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U.S.

## Parents' Fears Confirmed: Liberal Arts Students Earn Less

Students at elite liberal arts colleges don't make as much early in their careers as those who attend highly selective research universities

By **ANDREA FULLER**

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For the first time, government data back up what some parents have long suspected: Students who choose elite liberal arts colleges don't earn as much money early in their careers as those who attend highly selective research universities.

The disparity, determined by a Wall Street Journal analysis of the data, means that some liberal arts colleges may face tough questions about the potential payoff of their expensive tuition. That may be especially true for students needing financial aid, the group covered by the government's figures.

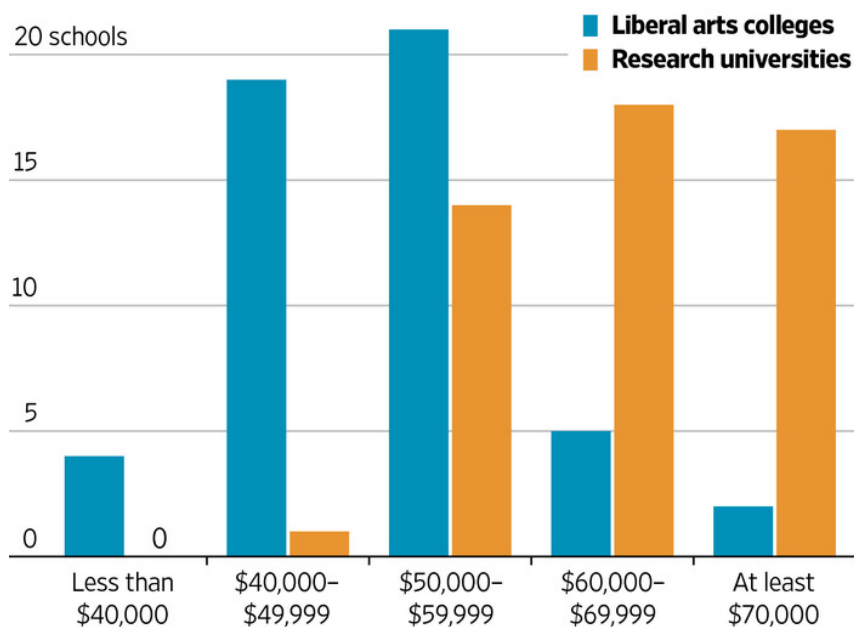
The Education Department in September released salary numbers as part of its College Scorecard, an online tool that compares colleges on cost, student debt and graduation rates. For the first time, the government also paired information on federal student aid recipients with income tax records to compute median earnings figures for each school.

The Journal compared median earnings 10 years after students enrolled at the most selective liberal arts colleges in the country to median earnings for students at the most selective research universities. The Journal analyzed salary figures for the top 50 schools in each category that had the highest average SAT scores. Those Ivy League schools, selective state colleges and other national universities compete with liberal arts colleges for the many of the same highly qualified applicants.

At nearly half of the top liberal arts colleges, the reported median salary 10 years out was below \$50,000. (The government didn't release the underlying data necessary to

## Skewed Salaries

At nearly half of the most selective U.S. liberal arts colleges students who enrolled had a median salary below \$50,000 10 years later.



Note: Earnings are based on students who entered college in the 2001 or 2002 school years. Top 50 schools are based on SAT scores from 2002 where 2001 scores weren't available.

Source: U.S. Department of Education

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calculate an overall median salary for those schools.) Students at almost all of the top research universities beat the \$50,000 mark, while at about a third of top research universities they had median salaries above \$70,000.

Administrators at some liberal arts colleges say the disparity can be explained in part by the fact their students are following passions that may not yield high earnings, not because the graduates lack job options. They also caution that median earnings figures are skewed in favor of colleges that offer degrees in higher-

paying fields such as engineering, business and health care.

Carol Geary Schneider, president of the Association of American Colleges and Universities, called the government's scorecard a "huge disservice" to students because it puts too much emphasis on earnings while ignoring the intangible benefits of education, including a strong grounding in the arts and humanities.

"It is in effect teaching them that the main thing that matters in education is how much they're going to make," said Ms. Schneider, whose organization advocates in favor of a liberal-arts curriculum.

The median income calculations reflect the earnings in 2011 and 2012 of students who entered college 10 years prior. The figures include both graduates and dropouts; they are limited to students working and not enrolled in graduate school at the time of the snapshot. The scorecard doesn't break down earnings by field of study because the Education Department didn't track that information until recently.

Another limitation: The data reflect only students who received federal loans or grants—a sliver of the population at some top universities. For instance, less than 15% of

### What Students Earn After College

New government data shows what students who entered college in the 2001 and 2002 school years earned a decade later. Students who attended research universities where entering students had high SAT scores typically had higher median earnings than those who attended liberal arts colleges with similar scores. The data is limited to students who received federal aid.

Top Schools by SAT Score

Among liberal arts colleges and research universities

All Schools

Among all schools with reported average SAT scores

Search:

Show

10

▼

entries

College	State	Type	Category
MASSACHUSETTS INSTITUTE OF TECHNOLOGY	MA	Private	Research
HARVARD UNIVERSITY	MA	Private	Research
GEORGETOWN UNIVERSITY	DC	Private	Research
STEVENS INSTITUTE OF TECHNOLOGY	NJ	Private	Research
RENSSELAER POLYTECHNIC	NY	Private	Research

Harvard undergraduates received federal aid in 2013.

Proponents of the scorecard say the new data are essential to giving families more information about the return on their investment.

“It might not tell us how every student from a college does,” said Ben Miller, a senior director at the Center for American Progress, a left-leaning think tank. “But if I’m someone looking at getting a loan, I would probably want to know what I’ll make.”

But Mark Schneider, vice president of the American Institutes for Research, a nonprofit that studies the social sciences and education, said the median salary figures aren’t particularly helpful for evaluating schools that offer widely diverse fields of study. Those colleges may send some students into high-paying fields and others into low-paying ones. For instance, the scorecard doesn’t tell families whether an English major from Princeton makes more than an English major from Swarthmore College.

“What you study is at least as important and maybe even more important than where you study,” he said.

Administrators at some liberal arts colleges attribute the salaries of their graduates in part to student interest in public service. Greg Brown, chief financial officer at Swarthmore, said that many students who select the Pennsylvania college are already civic-minded. There, the median salary is

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\$49,400.

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Mr. Brown speculates that Ivy League salaries are skewed upward by students heading to Wall Street. Most of those schools had a median earnings figure above \$70,000.

“Our students tend to not be as interested in careers in finance,” he said.



Students at elite liberal arts colleges don't earn as much 10 years after enrollment as those at highly selective research universities, such as the University of California, Berkeley, above, a Wall Street Journal analysis of federal data found.

PHOTO: NOAH BERGER/REUTERS

The Education Department also didn't release earnings figures for a period longer than 10 years after students start college. Officials at liberal arts schools said that many of their students pursue advanced degrees, which can give them a midcareer earnings boost.

That may be the case at Oberlin College, according to Ben Jones, a spokesman for the Ohio school. Its median earnings—about \$38,000—was among the lowest in the Journal's analysis of elite schools.

Mr. Jones said that roughly 75% of the school's alumni attend graduate school within a decade of finishing their undergraduate degrees, and often pursue public service careers before entering graduate programs.

Reihonna Frost, a 2008 Oberlin grad who majored in psychology, had several low-paying jobs before starting graduate school this year. She made under \$30,000 a year in her first job, working with children at risk for developmental delays. Her next jobs,

including a stint as a research assistant at the University of Chicago, paid similarly. She recently began a Ph.D. program in clinical psychology at Clark University in Massachusetts.

Ms. Frost said she received federal financial aid as well as grants from Oberlin. She graduated with about \$20,000 in debt, most of which she said she has paid off.

At many liberal arts colleges, “there is a real aversion to the idea of occupational training,” she said.

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