DEFINING VALUE

By Barbara K. Mistick, president

The student debt crisis: what does it mean and is it real? These questions have become prominent in the media recently and it seems as though everyone has a different opinion about the right answer. The New York Times Magazine ran a June 22 cover feature that painted a largely bleak picture of the “boomerang generation”—students who return home after college—alongside a photo essay with thumbnail profiles of students burdened with debt living with their parents. Two days later The New York Times ran another story describing the student debt crisis as oh so blown up by the media and distracting from real issues. Which is it?

The real answer is that both views are true. When speaking about Wilson College’s commitment to value and affordability, I often ask people to respond to following question: “What do you think the average amount of student debt is for undergraduates?” Without exception, most people respond that students carry $50,000 or more in debt, with many believing the level to be above $100,000. The answer, according to the Student Debt Project, is $29,400. While not an insignificant amount, it is much lower than the public perception.

It isn’t surprising that people are misinformed on the topic. Tuition costs and student debt have become highly politicized topics and easy fodder for media outlets. Of the seven students profiled in The New York Times Magazine photo essay, five of them had debt levels between $40,000 and $60,000, while two—the last two presented—were between $80,000 and $120,000. While student debt is real, there is often a part to this debate that is missing—or misunderstood. Value.

Value in higher education is often lost in a sea of statistics. Even studies that support the value of a college degree, like the recent report from the Federal Reserve Bank of Cleveland, present the argument in terms of career earnings. But the real value of a college degree is an equation of tangible and intangible elements, and to understand it requires us to look beyond the numbers. Costs and reducing student debt. While we rightly tend to consider the value equation, there are others that play roles in this partnership as well. State governments have a large role to play. Whether it is through scholarship programs for low-income and first-generation students or direct budget funding of state institutions, they have a vested interest in higher education. In announcing a new scholarship program this spring, Pennsylvania Gov. Tom Corbett said, “Every dollar invested in a child is a dollar invested in the future of the Commonwealth.” The Pennsylvania Legislature recently passed a budget that includes the Ready to Succeed Scholarship Program. This is a scholarship program for middle-income students and is an important development both for Wilson and our students.

A common misconception of Wilson—and with private liberal arts colleges in general—is that we primarily serve a healthy population, but this is far from reality. Wilson’s enrollment has a median family income of $74,000, includes more than 30 percent first-generation students and serves a student population in which 44 percent are eligible for Pell Grants—federal grants awarded to moderate- and low-income families. And 97 percent of our students receive some form of aid from more than 100 scholarships and other aid opportunities provided by the College. The programs we have in place, along with the Ready to Succeed Scholarships, open Wilson to students who may have thought it out of their reach, making the College a more manageable reality for their future. Today, both colleges and students are stepping forward and accepting the mantle of responsibility with regard to controlling costs and reducing student debt. While we rightly tend to control costs and debt, let us not lose sight of the intangible nature of value. It is, after all, the very foundation of liberal arts education.