks of big public schools are, by definition, big and broad. And the power of elite schools may be waning. A study by the Wharton School of Business at the University of Pennsylvania (an Ivy) found that in 1980, 14 percent of top executives at Fortune 100 companies received their undergraduate degrees from an Ivy League school. That figure was down to 10 percent by 2001. At the same time, the percentage of executives with undergraduate degrees from public colleges and universities climbed from 32 percent in 1980 to 48 percent in 2001.

"People rightly ask this question of whether it's worth it all the time," says Marlyn McGrath Lewis, Harvard's director of admissions. "And the truth is one can get a first-rate education at these state universities."

Vickie Jones, a 33-year-old public relations specialist for a small D.C. firm, can attest to the value of a non-Ivy education. Jones, one of five 1990 Fairfax County high school graduates interviewed for this story, says her network from four years at private Hampton University, a historically black college in Virginia, was invaluable. "I credit my first internship, my first job, my second job and my third to my Hampton University education, network and experience," she says. "I found mentors at Hampton University who have been a part of my life for the past 16 years, and I made friendships that also have lasted just as long."

Lewis describes Harvard as "a wonderful place. I've spent my life here. It's my church. But there are different advantages to going to big state schools." And one, she says, is the diversity of a big university's student body that allows students to find their niche. "There are many different Michigan States within Michigan State. There are different Harvards, too, but not as many."

Maybe, but that diversity holds disadvantages as well, says Ronald Ehrenberg, director of Cornell's Higher Education Research Institute. Ehrenberg sees clear advantages in attending an Ivy League school such as Cornell. "My children, both lawyers, went to Cornell and got their first jobs because of connections they made here," Ehrenberg says. "The alumni networks these institutions have are really important. The big public institutions are only starting to duplicate those now."

Caroline Hoxby, an economist at Harvard, says she doesn't place a lot of stock in any answer to the cost-benefit question. "The answer is not knowable with the data that exists," she says. If students get accepted to their top choice school, they usually attend that school. "To do a real study, I need people who get accepted but who don't choose to go to their top school. There aren't enough of them."

And more important, says Ehrenberg, it's not just about money. "We hope that people pick an elite private college for more than future economic considerations."

The Costs

BUT ECONOMIC CONSIDERATIONS DO PLAY A ROLE -- and not just when one is thinking about future earnings. The price of four years of college is a key factor for many applicants. If the benefits of the Ivies are perhaps overstated, what of the well-known and astronomical cost side of the equation?

Here things get a bit tricky.

On the face of it, the cost of education at an exclusive private school is easily understood. With room and board, schools such as Yale, Duke or Emory charge roughly \$40,000 a year. So for many parents the question becomes do you (a) send Johnny to Brown, or (b) plan to retire before you are 90?

But that \$40,000 year is a bit like the rack rate at a hotel. It's for the rich and the desperate, and many don't actually pay it. Two years ago, Harvard announced that parents in families with annual incomes of less than \$40,000 would not be expected to contribute anything to their child's education at the school. And families with incomes from \$40,000 to \$60,000 would have their expected contributions cut. According to figures in U.S. News & World Report's annual college rankings, a large number of students at the Ivies receive need-based grants that knock down costs substantially. Half the students at Harvard receive grants, lowering the average cost of attendance for those students to \$16,323 a year. At Stanford, 44 percent receive grants, lowering the average cost to \$18,775. At Chicago, it's 44 percent, with an average cost of \$21,135.

Those are some deep discounts, especially when one considers the skyrocketing cost of attending public universities. In 2004, public college tuition rose more than 10 percent on average across the country, according to a College Board survey "Trends in College Pricing 2005." Tuition and room and board at the University of North Carolina at Chapel Hill now costs more than \$10,000 a year for in-state students -- and more than \$23,000 a year for out-of-state students. With room and board, the University of Michigan at Ann Arbor costs in-state students more than \$16,000 a year. For out-of-staters, it's \$34,000 a year.

"Institutions like ours have done an excellent job of late at reaching out to a more diverse pool," Harvard's Lewis says. "Lots of students look at all these options and find that Harvard would be cheaper."

Ehrenberg says it's a question of class, with those in the middle getting squeezed. "For the very wealthy, cost is irrelevant. For the lower-income students, they often end up paying less than they'd pay to go to their state schools. The real question is what about middle-class kids."

That's only half the argument. Lower-income students get need-based money from state schools, too. And most of the students (or parents) desperate to get into an Ivy are not from lower-income groups. They are the strivers who are paying private education consultants to get their kids into Duke and Brown. Most of them

are middle class, which for the sake of this argument includes anyone to whom \$160,000 for four years of tuition would be a real dent in the wallet -- or the vast majority of Americans. If these parents are lucky enough to have good state schools that their children can attend for in-state costs -- and both Maryland and Virginia feature several -- there are significant savings. With room and board, the University of Maryland at College Park rings in at about \$16,000 a year. The University of Virginia is about \$14,000 a year. That's without any aid, need-based or otherwise.

The Pressures and Making the Right Choice

THERE ARE THE OTHER COSTS of attending an exclusive private college, particularly in the hyper-competitive environment of 2006. People are spending big money on getting their children accepted, which increasingly involves hiring an independent education consultant to help guide them through the application process.

There are about 1,000 such full-time consultants in the United States, says Mark Sklarow, executive director of the Independent Educational Consultants Association, and that number has doubled in the last five years. The consultants affiliated with his group normally charge around \$140 an hour or a flat fee of roughly \$2,800. Bev Taylor, founder and director of the New York-based firm The Ivy Coach, says she charges \$21,000 to win a son or daughter a spot at Harvard or Yale.

Sklarow says most consultants focus less on getting kids into Ivies and more on matching students with schools that are right for them. But he acknowledges that the admissions pressure cooker has gotten out of hand. The problem, he says, is college has gotten so expensive that parents often feel that if they are on the hook for a ridiculous amount of money, "it better be something I've heard of." At the same time, elite colleges have become so selective it's no longer simply a matter of grade-point averages and SAT scores. And that makes the environment more tense.

"What does it really take to get into Harvard?" Sklarow asks. "Who knows?" People need to stop worrying about finding the magic formula to get into Harvard or Yale, he says. "There is enough research to show how you do in life has nothing to do with where you went to college, but it is just very hard to convince the parents."

Dante Chinni is a Washington writer. He will be fielding questions and comments about this article Monday at 1 p.m. at washingtonpost.com/liveonline.

Where They Went and Why

We asked five National Honor Society students who graduated from Fairfax County public high schools in 1990 to tell us how they chose their colleges, how much they cost and how the choices affected their lives.

Lorna Haughton

Washington and Lee

Lorna Haughton's decision to attend Washington and Lee University was a simple matter of dollars and cents. As a bookish senior at Herndon High School, she got into Virginia Tech and Spelman College in Atlanta. But Washington and Lee offered her close to a full scholarship to attend the school, which cost about \$11,000 a year in tuition alone (annual tuition is now \$31,200).

"That basically made the decision for me," says Haughton, a 33-year-old aspiring actress who lives in New York. Her parents, who had emigrated from Jamaica with her when she was 8 years old, were not affluent; the idea of attending a prestigious school without going into debt was too good to pass up.

When she got there, however, she found a school more "steeped in Southern tradition" than she'd realized on her quick visit to the campus in Lexington, Va. "I don't think I'd ever seen a Confederate flag flying before then."

Out of 1,600 students, there were about 40 African Americans, she says. "I can't say I regret going there because the education was a phenomenal education," says Houghton, who received a degree in French and European history and took out a loan of a few thousand dollars to cover incidental costs. "But I might have opted for a bigger school with a more diverse student body."

Robert Levy

Oberlin

As a senior at Marshall High School, Robert Levy wasn't sure where he wanted to attend college. "The one thing I knew was I wanted a place that was small," he says. "I was freaked out by the size of the big state schools."

He applied to William & Mary and Oberlin College and was accepted at both. He wound up choosing Oberlin, a small private school near Cleveland, because it was farther away and he liked its liberal political climate. His parents paid the roughly \$25,000 (now \$40,700) a year in tuition and room and board.

Levy, who knew he wanted to be a meteorologist, describes his Oberlin experience as mixed. He had the "time of his life" during his years there, he says. Levy, 33, is now a contractor at NASA's Goddard Space Flight Center. He credits Oberlin with giving him sound research skills and the ability to "string two sentences together," a quality much in demand among scientists.

But he also thinks his physics classes left him somewhat ill-prepared for his master's studies at Colorado State University, where many students had a physics background more targeted toward meteorology. "Looking back," he says, "I probably could have been happy at a big state school. I probably would have found my group."

Rosa Guerreiro

Virginia Tech

For Rosa Guerreiro, Virginia Tech was an obvious choice. It was close to home, relatively inexpensive, and lots of her classmates from Herndon High School were going there. "It had a very good reputation here in Northern Virginia," says Guerreiro, a 34-year-old optometrist who lives in Alexandria. "It also had a beautiful campus set in the mountains."

Guerreiro's parents picked up most of the \$5,000- to \$6,000-a-year cost (now \$10,400), but she took out \$8,000 in tax-deferred student loans to pay the rest. Was it worth it to her? "Definitely," she says.

While the size of big state schools scares some students off, Guerreiro found it invigorating. "It was never boring, be it classes or social life or just life in general." Her later course of study, optometry, was extremely specific, she says, but the biology background she got at Tech prepared her well for her graduate work. And the study skills she developed in Blacksburg gave her a good base on which to build.

Ian Reynolds

Yale

When Ian Reynolds went looking for a college his senior year at Langley High School, his focus wasn't on

faculty or the location of the campus or how much it might cost. It was on who his fellow students would be. After visiting Princeton University, the University of Pennsylvania, Amherst College and other campuses, he chose Yale because it seemed to have "students who were incredibly passionate about something -- and sometimes the strangest things," says Reynolds, 33, now a principal at Bain Capital, a private investment firm in Boston. "I ended up learning a lot more from my classmates than I did from my professors."

For Reynolds, cost was not a consideration. The roughly \$25,000 (now \$41,000) a year in tuition and room and board was paid for by his parents.

He majored in East Asian Studies, which doesn't have much to do with his job in finance. But his time at Yale, he says, gave him a broad liberal arts education and made him "much more aware of the world and people around me." He believes the elite degree probably helped him get into Harvard's graduate program, where he received an MBA.

"I made great friends in college, who have been an important support network to me. While we were in school, those friends pushed and challenged me, making me more open to new ideas and experiences."

Vickie Jones

Hampton

Vickie Jones says she had scholarship offers from several schools, including West Virginia University and the College of William & Mary, during her senior year at Herndon High School. But she already knew where she wanted to study: Hampton University, a historically black college in southeastern Virginia.

It wasn't just because her two older brothers were Hampton students. The summer after her junior year, Jones took part in a program at William & Mary for high-achieving black students. She'd always attended predominantly white schools. For the first time, she was surrounded by "so many smart, promising and college-bound black students," says Jones, 33, a senior public relations specialist with a small D.C. firm. That heady experience persuaded her to enroll at Hampton.

Tuition and room and board cost roughly \$9,500 (now \$19,500) a year, with her parents picking up the tab.

Jones calls her mass media arts degree from Hampton invaluable and credits much of her post-college career to the education, experience and connections she made there. Her roommate's father was head of public relations at the Central Intercollegiate Athletic Association, where Jones held a paid internship. She covered sports for the school paper and met reporters from the local paper, the Daily Press, which led to her first job -- as a sportswriter. She worked in Hampton's public relations office when she was studying for her master's degree in humanities at Old Dominion University in Norfolk.

-- **Dante Chinni**

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