

Caroline Kitchener: You say in your article that while we pin this ridiculous cost of college on the over-the-top facilities and amenities and lazy rivers and things like that, the reason for the cost is actually much simpler. The majority of college spending goes to things like paying staff and faculty, routine educational operations you say. And this is rising because salaries are just rising. They've risen dramatically over the past several decades. One of the questions from our members was, well, isn't this happening in other countries? Aren't we seeing the same growth in salary for these kinds of workers and why isn't it having the same kind of effect on the cost of college?

Amanda Ripley: Exactly, that was my question. There was this economist who wrote this book, *Why Does College Cost So Much?*—it's in the piece—and they make a very significant case that it has to do with how basically all high skilled services have gotten more expensive. Roughly a similar rate to college. So healthcare, legal services, that kind of thing, any kind of service that requires highly skilled labor. But then why isn't that true everywhere? I think the difference is that we have more high skilled laborers doing other things unrelated to teaching in our schools. That seems to be one key difference. We're the only country other than Luxembourg that spends more on non-teaching staff than on teaching staff at the college level. So it is a good question. Certainly it is true that high skilled labor is more expensive in the U.S. than in other countries. So it's possible that part of the difference has to do with what economists call the "wage premium" for the U.S. Without getting too in the weeds, part of it has to do with the sheer cost of labor in the U.S. But that can't explain all of it, to your reader's point.

Caroline: This group of non-academic staff is very interesting to me. You give a couple of examples, you say, hey, these are librarians, these are people in the career office, mental health counselors, also fundraisers, athletic staff, lawyers, admissions, it kind of runs the gamut. I'm wondering, since this group has been growing, are there any particular groups within this non-teaching-staff group that have been growing particularly quickly? Any non-academic departments that are becoming more popular or essential to how universities work in the U.S.?

Amanda: There's definitely more mystery here to be investigated. Unfortunately the international data doesn't let us get any deeper. Like, we can't find out who these people are compared to other countries. Within the U.S., there has been an increase in administrative folks at universities, and this is controversial. Many people feel that it is wasteful and that there's an "administrative bloat." And I think that's true in some cases. And it doesn't account for most of the cost. It by itself is not explaining this whole mystery. I think my sense is that this whole crazy-quilt, quasi-private, hotly competitive market for students has led to all kinds of non-essential spending and that this upside-down pattern where we're spending more on non-teaching than teaching staff is part of that problem. Now, exactly how it's working is going to vary from place to place. Some public universities in the U.S. are still a very good idea if states have not fully backed off on their investments. Then, it's still a cheap place to live which is hugely important and underappreciated. Those places are a very good deal compared to anywhere in the world. It's really the private colleges that in some ways are driving up the costs

along with the cuts at the state level for public colleges. You have all these colleges scurrying around trying to stay relevant and continue to attract students and they're all competing with each other and there's no coherent central voice requiring them to be accountable or to prove their quality to get federal aid dollars. There's no real strong incentive to cut back on some of the spending.

Caroline: Can you give me an example or a couple of examples of these positions that are non-essential that may have been created to try to draw students, or create an environment to try to draw students? As specifically as possible, what kind of positions are we talking about?

Amanda: It's hard to say with certainty, but it isn't hard to imagine. For example, the numbers of legal staff, development officers, fundraisers, and PR people—marketing, communications—all these kinds of things you probably won't find in lots and lots of universities in other countries. And certainly athletic staff. Some colleges are just obscene in this regard. Many are not—community colleges, most of them do not over-invest in athletics, and in that sense they look more like colleges in other countries. People live at home, there's not a huge amount of money spent on dining halls and dorms, and/or football stadiums. Each big college can be like their own little city. They're inventing everything you would need for a city, all the infrastructure, all the people, all the clean-up staff, all the lawyers. There are benefits to that for the students. It can be a much more exciting, satisfying, holistic experience. But it is expensive.

Caroline: Are college athletics in America just a way, way bigger deal than college athletics in other places? It's just on a different level?

Amanda: Totally different level.

Caroline: That in itself seems like a big part of it, right?

Amanda: People say, hey, college football teams bring in money for the university. But the few, and there have only been a few, that have really looked at this don't find that football necessarily makes money. It's a very expensive sport. It is true that it brings in donations. And a lot of big football teams are sponsored, and they get money from donors specifically for football, so it's not like that money would be going to the physics department otherwise. But there is something perverse about that. Now you have a huge fundraising push to give money to the football team, but none of this has to do with learning. It's true in high school and it's true in college. The U.S. is its own special bizarre world when it comes to student athletics.

Caroline: I want to talk about maybe some potentially good news. When we went back and did a survey of things that The Atlantic has written in the last five years about this topic, about the rising cost of college, we found we've written quite a bit. There's one piece last year written by Derek Thompson that noted that—well, American colleges are 400 times more expensive than they were 40 years ago—the cost might be levelling off. He noted that in 2017, U.S. tuition costs

rose more slowly than any other year on record. I'm just wondering, if that's a statistic you came across, and also what you make of that statistic? Could that really be signalling a change?

Amanda: I think you would expect to see, as fewer students enroll in colleges, which is happening, you would expect to see a softening in tuition growth. But it's not closely related. There's so many intervening factors. And this is something that came up a lot in social media in response to the piece and I sort of wish I'd addressed it in the piece, but a lot of people feel the reason why tuition is so expensive is because there are loans. If students couldn't get loans, they couldn't pay for colleges. I didn't realize how many people felt so strongly about this point. I looked into it while working on this piece and I actually thought that was definitely part of the explanation. It does seem to be relevant for for-profit colleges especially, which are very voracious in extracting money from students, especially vulnerable students, but I think for the whole picture though, for-profits are still a relatively small percentage. For the whole picture of colleges in America there isn't evidence that's convincing that loans are what are driving up the price of college. Now, you might think if they eliminated all student loans tomorrow it would put pressure on colleges. Yes, it would. But I don't think it would all come tumbling down. I don't think it's the main driver. One of the reasons, much as we hate to admit it, that prices have gone up is because it's gotten more expensive for colleges to compete and to run a college. So it's not just that they're packing away profits. I mean, that is the case for a few rare cases, but mostly this whole enterprise has gotten very expensive. Most loans are federal loans and they are capped for undergraduates so there isn't unlimited access to free money. It's not a bottomless pit of debt.

Caroline: Do you see loan-capping or getting rid of loans as any kind of feasible solution for this?

Amanda: Other countries have student loans. This is another reason why I don't think this is the only reason for this. Other countries have student loans and there are countries that have far more students getting loans than the U.S.—Norway, Australia, etcetera. So, that alone isn't the issue. But what you see in other countries is that they're smarter and more thoughtful about retainment. So, we have some of this here but it's not widely understood, but in other countries student loans are only repaid based on their income and it limits the risk of the individual. And the other thing is to make loans more contingent on colleges improving the quality of their performance. The U.K. has a limit for tuition; if you want to go above it, you have to prove to the government that you're providing something extra special with performance metrics. Now no country has figured this out. Every country has struggled with the rising cost of providing higher education to its people. But it's often a question of who's going to assume the risk. In the U.S. it's the individual.

Caroline: This leads in really well to our next question which is, you make a really interesting point towards the end in which you say, "At the very least, the American government could do a better job sharing information about the quality of colleges in ways everyone can understand." So one of our members asked, what would this look like? How might the government collect this

information and make sure it's widely accessible? Because as you know, students who are extremely competent and high-achieving but come from low-income families just might not know a lot of this information that more high-income students do. What metrics should the government be using and how should it share this information?

Amanda: There is one hopeful thing about higher education which is Americans already look for metrics. And this is different from healthcare. So there are better metrics for healthcare than for higher education right now. We can say which hospitals are good for hip replacements and which you should not go to for the ER. But people don't use them. They don't use those metrics. Now, people do use rankings of colleges, right? People do research that stuff online. The problem is that rankings are often—well, all rankings are flawed, inevitably.

Caroline: They're kind of hard of parse. There are a lot of different ones that hinge on different factors.

Amanda: A lot of times they're based on things like prestige and research that just don't affect the average student. So it's very misleading to pit all these universities against each other in a race to nowhere. Now there are more rankings; the Washington Monthly does a ranking that looks at value, looks at graduation rates. Those are a little more sensible. But even then it depends on who you are and what you need. And you've got to find those rankings. And how many American students know about the Washington Monthly rankings? Not many of them. It would be better if the federal government helped people—it's not an impossible problem. The question is, who are you, what do you most need, and then we can match you with a ranking that makes sense. Practically speaking it's not that hard. Politically speaking it's very hard, because universities pushed back really hard on the Obama administration when they tried to force universities just to reveal metrics about their effectiveness. Just to reveal them. So, it's not an easy political problem.

Caroline: My last question is, now that the piece has been out, what has been the most surprising feedback you've gotten?

Amanda: There's a couple things. First, I was surprised how few researchers have looked at the cost of college from an international point of view. There's a huge amount of research done on higher education in the U.S. and there's some research on higher education in Europe and other countries, but nobody is really looking at where the money's going in the U.S. compared to other countries, which was sort of shocking. So, I actually found the research to be incredibly complex and mind-numbing so I didn't know if anyone would read the piece. There's no scenes, no fun, I didn't follow a student unpacking her dad's Honda Civic on the quad. There's reasons why I didn't do that, but I was worried the piece would be super dry and people would not be into it. But I think what I reveal is that not enough has been done on this subject on the costs in the U.S. compared to other countries. Much more has been done on the costs of healthcare in the U.S. compared to other countries. I think there's a real frustration and curiosity among

readers about what exactly is going on. So they will put up with a relatively un-fun story in order to get to the bottom of it.

The other thing is the point about loans. I got a lot of responses from people who were like, you missed the whole point! It's probably the most mansplaining I've ever gotten. On Twitter, a lot of dudes were telling me what I fool I am. I've written about other things and gotten blowback for 20 years and it's fine, but this was funny, because it was all men. I think there's more men looking at higher education than at kindergarten through 12th grade? Usually there's more of a gender mix in terms of criticism. But the point is, I take accountability. I should have addressed this loans question and explained why I don't think that's the main driver. And then it wouldn't have been hanging there as a question, so that's a mistake on me. I did the research, didn't feel convinced it was the main driver, and moved onto the next thing.

Caroline: Why has this not been reported on more?

Amanda: We have a weird dynamic in the U.S. where we know we have some of the best universities in the world and therefore, while we're critical of the price of college, we are not often quick to compare ourselves to other places as we might be. And it's sort of funny because we don't do that in other industries as much. We have some of the best hospitals in the world, but we don't therefore decide our healthcare system is crushing it. We have some of the finest restaurants in the world, but we don't decide therefore that Vietnam and France have nothing to teach us. Having a few of the best, when 99 percent of people don't ever see those places, is cold comfort. It's really weird, right?

Caroline: It is. It's a very basic question, and something you would certainly expect to have been explored more.

Amanda: I didn't get to use this quote, but Andreas Schleicher at the OECD said, and I'm paraphrasing him, "It's like, if a country has the finest wine, it doesn't mean that when you go to the supermarket you don't look at the label." The wine you're actually going to buy is not the \$4,000 bottle. And P.S., there's no evidence that our elite universities are the best in the world either. There's no evidence any universities are the best in the world. The data is not collective. The data is based on how much research their faculty publishes. That to me is not a good metric for how well you're preparing a student to go out in the world.