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The **New York Times**

September 5, 2006 Tuesday
Late Edition - Final

SECTION: Section A; Column 2; Editorial Desk; Pg. 21

LENGTH: 781 words

HEADLINE: A Little Learning Is an Expensive Thing

BYLINE: By William M. Chace.

William M. Chace, a former president of Emory and Wesleyan Universities, is the author of "100 Semesters: My Adventures as Student, Professor and University President, and What I Learned Along the Way."

DATELINE: Palo Alto, Calif.

BODY:

When I was a college president, I was never able to give incoming freshmen the honest talk I wanted to. But had I done so, here's what I would have said:

HELLO to you first-year students. I'm Laudable's president. The next time we'll see each other is when you graduate.

Most likely, that won't be in four years, but in about 55 months. That's because a good many of you won't finish on time. And, because college presidents last only about six years and I've already been on campus for two, perhaps I won't even be here.

I know you're worried about money. I'm not telling you or your folks anything new when I say that Laudable looks expensive. The tuition increases here, just like those of our competitors, have outstripped the rate of increase in the consumer price index for years. This fall, tuition, room and board averages almost \$32,000 at Laudable and other private colleges, and more than \$15,000 at public ones.

But hold on. Most of you and your parents don't pay for everything yourselves. In public four-year institutions, some 4 in 10 undergraduates get financial aid. At private places like Laudable, more than 80 percent of you do. Just like the auto industry, we have a sticker price and we have the price people really pay.

And like car dealers, we force you to borrow money to help make up the difference. You will probably owe more than \$20,000, on average, when you leave Laudable. Graduates of public institutions will owe, on average, more than \$15,000.

How will many of you begin your adult lives?

In serious debt.

We certainly take a lot of your money. But we ship money back to you. How much? This year, Laudable will spend more than \$41,000 to educate each of you. At public institutions, it will be more than \$31,000 per student. Some schools have huge endowments that help them generate the money they need to educate you (Harvard has more than \$26 billion to count on). But most schools are like Laudable: we need your tuition dollars. Bottom line: money in and money out.

Laudable could be cheaper, but you wouldn't like it. You and your parents have made it clear that you want the best. That means more spacious and comfortable student residences ("dormitories," we used to call them), gyms with professional exercise equipment, better food of all kinds, more counselors to attend to your growing emotional needs, more high-tech classrooms and campuses that are spectacularly handsome.

Our competitors provide such things, so we do too. We compete for everything: faculty, students, research dollars and prestige. The more you want us to give to you, the more we will be asking you to give to us. We aim to please, and that will cost you. It's been a long time since scholarship and teaching were carried on in monastic surroundings.

Laudable's surroundings, by the way, will remind you of where you came from. That's because your financial circumstances are pretty much the same as those of your classmates. More expensive schools have students from wealthier parents; less expensive schools draw students from families with fewer financial resources. More than half of the freshmen at selective colleges, public and private, come from the highest-earning quarter of households. Tell me the ZIP code and I'll tell you what kind of college a high-school graduate most likely attends.

After paying (and receiving) all this money, please finish up and get out. Colleges like Laudable are escalators; even if you stand still, they will move you upward toward greater economic opportunity. Once you leave us, you'll have a better chance for a good job and a way to pay off your debt and to give us more money when we call on you as alumni.

So don't flunk out; you've got too much invested in us, and we have too much invested in you.

As for the way Laudable spends its money, I can assure you that your professors aren't overpaid. But I am. I take home more money at Laudable than anyone else (save some of the clinical physicians over at our hospital and several coaches). My pay is about five times greater than an average faculty member's. That's because I'm thought of as the chief executive of the university and chief executives get paid a lot in America.

But I know I'm not really a chief executive because I don't hold that kind of executive power. The professors here are Laudable's most important asset, and they, not I, are the ones who run the show (just ask Larry Summers). Laudable could save some money by paying me less.

I welcome you all -- those of you who will heed my advice, and those who will waste their dollars and ours. Whatever, count yourself lucky. Now you know about the money. See you, maybe, in 55 months.

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