Education Crisis in America: An Insider’s Perspective

By Dilip Khatri, Ph.D., S.E.

In this competitive international economy, the demand for educated talent is growing. As such, it makes sense that the United States should strive to reduce the expense of education. However, the current trend reflects skyrocketing costs.

In 1983, the author graduated from California State University Los Angeles (CSULA) with a Bachelor of Science Degree in Civil Engineering in 3 years (12 quarters), and the total tuition cost was approximately $1,200 plus books ($100/quarter). Overall, including books and miscellaneous expenses, the estimated total degree expense was about $3,000. Adjusted for inflation, that would be about $6,000 in 2018.

At CSULA today, the cost for the same 4-year degree is approximately $68,000 ($17,000/year excluding living costs). At a University of California (UC) Campus, the cost is approximately $104,000 ($26,000/year excluding living cost). At the University of Southern California, a private college, the cost is $240,000 ($60,000/year). These estimates assume someone will graduate in 4 years, which is highly questionable because of the availability of courses and student overcrowding. (Note – readers are encouraged to verify exact tuition numbers with the universities.)

In America, the expectation is that life will get “better” for our children; that they will have the same opportunity to pursue higher education and that our present generation will contribute to the prosperity of future generations. So, what happened?

The author has been on several sides of this debate, having been a Faculty Member in the Civil Engineering Department for 9 years at California State University, Pomona (CalPoly Pomona). In 1997, the author left academia to start his own firm in the private sector. In addition, he also worked for NASA-JPL/CALTECH for 3 years early in his career, so he has worked in both the public and private sectors over the past 34 years and brings a unique perspective on the issue of Education in America.

Firstly, for public universities, there is a serious problem with costs and educational priorities. The top 4 positions in the State of California with the highest paid compensation are all

Head Coaches, with pay packages exceeding $3 Million/year. Professors in Health Science are not too far behind, with total compensation packages exceeding $1.8 Million/year. Most of these compensation packages are derived from “other pay” which is linked to revenue generation from research grants (for Health Science faculty) and sports revenue (for the coaches). From the perspective of a business leader and pro-capitalist, there is no problem with coaches making $3 Million/year. BUT – if the university is deriving revenue from this resource, then they should also pay their workers (i.e., athletes) who bear the risk of play, break their bones, and suffer long-term effects of brain damage from concussions. Student-athletes are paid zero. It is easy to make money when you do not have employee costs. The entire college sports system, run by the NCAA, is operating under this questionable shadow of profit taking without expenses.

Current educational priorities are a problem nationally but, in the author’s experience – which is based in the California higher education system – there are three priorities that public and private universities expect from new faculty:

1) Publish anything anywhere
2) Bring external, Publicly Funded Research
3) Bring external, Privately Funded Research

Note that student education and their welfare is nowhere to be found on this priority list. International students have also become a significant market for campuses nationwide. In California, foreign tuition rates are approximately double that for local students; for U.C. Berkeley, this is over $50,000/year for an international student. This results in universities increasing foreign student populations while ignoring local students. The math is simple; if they are going to collect twice as much per international student, then those students get higher priority.

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So, what are the results of this system? The author’s son attended a California University for 4 years and graduated without any debt, due to his father’s support and desire that he not fall into the student loan trap. His Chemistry and Physics classes were over 400 students/class; his instructors were mostly part-time lecturers and graduate students. Some full-time and fully-tenured faculty taught his upper division engineering courses. Why are there not more full-time faculty teaching courses? The reason is that Universities have become “profit centers.” Where are the students in all of this? Nowadays, they are expected to take loans to fund a system only concerned with its own interests.

In contrast, we have some of the best higher education institutions in the world. Their focus at the Master’s and Doctorate levels are the best because these are research-based universities; whereas undergraduates are viewed only as an income source and part-time nuisance. However, the costs are outstripping the American Family Budget and are not sustainable. Today, based on the author’s research, a graduate with a college degree has over $80,000 of student debt at the start of their life and doesn’t even own a car; let alone a house.

Where do we go from here? Some politicians have suggested that we find a way to fund tuition for students so that a college education is available for everyone. However, how do we pay for it? There is no simple answer to that question. It seems that, as the wealthiest nation on earth, it would be possible to find a way to make college accessible for ALL who wish to pursue a degree. As a start, universities need to separate out profit incentives such as sports, research funding, and other extraneous activities that are not part of Education. If universities want to pursue these revenue-generating activities, then they should set up separate, private corporations that should be taxed and regulated as part of the private sector. Let education be where it should be – a non-profit venture for the benefit of students.

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