



## Episode 1,462: The Moral Mess of Higher Education

Guest: Phil Magness

**WOODS:** I love your book, and in a way, I kind of love it because it's not the book I thought it was going to be. I bet it's not the book that some folks think it will be. With that title, I thought, okay, it'll be about ideological conformity and political correctness and stuff like that, but it's so much deeper and more interesting than that. It really is, in a way, at least in some of the analysis, like a public choice analysis of the university system, so it goes into areas and includes levels of analysis that would not have occurred to me. So that makes it a lot more fun, frankly, than the book I thought it would be, which I thought we'd have fun with, too. But this one is much, much more interesting. So did it start off as a series of academic papers that you made into a book?

**MAGNESS:** Right, so Jason Brennan, my coauthor and I, we made a decision very early on that we were going to set aside the ideological issues. I think the evidence is strong, that they're a prominent feature the academic debate. But we came to the conclusion very early on that the issues we're addressing with the university system are much deeper, much more systemic, and they apply across spectrum. So this is a book that someone on the far left could read and find several things that they associate with, that they recognize as problems, that they encounter in academic life. It could be something that a conservative or libertarian would read and relate to on a similar basis.

We first started the book as a project, a series of earlier projects around 2015, 2016. Jason and I started investigating a major claim that was emerging in the academic press at the time, and that claim alleged that university faculty were being adjunctified. Basically, tenure-track faculty were being either laid off or retired out of existence and replaced by these temporary, part-time adjunct professors that teach for very low wages by comparison, and this is supposedly a part of the ongoing corporatization or neoliberalization of the university system. And this is something that, if you read something like *The Chronicle of Higher Education* or *Inside Higher Ed* or any of the trade presses that deal in this area, there's like a weekly article about universities being adjunctified and taken over by the neoliberals.

And we started to look at some of the statistical evidence behind, this the empirical data of what faculty hiring trends tended to show, and we discovered very early on that all of the claims that are being made in these newspapers and journalistic think pieces are basically wrong. So we wrote a series of articles investigating the adjunct labor market in higher ed, and it revealed all sorts of interesting analysis. Some of it's the public choice material that we delve in to in the book. But even more fundamental than that, we were trying to reorient the study of the higher ed job market and faculty employment to some actual statistical data.

Instead of people just philosophizing and offering unverified claims about what they think is going on, let's put it to the test and actually see what the numbers say.

**WOODS:** Sure, well, and that's indeed what's what you've done here. Now, in Chapter Ten by the way — I'm just skipping ahead for one second — I was very happy to see that you and your coauthor are as baffled as I am as to what the term neoliberalism is even supposed to mean —

**MAGNESS:** [laughing] Right.

**WOODS:** Given the range of people it's applied to, and given that nobody describes himself as a neoliberal, that right off the bat tells you that it's a phony-baloney word, if nobody actually uses it for as a descriptor.

**MAGNESS:** Right, it's this junk, throwaway term. And we actually offer a definition in the book, and basically what it comes down to is a neoliberal is anyone that a person using the term doesn't like in their political views. And often this emerges on the very far left, people that consider any economics to the right of Karl Marx to be something that's anathema and part of the corporatist capitalist system. But they apply this term neoliberal to describe what they call a market ideology that's supposedly taken over the world and that's supposedly running government, supposedly running universities. And even though they can't really say very much to specify what it is or what it does, they're absolutely certain that it's bad and that it's a wrong thing, that it's evil.

So in the book we refer to neoliberalism is one of the many poltergeists theories of the academy. So you read article after article saying neoliberalism has taken over academia and it's caused all of these problems, all these bad things that are going on, that can include everything from bad incentives, misleading advertising, stuff like the tuition and the admissions scandal that rocked some of the Ivy League schools earlier this year, tuition and the student loan crisis in debt. Everything that we see about the university system that people think of is bad, and some of these are very real problems, but for very different reasons what they'll come in and say is this is evidence of neoliberalism, and neoliberalism is the cause of all of the turmoil. So it's like a poltergeist, which is an imaginary spirit that inhabits a house and throws things around, knocks dishes out of the cabinet, tears up paper in the tonight. But poltergeists are not real. So one of the arguments we make in the book is neoliberalism is very similar. It's a commonly blamed term and concept, but it doesn't really mean anything and there's no evidence that it actually exists.

**WOODS:** I want to skip — I'm going to do Chapter Three before Chapter Two. Chapter Three is about academic advertising, that is, the kind of claims that are made, let's say, on the website or in the literature of a university. Now, as you point out, not every university does this, but a lot of them do. Maybe most of them do. And the kinds of claims they make for what they are going to do for you, maybe because a lot of us have imbibed the religion of the university, we don't even stop to notice how absurdly over-the-top these claims are. But the way, when you just lay them out one after the other, you think, yeah, really, what are we falling for? Who could transform a person in the way they promise they'll transform you?

**MAGNESS:** Right, it's almost negligent in the way that universities market themselves. And I'd add on to that, the evidence tends to point towards the elite institutions. Universities at the top are some of the worst participants in this trend. So everyone has this conceptualization of higher ed as a thing that's tied to the advancement of knowledge, very lofty goals, very head-

in-the-clouds, better yourself by becoming a more well-rounded and educated person. So that mythology is there. It's kind of like lingering in the background, and it's why some of these appeals that are attached to university programs gain such currency.

But what we find is most colleges and universities will seize on to this and offer these fantastical claims about how, if you attend such and such university for four years, you will open a new horizon of work and educational opportunities, you will expand your career beyond your wildest dreams. It's really almost over-the-top comical types of slogans that are put out by these institutions.

And yet, if you actually look at the data, look at the returns on a degree, almost nobody accomplishes any of these things that are being promised. In fact, there are some attempts to measure the before-and-after effects of an education in college. And people are entering in as freshmen and then leaving four years later having learned barely anything. In some cases, especially math skills, there seems to be actually a retraction. They devolve in their understanding of mathematical numeracy from where they were in high school. So the reality of the output of universities is not at all aligning with some of the advertising claims that we get in here.

So we asked the question: why is this the case? And it turns out it's very closely tied to financial and institutional incentives. So the Ivy Leagues, as I mentioned, are some of the worst offenders of this. They actually adopt a strategy where they will mail out glossy brochures and invitation letters to solicit applications from students that they have no intention whatsoever of admitting into their program. And it may be students at lower-ranked schools. It may be students that do not have the financial means to enter into Harvard or Yale or Princeton. But it's people that are basically not in the cohort that they're actually trying and intending to admit, and they'll yet the flood them with brochures, saying, you too can go to Harvard, you too can go to Yale, and be among the educated elite of our society at the very top-ranked institution.

And the reason they do this is the incentives and institutional structures of the university system. So *US News and World Report* and several other entities rank-order programs and departments and universities and publish this as part of the elite prestige that all these schools are seeking to obtain. And one of the metrics that they use to bump up a school in terms of eliteness is its rejection rate of applicants. So you start thinking, here's the public choice dimension. If Harvard and Yale and Princeton and Stanford and all these elite schools want to maintain their place on the top of that list, at the top of the university rankings, it actually makes sense for them to encourage far more applicants than they could ever hope to admit, they ever intend to admit, and then reject the majority of them, because that makes them more exclusive and it boosts the rankings.

And that's just one of many similar types of incentives that causes universities to do these things, but the ethical implication of it is that they're making really false and negligent promises to students, wasting students' times, wasting potential applicants' time and efforts and money as they're trying to gain admission to schools that have no intention of admitting them. And it's all just to game the ranking system so they can be better off in the eyes of *US News and World Report*, or can be better off in the competition against their peer schools in maintaining that eliteness in their credential.

**WOODS:** There are so many things I want to get in this limited time. In Chapter Two, you talk about what faculty want and what students want. Can you lay out a little bit of that?

**MAGNESS:** Right, so faculty want a job, and they want a good, well-paying comfortable job. It may not necessarily be something that's high six figures, although you get into some elite institutions, that type of thing is offered. But a typical faculty member wants to settle into a position that they can occupy for 30 or 40 years of their life, get paid well, reasonably well, get to do self-directed research, get to write about things and study things that interest them, get to teach classes on those same subjects, and do so with the security that comes with either a tenure appointment or the benefits that come with academic life.

If you think about it, it's actually a pretty cushy position, if you can secure a full-time job in academia, because that means, well, you've got basically two semesters of teaching obligations that run roughly September through December and then late January through about the beginning of May. You have the whole summer off, and you have a month off in the winter for basically the break period. And on top of that, you have all sorts of institutional support for your research. You have a paycheck to study things that you probably couldn't get paid to do in any other circumstance beyond academia. You have basically a position where you're set for life, and it's very difficult to fire you unless you do something almost criminal in most systems that that offer tenure, before they would lay you off with cause.

So everything about academic life is very appealing to faculty. And what this means is, as long as faculty positions are available out there, it's an attractive career path for lots and lots of people that want to seek that type of pursuit. And in fact, there are more seekers of academic jobs almost every given year than there are available positions to fill them. And that creates a bit of job market glut of applicants that are coming in here. So that's on the faculty side. They want the good life. They want a comfortable salary doing what they like to research, studying what they like to study.

Students are in there for their credential. Most students go to school not because they want to sit around and spend a lifelong period of learning the great books and studying the ancient texts or anything, even though everyone will say that lofty ideal. They want to get in, get their degree in four to five years, and enter into the job market, because major sectors of the job market require some form of credential, some form of college degree to access them.

And this changes and varies from field to field, but by and large, degrees do yield a premium in salary and a premium in employment. If you take that out on your resume, even to the extent that a typical undergraduate degree is fairly fungible for most entry-level professional jobs, unless they require a very specific expertise, such as, for example, nursing or engineering or something that has a skill associated with it. But if you want to go work at Geico, you want to go work in a managerial position at a corporation or typical firm, an undergraduate degree is often the main entry point there.

So students are looking for that credential, and the university is there to provide it is there to give it to them, but it also comes at a cost. There's heavy tuition involved. There's the time commitment. There's the deferred earnings that you have by not entering into the workforce at 18 or 19 and instead pushing that back to 23 or 24. So these two different components come together in the university system, underneath an administrative bureaucracy laid on top of that, and they don't work very well in a typical market fashion.

So one of the points we make in the book is a university offers a product that it does not directly sell. The faculty are not involved in the pricing of that product in any reasonable way. They may tangentially know what tuition is, but that's about it. And the students aren't really directly paying for the product, either. They're going through second- and third-party payers, such as a student loan provider, or in some cases it's the government, or in some cases it's their parents that are actually footing the bill to send them to college. So this creates a very weak form of market signals between what the faculty are providing and what the students actually want.

So one of the results of this incentive structure is faculty will be drawn toward offering very niche, upper-level types of classes that are appealing to them and interesting to them and the subjects that they study, but very few students want to take those classes. At the same time, students are seeking to fulfill gen ed requirements or maybe seeking to fulfill something very specific to a degree that they want, but it's not necessarily being offered. And instead, they're actually having to take all this other required, superfluous, in some cases fluff courses in their curriculum to actually get into their major to finish their degree. So a degree that would have taken two or three years studying only in that major is drawn out to four or five years, because you have to take half a dozen English classes, two sciences, a math, and all the other core requirements that are unrelated to it.

**WOODS:** Well, that actually brings me all the way up to Chapter Six, because what you were just describing as a case of, in a way, ships passing in the night. But what's interesting about Chapter Six is, Chapter Six is called "When Moral Language Disguises Self-Interest." There you have a taste of the faculty wanting something, maybe for their own reasons, and the students for idealistic reasons happen to wind up wanting the same thing. And what you point out in there is that it's not always the case that people consciously say, I'm acting in my self-interest. A lot of times we convince ourselves that, no, no, why, I'm acting on behalf of extremely admirable, abstract principles, or whatever. Well, okay, that's the way the human brain is. But you point out that there is reason to believe that perhaps some types of campaigns on college campuses might be motivated on the faculty side by something other than pure devotion to abstract principles.

**MAGNESS:** Right, this actually comes through in quite a few of the recent protest letters and protest movements that we've seen. And I don't want to take an ideological stance on these causes, although most of them do come from the political left. But we asked the question: what are students after when they sign a petition of demands that they present to administrators? And if you actually look at those petitions of demands, some of the primary recurring themes are requests for new faculty lines, new staff lines that they want the administrators to employ. Or maybe they want a creation of a new center or a new department that supposedly services students, but it's really providing more jobs for a glutted job market, a specific research area or discipline.

So one of the questions we asked is, even though these are often presented in, *Here are a list of demands to service justice on this university and rectify injustices that we've faced as students. You can fulfill those demands by hiring three new English professors, creating a diversity center, and staffing the environmental sustainability office*, that something doesn't quite add up here. And the typical student is probably not being serviced by expanding the university budget to create all these little niche programs that don't really have much of a student base, but rather are spending vast amounts of money on employing new faculty and employing new staff.

So what it ends up being a case of is the these highly moralistic student demand letters are seeking much more self-interested goals of certain faculty that kind of coopted some of these movements and brought them into their areas of influence. So it's kind of a way of rent seeking the university system to get resources reallocated to pet projects. And whenever that happens, where does the cost for it fall? It's not on the faculty that are involved. They're actually beneficiaries. And it's often not on the small number of students that are in the protest group. Rather, it's spread across the entire student body in tuition, or it's spread on to the taxpayers, because higher ed is a multi-trillion-dollar industry with massive amounts of public money involved in it. So it's kind of a servicing of the desire for rents for a very small constituency by spreading it onto a very large swath of people that are impacted by her education.

**WOODS:** Well, I wonder if we might be able to say something like the same thing about Chapter Seven and Eight. So you've got "The Gen Ed Hustle" and "Why Universities Produce Too Many PhDs." Now, I remember when I arrived at Columbia for my PhD, we were sat down, and I think it was Ken Jackson, who might have been the department chair at the time, who basically said to us, I don't know why you're here. There are no jobs.

**MAGNESS:** [laughing] Right.

**WOODS:** I mean, he was frank enough with us to say, look, there are no jobs out there. I mean, you're at Columbia, and there's a decent chance we can help you out, and the name might get you somewhere. But it's really, really hard. Now, it's very rare to get a talk like that. And there are reasons for that, and some of them are purely self-interested reasons. And so you have a chapter on that, and then you have a chapter on gen ed courses. And again, it's like the chapter on academic advertising. These gen ed courses are portrayed as things that are going to expose you to all kinds of wonderful avenues of knowledge and whatever, and then you look at the real motivation probably behind why you have them, and it's a bit more prosaic.

**MAGNESS:** Right, right. So I can start on the gen ed question. And almost everyone that goes through colleges knows what gen eds are. For roughly the first two years of your undergrad experience, you're not in your major; you're actually going through this checklist of all these courses that you have to acquire to become a well-educated, well-rounded participant in the university system. And it may be a list of you have to take three English courses, two history courses, two science, one, math, and so forth. And it's presented as this knowledge-expanding component of an education, a school wants every undergraduate to have this baseline of knowledge. It's also presented as an experimental phase to discover your own route through the university. But what we find is, when we actually dig into the numbers of it, the courses that are most heavily represented on the gen ed curriculum are also the courses that have the most difficulty attracting majors.

So the one that we use a main example of, and it's because the best data exists, is writing composition. And you can go back to the 1970s, and there was a survey administered across the United States of colleges and universities, and they asked them how many courses do they require in writing composition. And the typical university said, oh, yes, we do require that, and it amounts to one semester. They readministered this same survey 30 years later, and they find that the writing requirements in the gen ed curriculum across the United States have basically doubled in the course of 30 years. So now it's at least two semesters,

sometimes as much as three semesters of a required writing class. So we asked the question: why is this going on?

To complicate the matter further, there's substantial evidence that the people that are taking these classes in introductory writing composition are getting next to nothing out of them. In other words, there are tests that are administered the first week of freshman year, where they ask you to write an essay and do some critical thinking exercises, and then they score it. And then they come back two years later at the end of your sophomore year and have readministered the same test, and they find there's no material improvement. There's no change over the course of two years of college when all of these gen ed writing classes have been administered.

They also ask employers that are hiring new undergraduates that are freshly minted out of college to evaluate their writing skills. And it's consistently rated as one of the worst problems coming out of higher ed, that students think that they can write, but almost none of them have any skills in that department and are often in need of remedial instruction when they get to their job from their employers on how to improve their writing skills.

So over the course of 30 years, we've had the number of required credits that you have to take in writing dramatically increase, but it doesn't seem to have any effect whatsoever in any measure of outcomes. So we're asking the question: why is this the case? Well, it turns out that writing is a good way to fill the so-called butts-in-seats metric of a department's budget. It's a good way to get students into the English department, which is facing a decline in the number of majors, the number of students that are choosing to go into English. And you see this in other departments, as well. Foreign Languages is another one that's shown similar where trends. There are also gen eds in the humanities that are offered as supposedly these self-discovery courses, but what you find is they're almost always taught by faculty in disciplines that have declining majors.

So what it ends up being is, even though there's this high and lofty goal of making the well-educated citizen, they're not really delivering on that education, but they are making forced consumers of these disciplines of classes that people would never have otherwise take under their own volition, things that students do not find as popular or worthwhile of their own time, but they're required to do it because it checks a box to get their credential at the end of the day. So that's a recurring theme that we see in academia.

And the ethical issue here is: is it fair to require a student to take a class that he or she does not need, pay for that class just to keep an abundance of English professors employed, or an abundance of foreign language professors employed, or keep a struggling department afloat when it's failing to attract majors to its own area of study? And we argue that this is probably an ethical problem. It's probably an area where you're extracting money out of people that are 18 or 19 years old, just entering into adult life and are not in the best financial situations, to keep a reasonably well-educated, middle-class, mid-career professors employed and expand the ranks of those professors. So that's certainly there.

Now, we can switch over to the faculty side. So why do PhD programs produce too many PhDs? And the simple answer here is, again, incentives. All of the incentives behind the maintenance of a PhD program conflict with the realities of the academic job market. And this is especially bad in the humanities and some of the social sciences. So areas like English, history, philosophy, these are subjects that sometimes produce 1.5 to 2 times as many PhDs

in a given year than they could actually employ and absorb in the job market. And it's important to note that this is not because of a decline in academic jobs. It's rather, the new PhD entrants into these areas are growing at such a fast pace, that every year it consistently outpaces the number of new jobs. So even though new jobs in English and history and all these other areas are going up in numbers, the new PhDs that are applying for them are growing at a much faster rate, so you have a massive employment struggle.

But there's a reason behind that. There's a reason why programs continue to operate and issue PhDs, even though they know for a fact, as your advisor told you the first year, that most of the people in that classroom will never get an academic job; there just simply aren't enough of them to go around. And the reason is PhD programs provide all sorts of incentive for people who teach in PhD programs and people who administer PhD programs. It's a prestige thing, so if you are a university professor at even a low-rent, third-tier state university, but he has a PhD program in creative writing or philosophy or history or some other subject area, you are automatically in a more prestigious level or tier than compared to maybe your grad school buddy who teaches at a four-year liberal arts college that doesn't have that program attached to it. Most states fund universities with PhD programs at a higher level than they do four-year colleges in the public cases.

And almost always across the board, faculty that teach in PhD programs make a higher salary than those who do not. It also comes with benefits. You get graduate assistants to teach your classes and grade your papers. You get prestige to brag about to your colleagues in other departments and other fields. All sorts of perks that come with the job that do benefit the faculty.

And what this means is faculty have an incentive to keep around an underperforming PhD program, even as it has a terrible record of placing its graduates in academic jobs. So PhD programs proliferate, they continue to issue degrees far in excess of what the job market can sustain in academia, and they do so for mainly self-interested reasons. Yet at the same time, the students that are graduating from those programs are going out to the academic job market and discovering, lo and behold, I'm competing against 400 other people for this one job.

**WOODS:** Indeed, I well remember that myself, as a matter of fact. Now, on a somewhat unrelated note, I was interested to see a chapter on student evaluations, of all things.

**MAGNESS:** Yes.

**WOODS:** And what I like about this is that you and Jason start the chapter by pointing out: we both got excellent student evaluations, so this is not sour grapes. And you reproduce the actual evaluations, so you're not complaining that you got bad ones and that's why you don't like them. I got great evaluations. I'm really happy about that. But I don't know, there was always something about the process that left me a little wary and cold, but I couldn't quite articulate it. So it sounds like it should be a sensible thing, right? I mean, students have sat in your classroom, and shouldn't they – after all, we have all these different review websites for different products and services, so why not student evaluations

**MAGNESS:** That's exactly the question that we present in the book. So student evaluations are often used in hiring decisions. They're used in employment and promotion decisions if they want to continue or keep you on a contract. So they're a very big part of the academic



employment market. Anyone who's taught knows this process. When you prepare your application packet, you select your best evaluations and you stress that as proof that you can teach. But what we find, if you review all the empirical literature about student evaluations, is that they're very unreliable about what they even signify, almost to the point of being incoherent. And when they do signal something, it's almost always perverse incentives. It's almost always something that you would not want to use in hiring.

So there are several studies, for example, that reveal that students tend to reward professors who are seen as easy or seen as engaging or seen as throwing them softball assignments. This is just a very natural thing. The easy graders, for example, that's a way to ensure that you get strong evaluations. Meanwhile, if you're a very hard grader, if you're seen as difficult, or maybe you assign long term papers or serious problem sets that are time consuming, that tends to be docked on student evaluations.

And I asked the question: if our goal is to educate students and better prepare them in those subject areas, do you want the easy grader or the hard grader? And most people will say, well, the hard grader is actually applying some sort of challenge to them, making them learn the material, whereas the easy grader may be throwing out As just to maintain his or her popularity. That creates a bit of a perverse incentive if you're a faculty member and you want to ensure that you get good, solid evaluations. Grade inflation, there's mixed evidence about how severe it is or whether it's as pervasive of a problem as it's always rumored to be, but one thing is certain: that the easy writers do tend to perform higher on student evaluations than hard graders.

There's also some evidence that's brought in from a few experimental studies and empirical analysis. They found that sometimes students actually discriminate against faculty based on their gender or even their race. So something that would be very unethical to us, and it could be completely unrelated to the quality of the actual teaching in the classroom. But female professors, for example, are often evaluated more harshly than male professors in the student forms that they fill out at the end of the semester.

So we make the point that, at best, student evaluations are a really distorted good signal that's not giving you very good information at all. And at worst, it may actually be unethical to use that information, because it skews and it biases toward picking up characteristics that we would never want to make a hiring decision on, such as racial or gender discrimination or such as blowing off a class and making it easy for the students to falsely incentivize or change the way that they evaluate you as opposed to actually teaching the material.

So bringing in all these ethical considerations, it may be the case that universities are hiring and promoting faculty on all the wrong decisions, all the wrong metrics. And if that's true, it would probably be better to scrap the evaluation system entirely and choose faculty on something different, such as the quality of their research or their reputability in actually showing up and teaching their classes as expected, as opposed to this very manipulatable and probably not very accurate synopses of evaluations that come in at the end of the semester.

**WOODS:** When you write a book like this, you'll get people saying, all right, maybe some of your criticisms are valid, but do you have something to offer more than criticisms? Are there reforms that are plausible that would work? Are there reforms that are not plausible that would work? Or are there no reforms that would work?

**MAGNESS:** Right, so there are always opportunities for reform around the edges. And one of the things we do in the final chapter of the book is we posed as an open-ended question: where are the payers in the higher ed system standing? And that devolves into two areas. First, the students that are paying directly in tuition, are they getting what they expect and what they deserve in return for the actual payment that they're putting out to the university system? And then the broader question: the taxpayers, because higher ed is so thoroughly subsidized and connected to government provision of monies for its budget. This is above and beyond anything that we're expecting out of the next presidential contest, where you have all these candidates that are offering free tuition or universal student debt forgiveness. Even as it exists right now, it's a multi-trillion-dollar industry, where several hundreds of billions of dollars come from the taxpayer. So we asked the question: where are these two very clear stakeholders, the students and the taxpayers, in the equation?

And oftentimes, they're pushed aside. They're pushed aside for rent seekers within the university system that are aiming to expand their budget or secure the number of jobs in their department or make their life more cushy, more friendly to a high-minded academic research life without really providing much of a return to students. And this misalignment of incentives is really one of the major factors of why higher ed costs are going up.

So we asked the question: what would a university look like if student tuition payments were actually connected to the course that they pay for? This was an idea first proposed by Adam Smith back in *The Wealth of Nations*, and he's writing in the 1770s. He made an observation when he taught at two different universities, Oxford and then the University of Glasgow, that they had different ways that the faculty were paid. And at Oxford, all the faculty were paid a uniform rate across the board, and at Glasgow, they had a component of the tuition the students paid based on a per-class basis. So the professors that were seen as offering the greater value to them got paid more. They had actually connected some sort of a price mechanism to it. Now, that may be really hard to implement in our current higher ed system, but it's an idea that's worth considering.

Maybe even more close to realistic, I'd propose, for example, reevaluating the number of general education requirements that students have to take to qualify for a degree or relaxing some of the requirements attached to that. So if you could fulfill your general education requirements by applying them toward a major that you intend to take, you might be able to knock a year or a year and a half off of your college experience, and in doing so, reduce your tuition by \$30,000, \$40,000, \$50,000. That puts you at a much less pronounced financial disadvantage than someone who's required to take four to five years of classes that are mostly superfluous for the first couple of years of that, because they're required to go through all these courses in the English department or the foreign language department, history department, that are there not because they're enriching the students, but because they're securing a job and securing a teaching function for departments that are losing majors. So we do ask questions like that.

We also ask questions about university administrative bloat, which has gone up in astronomical rates since the 1970s. And it's mostly low-level staff in student services and student affairs, and offering things like departments of recreation or departments of environmental sustainability, so there's some political causes attached to these. They create a massive, bloated bureaucracy in almost every university system that exists, but very little of this return actually goes back to the students themselves and their educational experience. And yet, they're all paying for it. So we asked the question: maybe we should consider cutting

some of these areas of the university to recoup on the budget and transfer that back in tuition rebates to students that are actually paying for it.

So you ask a question, everything's a fixed budget in the university system, it's a lot like a government bureaucracy. And in areas where budgets are fixed, there have to be necessary tradeoffs. So if a university is spending a million dollars a year on the environmental sustainability office to install recycling bins and carbon reduction initiatives around campus, that's probably employing a very large staff. What if you took that money and gave it in tuition rebates to poor minority students that were under serviced by the university system? What's the better return on that? And I'd argue that the ethical case is almost always to go toward the students, rather than providing jobs for people in this little political cause of a bureaucracy that's attached itself to the university system. So asking questions that are barely even broached in the subject today I think is the first starting point of getting some of this expense explosion in higher ed under control and reining in some of the ethical problems.

**WOODS:** Phil, tell people what your website is, the domain.

**MAGNESS:** Yeah, it's PhilMagness.com, and I also write pretty frequently about higher ed issues at American Institute for Economic Research, where I work. That's AIER.org.

**WOODS:** Okay, yes, there's a lot of good stuff that comes out of AIER, as well. Well, the book is *Cracks in the Ivory Tower: The Moral Mess of Higher Education*, by Jason Brennan and Phil Magness. Well, best of luck with it, and I'm glad it's not the book I was expecting, because what I was expecting has already been written, but this one hadn't.

**MAGNESS:** Well, we may be doing a volume two in the future that does take up the ideological question.

**WOODS:** Well, the thing is, I bet there's stuff out there that — you know, I follow it a little bit, but there's no way I can know all the horror stories out there. So that would have its place, but I enjoyed reading a book that raised questions and offered perspectives that even I, a critic of the way higher education has operated for so long, had not thought of. So it was definitely a good use of my time. So thanks again.

**MAGNESS:** Thanks.